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

FORM 10

GENERAL FORM FOR REGISTRATION OF SECURITIES
Pursuant to Section 12(b) or (g) of
The Securities Exchange Act of 1934

Life360, Inc.
(Exact name of registrant as specified in its charter)

Delaware	**26-0197666**
(State or other jurisdiction of incorporation or organization)	**(I.R.S. Employer Identification No.)**
539 Bryant Street, Suite 402 **San Francisco, CA**	**94107**
(Address of principal executive offices)	**(Zip Code)**

Registrant's telephone number, including area code:
Tel: (415) 484-5244

With copies to:

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Securities to be registered pursuant to Section 12(b) of the Act:
None

Securities to be registered pursuant to Section 12(g) of the Act:
Common Stock, par value $0.001 per share
(Title of class)

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

Large accelerated filer	☐	Accelerated filer	☐
Non-accelerated filer	☒	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 13(a) of the Exchange Act. ☐

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EXPLANATORY NOTE

Life360, Inc. is filing this General Form for Registration of Securities on Form 10 (this “Registration Statement”) under the Securities Exchange Act of 1934, as amended (the “Exchange Act”) to register our common stock, including all shares of common stock underlying our CHESS Depositary Interests (“CDIs”), par value $0.001 per share (the “common stock”), pursuant to Section 12(g) of the Exchange Act. Once this Registration Statement is effective, the Company will be subject to the requirements of Section 13(a) of the Exchange Act, including the rules and regulations promulgated thereunder, which will require the Company, among other things, to file annual reports on Form 10-K, quarterly reports on Form 10-Q and current reports on Form 8-K, and the Company will be required to comply with all other obligations of the Exchange Act applicable to issuers filing registration statements pursuant to Section 12(g) of the Exchange Act. The Securities and Exchange Commission maintains an Internet website (http://www.sec.gov) that contains the reports mentioned in this section. Information contained on the website does not constitute part of this Registration Statement. We have included our website address in this Registration Statement solely as an inactive textual reference.

In this Registration Statement, unless the context suggests otherwise, the terms:

- “we,” “us,” “Life360” and “Company” refer to Life360, Inc., a Delaware corporation, and its subsidiaries;
- “$” or “USD” refers to U.S. Dollar;
- “A$” or “AUD” refers to Australian Dollar;
- “active user” refers to a member who opens the Life360 app after completing their registration;
- “ARPPC” refers to Average Revenue per Paying Circle which is our revenue for the period presented divided by the Average Paying Circles during the same period;
- “ASX” refers to the Australian Securities Exchange;
- “Average Paying Circles” are calculated based on adding the number of Paying Circles as of the beginning of the period to the number of Paying Circles as of the end of the period, and then dividing by two;
- “Board” refers to the board of directors of Life360, Inc.;
- “Bylaws” refers to the amended and restated bylaws of Life360, Inc.;
- “CDI” refers to CHESS Depositary Interests;
- “CHESS” refers to the Clearing House Electronic Subregister System;
- “Circles” refers to private groups created by members on the Life360 Platform, which allow members to stay connected to other members in the Circle with Circle-specific features such as location sharing, messaging and check-ins;
- “GAAP” refers to generally accepted accounting principles in the United States;
- “Jiobit” refers to Jio, Inc., a Delaware corporation and a wholly-owned subsidiary of Life360, Inc.;
- “Jiobit Acquisition” refers to Life360, Inc.’s acquisition of Jio, Inc. in September 2021;
- “Life360 Platform” refers to the suite of Life360 offerings of products and services including the Life360 mobile application and related third-party services but excluding Tile and Jiobit offerings;
- “Life360 Service” refers to the suite of Life360 offerings of products and services including the Life360, Tile and Jiobit mobile applications and related third-party services;
- “MAUs” refers to monthly active users of the Life360 Platform;
- “member cohort” refers to a group of members that downloads the Life360 app and registers for the Life360 Platform in a given month;
- “members” refers to the users of the applicable Life360 Service;
- “Paying Circles” refers to the Circles covered by a subscription;

- “Premium Memberships” refers to the Life360 Platform’s comprehensive suite of premium services delivered through subscription-based offerings, which include Life360 Silver, Life360 Gold and Life360 Platinum;
- “SEC” refers to the U.S. Securities and Exchange Commission;
- “stockholders” refers to the holders of beneficial interest of the Company’s shares of common stock, including all shares of common stock underlying our CDIs;
- “subscriber” refers to a person who has purchased a subscription to any Life360 Service;
- “subscription” refers to a paid subscription to any Life360 Service;
- “Tile” refers to Tile, Inc., a Delaware corporation and wholly-owned subsidiary of Life360, Inc.; and
- “Tile Acquisition” refers to Life360, Inc.’s acquisition of Tile, Inc. in January 2022.

FORWARD-LOOKING STATEMENTS

This Registration Statement contains forward-looking statements that are based on our management's beliefs and assumptions and on information currently available to our management. Some of the statements under "Risk Factors," "Life360 Management's Discussion and Analysis of Financial Condition and Results of Operations," "Tile Management's Discussion and Analysis of Financial Condition and Results of Operations," "Business" and elsewhere in this Registration Statement contain forward-looking statements. In some cases, you can identify forward-looking statements by the following words: "may," "might," "will," "could," "would," "should," "expect," "plan," "anticipate," "intend," "seek," "believe," "estimate," "predict," "potential," "continue," "contemplate," "possible" or the negative of these terms or other comparable terminology, although not all forward-looking statements contain these words.

These statements involve risks, uncertainties and other factors that may cause our actual results, levels of activity, performance or achievements to be materially different from the information expressed or implied by these forward-looking statements. Although we believe that we have a reasonable basis for each forward-looking statement contained in this Registration Statement, we caution you that these statements are based on a combination of facts and factors currently known by us as of the date of this Registration Statement and our projections of the future, about which we cannot be certain. Forward-looking statements in this Registration Statement include, but are not limited to, statements about:

- our ability to further penetrate our existing member base and maintain and expand our member base;
- our expectations regarding future financial performance, including our expectations regarding our revenue, cost of revenue, and operating expenses, and our ability to achieve or maintain future profitability;
- the effects of increased competition in our markets and our ability to compete effectively in our industry;
- our ability to maintain the value and reputation of our brands;
- our business plan and our ability to effectively manage our growth and meet future capital requirements;
- anticipated trends, developments, and challenges in our industry, business and in the markets in which we operate;
- our ability to successfully acquire and integrate companies and assets, including Tile and Jiobit, and to expand and diversify our operations through strategic acquisitions and partnerships;
- our market opportunity, including our total addressable market and serviceable addressable market;
- market acceptance of our location sharing services, tracking products and digital subscription services;
- our ability to anticipate market needs or develop new products and services or enhance existing products and services to meet those needs;
- our ability to increase sales of our products and services;
- our ability to develop new monetization features and improve on existing features;
- the effects of seasonal trends on our results of operations;
- our expectations concerning relationships with third parties;
- our ability to maintain, protect, and enhance our intellectual property;
- our ability to stay in compliance with laws and regulations that currently apply or become applicable to our business both in the United States and internationally, including with respect to data privacy and security, consumer protection, location sharing, item tracking, targeting and children's privacy protections;

- our ability to identify, recruit, and retain skilled personnel, including key members of senior management; and
- economic and industry trends, projected growth or trend analysis.

You should refer to the “Risk Factors” section of this Registration Statement for a discussion of other important factors that may cause our actual results to differ materially from those expressed or implied by our forward-looking statements. As a result of these factors, we cannot assure you that the forward-looking statements in this Registration Statement will prove to be accurate. Moreover, we operate in a very competitive and rapidly changing environment. New risks and uncertainties emerge from time to time and existing risks and uncertainties may become more material, and it is not possible for us to predict all risks and uncertainties that could have an impact on the forward-looking statements contained in this Registration Statement.

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 Registration Statement, and although 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 a thorough 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. Furthermore, if our forward-looking statements prove to be inaccurate, the inaccuracy may be material. In light of the significant uncertainties in these forward-looking statements, you should not regard these statements as a representation or warranty by us or any other person that we will achieve our objectives and plans in any specified time frame, or at all. We undertake no obligation to publicly update any forward-looking statements, whether as a result of new information, future events or otherwise.

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MARKET AND INDUSTRY DATA

Within this Registration Statement, we reference information and statistics regarding the industry and market within which we compete and our competitive position. We have obtained this information and statistics from various independent third-party sources, including independent industry publications, reports by market research firms and other independent sources. Some data and other information contained in this Registration Statement are also based on management's estimates and calculations, which are derived from our review and interpretation of internal company research, surveys and independent sources. Data regarding the industries in which we compete and our market position and market share within these industries are inherently imprecise and are subject to significant business, economic and competitive uncertainties beyond our control, but we believe they generally indicate size, position and market share within these industries. While we believe such information is reliable, we have not independently verified any third-party information. While we believe our internal company research, surveys and estimates are reliable, such research, surveys and estimates have not been verified by any independent source. In addition, assumptions and estimates of our and our industries' future performance are necessarily subject to a high degree of uncertainty and risk due to a variety of factors, including those described in "Risk Factors." These and other factors could cause our future performance to differ materially from our assumptions and estimates. See "Forward-Looking Statements." As a result, you should be aware that market, ranking, and other similar industry data included in this Registration Statement, and estimates and beliefs based on that data may not be reliable. We cannot guarantee the accuracy or completeness of any such information contained in this Registration Statement.

Life360's market share metric referenced elsewhere in this Registration Statement is a measurement we have developed by comparing the Life360 app to a group of 17 other apps ("Comparable Apps") offering location sharing, children safety or family location safety services. We used data.ai to obtain information related to revenue for the Life360 app and each of the Comparable Apps for the period from January 2021 to December 2021. In order to derive the Life360 market share based on revenue, we took the Life360 revenue provided by data.ai (which reflects data.ai's market estimates which are also applied to the revenue estimates provided by data.ai for the Comparable Apps) as a percentage of the total revenue of the Life360 app plus the 12 apps out of the Comparable Apps that are monetized for the period indicated above. Our revenue-based market share excludes the apps that are not monetized, as data.ai does not provide revenue information when an app is not monetized. These include: Find My, Glympse, Google Family Link, Verizon FamilyBase and Zenly. The metrics that we receive from data.ai reflect data.ai's market estimates and are not certified data from the respective app owners, and the market share metric that we provide is based upon calculations, statistics or groupings determined by Life360 using the data provided by data.ai.

TRADEMARKS, SERVICE MARKS AND TRADE NAMES

We have proprietary rights to trademarks and patents used in this Registration Statement that are important to our business, many of which are registered under applicable intellectual property laws. This Registration Statement also contains trademarks, tradenames, service marks and copyrights of other companies, which are the property of their respective owners. Solely for convenience, trademarks, tradenames, service marks and copyrights referred to in this Registration Statement may appear without the "®" or "™" symbols, but such references are not intended to indicate, in any way, that we or their owners will not assert, to the fullest extent possible under applicable law, our rights or their, as applicable, rights to these trademarks, trade names, service marks and copyrights. We do not intend our use or display of other companies' trademarks, trade names, service marks or copyrights to imply a relationship with, or endorsement or sponsorship of us by, any other companies.

ITEM 1. BUSINESS.

Overview

Life360 is the leading technology platform, based on market share of the family safety and location sharing app market, to locate the people, pets and things that matter most to families. Life360 is creating a new category at the intersection of family, technology, and safety to help keep families connected and safe. We provide safety services delivered through a mobile-native, subscription-based offering built around location sharing, mobility, driving, and coordination. In 2021, we estimated one in 10 families in the United States used the Life360 Platform and, on average, our U.S. active users and members who have enabled push notifications used the service over 15 times a day to coordinate and communicate. We also provide coverage for the “what ifs” that families worry about most, ranging from driving safety to personal SOS, identity theft protection and more. Nothing is more important than family, and we help provide peace of mind for life’s unpredictable moments for families around the world.

We started Life360 in 2007 with the vision that families would need a dedicated safety membership that incorporates a suite of safety services spanning every life stage of the family. We started by creating one of the first smartphone-based location apps on the Google Android platform. Since then we have consistently expanded our offerings and evolved from an app into a much broader platform. As a result of our innovation, we are the category leader within apps that target the family safety and location sharing app market. We have averaged a top seven ranking in the U.S. Apple App Store for downloads in the social networking category for the last three years.

Today, technology allows families to be more digitally connected than ever before, unlocking tremendous opportunities for the types of services we provide. Our platform provides us with a large audience of members worldwide and a deep understanding of their demographic and needs, including who their family members are, their daily habits and broader needs. This understanding enables us to provide a differentiated value proposition to consumers. Leveraging the trust we have with our members and the insights we collect about their daily lives enables us to build tailored products based on families’ needs, and provide an ever-growing suite of relevant services.

Our goal is to become the dominant digital brand at the center of family safety and location sharing globally. Life360 has approximately 66% market share of the family safety and location sharing app market based on revenue and over 41% aided brand awareness in the United States among parents with children ages 11 to 22 in the quarter ended December 31, 2021. See “Market and Industry Data” for more information on how we calculate market share. As of December 31, 2021, the Life360 Platform had more than 35 million members and over 1.2 million Paying Circles and was available for download in over 170 countries through the Apple App Store and over 130 countries through the Google Play Store, with approximately one in seven U.S. members in a Paying Circle. Additionally, our Tile offering is the leading cross-platform brand in finding items based on market share of the item tracker market as of December 31, 2021, with over 49 million devices sold since its inception and over 478,400 total subscribers for the year ended December 31, 2021.

Our revenue is primarily generated from the sale of subscriptions to access our services across our three brands—Life360, Tile and Jiobit. Our ability to drive value for our subscribers and retain and expand usage across our subscriber base is demonstrated by our net subscriber revenue retention on the Life360 Platform of over 100% based on the average monthly revenue for the six months ended December 31, 2021 as compared to the member cohort who registered before or in June 2021. This increased usage has also enabled us to drive growth in our ARPPC, a measure of our Paying Circles. Between December 31, 2021 and 2020 we grew ARPPC to $80.22 from $69.14, an increase of 16%. As we continue to grow our product offering, enter new markets, and drive international expansion, we aim to continue to grow our ARPPC.

We have recently taken a significant leap forward to achieving our goal of becoming the most trusted family safety brand through our acquisitions of Tile, the platform-agnostic global leader in finding things, and Jiobit, a provider of wearable location devices for young children, pets and seniors. We expect to continue expanding our

offering across digital platforms that are rapidly becoming part of daily life, including but not limited to connected devices, wearables, smart assistants, desktops and infotainment systems. As we continue to drive innovation and as digitally native families become the norm, we believe we are well-positioned to become the dominant digital brand for family safety and location sharing around the world. Our long-term vision expands Life360 beyond location-based services into a single hub where families discover, access and buy a broader set of services related to safety, being on the go or daily peace of mind (for example, elder monitoring, insurance and home security).

Our compelling financial profile is characterized by high growth, strong paid member retention, recurring revenue, and efficient customer acquisition, which have driven strong historical growth. We have an efficient go-to-market model, in which organic word-of-mouth drives the majority of our member acquisition. The Life360 Platform operates under a freemium model in which our service is available to members at no charge, while additional features are available via Premium Memberships. For the years ended December 31, 2021 and December 31, 2020, Life360 generated:

- Total revenue of $112.6 million and $80.7 million, respectively; and
- Net loss of $33.6 million and $16.3 million, respectively.

For the year ended December 31, 2021, on a pro forma basis after giving effect to the Tile Acquisition, we generated:

- Total revenue of $218.2 million; and
- Net loss of $78.4 million.

Our Competitive Strengths

- ***Leading Platform for Family Safety and Location Sharing.*** Life360 is the leader in family safety and location sharing, with approximately 66% market share of the family safety and location sharing app market based on revenue for the year ended December 31, 2021. See “Market and Industry Data” for more information on how we calculate market share. In 2021, we estimated approximately one in 10 families in the United States used the Life360 Platform to protect the people, pets and things that matter most to families. As a result of our innovation, we have averaged a top seven ranking in the U.S. Apple App Store for downloads in the social networking category for the last three years. Life360 is one of the highest ranked social networking and lifestyle mobile apps, ranking top seven on the Apple App Store and Google Play Store in the United States, as of March 31, 2022. As app store rankings significantly impact a consumer’s decision to download an app, we believe our high ranking in the app stores drives strong organic member acquisition for Life360.
- ***Powerful Network Effects.*** Life360 has built a brand entrusted by over 35 million members on the Life360 Platform and over 1.2 million Paying Circles worldwide to keep what matters most—their families—safe. We have built a brand that is synonymous with family safety and location sharing, as demonstrated by over 41% aided brand awareness in the United States among parents with children ages 11 to 22 for the quarter ended December 31, 2021. Our brand awareness and word-of-mouth virality have led to 87% organic member growth in countries where our apps are available for download in the year ended December 31, 2021, low customer acquisition cost, and the ability to grow with minimal paid marketing. We believe we are well positioned to continue driving adoption of our growing suite of services.
- ***Highly Engaged and Loyal Member Base.*** We believe our member experience is what has enabled Life360 to become the leading player in family safety and location sharing. Our members are highly engaged with the Life360 Service. On average, our U.S. active users and members who have enabled push notifications engaged with the Life360 Platform over 15 times per day in 2021. Key to our ability to drive member engagement are our deep data insights on our members, which allow us to identify specific life transition points that correlate with purchasing activity. Our member base is highly

entrenched in our platform—as more of a member's family members join the Life360 Platform, they are able to gain increasing insights into the activities of their Circle that are not replicable on any other social network. The combination of these factors contributes to our significant competitive advantage.

- ***Powerful Flywheel Drives Organic Member Growth and Subscriber Conversion.*** Our strong brand awareness and trust drive customer acquisition through word-of-mouth, and as members invite new members to our platform, we benefit from strong product virality and loyalty driven by our subscription membership model. Our members on the Life360 Platform grew by a 23% Compound Annual Growth Rate ("CAGR") from 19 million in 2018 to over 35 million in 2021, and our Paying Circles grew by a 28% CAGR from 0.6 million to over 1.2 million during the same time period. Our net subscriber revenue retention on the Life360 Platform was over 100% based on the average monthly revenue for the six months ended December 31, 2021 as compared to the member cohort who registered before or in June 2021. Our paid conversion reflects subscribers converting to paid subscriptions within the first month following their initial registration with the Life360 Platform. In the United States, our paid conversion has continued to improve to an average of 2% paid conversion for the year ended December 31, 2021, from an average of 1.1% paid conversion for the year ended December 31, 2020. As our platform scales to accommodate our growing member base, this growth drives peer-to-peer network effects and data driven insights that further improve our targeted offerings to members. For example, we have insight into one-tenth of all miles driven in the United States, allowing us to better understand driving behavior and suggest tailored insurance offerings based on individual needs.
- ***Comprehensive Product Suite with Breadth and Depth of Functionality.*** Since 2016, we have invested over $150 million in research and development into our purpose-built platform for family safety and location sharing. Our unique technology spans a wide range of services, from emergency assistance to identity theft protection to phone insurance, applicable for every member of the family from child to grandparent. We are continually expanding our platform for our families. We believe our acquisitions of Tile and Jiobit will drive further growth and conversion by improving the overall user experience. Our combination of services brings together software and finding capabilities for people, pets and things in a unified platform.
- ***System- and Device-Agnostic, with Operating System (OS) Neutrality and Interoperability.*** The Life360 suite of offerings is system- and device-agnostic, offering a unique cross-platform competitive advantage, especially in Android-heavy locales. Our products and services work seamlessly for families, regardless of the different platforms and devices that each family member may elect to use. We believe we will continue to benefit from the increasing proliferation of connected devices with our interoperable approach.
- ***Scalable Business Model Driven by Recurring Revenue.*** We believe that we have a highly scalable business model that maximizes our revenues and minimizes our costs. The recurring nature of our subscription business coupled with strong Paying Circle retention provides significant near-term revenue visibility, while our unpaid member base serves as a highly efficient subscriber acquisition funnel.
- ***Founder-Led, Seasoned Management Team.*** Life360's leadership team is composed of highly experienced executives, with a proven track record of scaling consumer technology and subscription businesses, led by our co-founder and Chief Executive Officer, Chris Hulls. We are aligned and focused on our opportunity to build the most trusted brand in technology for families.

Our Growth Strategies

We intend to pursue the following growth strategies:

- ***Grow Members in New and Existing Markets.*** Life360 has both a strong foothold in the United States, where we estimated one in 10 families in the United States used the Life360 Platform in 2021, and a large and growing international member base. The Life360 app is available for download in over 170 countries through the Apple App Store and more than 130 countries through the Google Play Store.

Our members are our best acquisition engine, and we believe that word-of-mouth referrals will continue to drive strong new member growth for Life360. We plan to drive further market penetration through increased investments in international marketing and brand awareness, member acquisition initiatives, and the provision of new features, such as our free data breach alerts, into these regions. In December 2021, we launched the first non-U.S. full-service membership offering of the Life360 Platform in Canada, with plans to continue this rollout in other markets such as the United Kingdom (the "UK"), Australia and Europe. Our acquisition of Tile, which is system- and device-agnostic and derives 16% of its hardware net revenue from outside the United States, has the potential to significantly accelerate our international growth roadmap, especially in Android-heavy locales.

- ***Improve Conversion from Free Members to Paid Subscriptions.*** As of December 31, 2021, MAUs in U.S. Paying Circles represented approximately 14% of our approximately 24 million U.S. MAUs, providing a strong runway for additional paid conversion. We understand the deep impact our services have on the daily lives of our members. On average, our U.S. active users and members who have enabled push notifications engaged with the service over 15 times a day in 2021. Our primary strategy for subscriber conversion is to continue to invest in our product offering, meet the high standards of service that will allow our members to rely on us, and deepen our engagement with our member base.

- ***Increase Monetization of Our Subscriber Base.*** As our members increase their engagement with our services, we see not only higher conversion to paid subscription but also higher average revenue per member as our members move to higher priced subscription tiers. Beyond our free membership, we offer Premium Memberships, which include Life360 Silver, Life360 Gold and Life360 Platinum. Our recent acquisitions of Tile and Jiobit are intended to enhance the value proposition of the Life360 subscription, creating opportunities for increased upsell. Similarly, Life360's offering drives increased upsell opportunities for Tile and Jiobit's premium tiers. See "—Our Products—Tile—Tile Subscription Options" and "—Our Products—Jiobit—Jiobit Subscription Options." We plan to expand our suite of services beyond location and safety, to meet family needs across the life stage continuum—from children to empty nesters, to elder care.

- ***Pursue Disciplined Expansion in New Use Cases, Including Entering New Verticals.*** Product innovation lies at the heart of our platform, and as we continue to leverage our core technologies to offer additional services, expand into more life stages of families and enter new verticals, we will strengthen our value proposition to consumers. We leverage the insights we generate from our platform to further enhance our offering. While we primarily monetize via subscriptions today, we intend to expand into new revenue streams by leveraging the trust we have with our members and the insights we collect about their daily lives. For example, we are developing our lead generation which delivers product offerings from partners to members in contextually relevant ways that do not feel like advertisements. Currently, lead generation at Life360 is limited to displaying auto insurance offers in the Life360 Service after the member has indicated they are interested in receiving such offers by clicking on the advertisement within the app. In the future Life360 may consider offering members more third-party solutions beyond auto insurance through lead generation.

- ***Assess Strategic Acquisition Opportunities.*** With our acquisitions of Tile and Jiobit, we plan to leverage our platform to bring additional opportunities to enter new verticals for pets, elder care, and the things that matter most to families. These acquisitions have been successful in accelerating our platform vision, driving growth, and delivering value. We may selectively pursue acquisitions to accelerate our platform opportunity in the future, focusing on areas of differentiation that shore up our scale and competitive advantage.

Our Opportunity

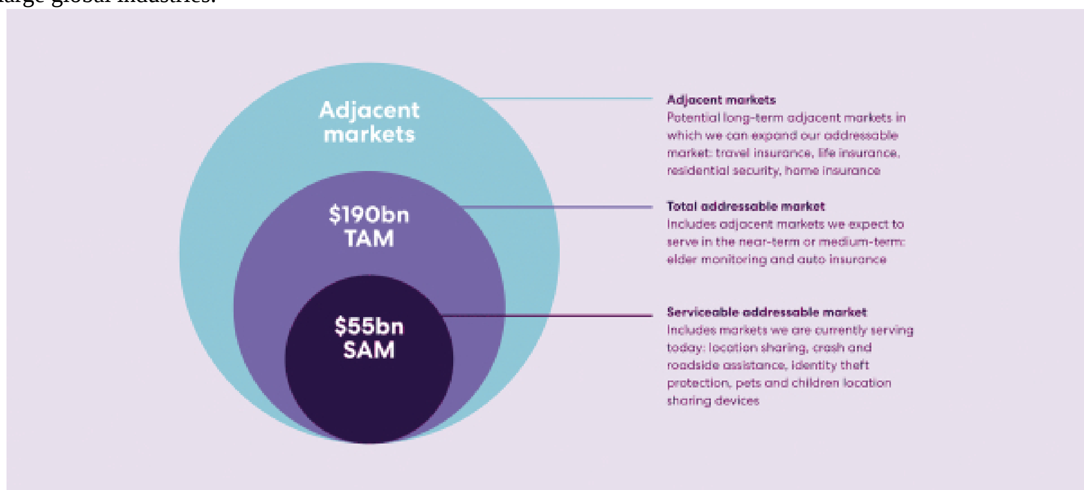
We believe that our market opportunity is supported by several long-term tailwinds driving demand for the Life360 Service.

Industry Trends in Our Favor

- ***Increased Prevalence of Connected Devices.*** Today, there is a widespread proliferation of connected devices that allows people to stay "always connected" and manage their daily lives. This trend is further accelerated by generational shifts in digital adoption, with children using digital technologies at earlier ages and people using technology across all stages of life. These connected devices have increased the availability of location-based capabilities and enabled new use cases for consumers, including personal and device tracking.
- ***Shift Towards Mobile App-Based Experiences.*** Consumers expect user-friendly, on-demand, mobile-first experiences that provide convenience, functionality, safety, and control. According to Allied Market Research, the global mobile application market is projected to grow from $176 billion in 2021 to $407 billion in 2027 at a CAGR of 18%.
- ***Broader Adoption and Expectation of Location Sharing.*** Social media apps have helped drive awareness of location-based services and have led to the normalization of location sharing between users for a wide range of consumer applications, such as communication, social coordination, and travel. Growth in location-based services is expected to be further driven by innovation in areas such as location safety, driving safety, digital safety, and emergency assistance. According to Technavio, the global location-based services market is expected to grow from $30 billion in 2021 to $100 billion by 2025, at a CAGR of 35%.
- ***Increased Focus on Safety and Coordination Post-COVID.*** As the world moves through COVID-19, families are resuming their normal daily activities, including children returning to school, increased travel, and out-of-home activities and experiences. We believe families are doing so with an increased focus on enhanced safety. Location sharing and tracking provide a way to enhance safety to protect family members, providing peace of mind and coordination even as members of the family are distributed across different locations and activities.
- ***Growth in Adoption of Digital Subscription-Based Services.*** Digital subscription-based services have grown in popularity globally, disrupting nearly every industry from retail to media to hospitality. Consumers are embracing subscription services due to the value, convenience, and personalized experiences enabled by these services.

Addressable Market

With our location-based technology as an anchor and our holistic approach to create the most trusted family safety brand, we have direct entry points into several large global industries.



Our current addressable market includes industries we are serving today and in which we are actively growing or investing. We estimate our serviceable addressable market to be $55 billion globally, consisting of verticals in location sharing, crash and roadside assistance, identity theft protection and pets and children location sharing devices, with additional opportunity in item tracking (not currently included in the $55 billion serviceable addressable market):

- ***Location Sharing.*** Location sharing and associated safety features are a core pillar of our service, providing peace of mind for families through knowing location activity, receiving notifications, coordinating through messaging, and sending emergency alerts. The Life360 Service allows members to access dynamic location data and is part of the estimated $30 billion location-based services market in 2021 that is expected to grow to $100 billion by 2025 at a CAGR of 35%, according to Technavio.
- ***Item Tracking.*** Tile is a pioneer in the rapidly growing smart tracker industry. The market has seen strong growth in recent years as customers increasingly rely on this technology for more use cases in their daily lives, such as: finding lost keys; reminding them if they've left for work without their laptop; locating lost luggage; or keeping track of a child's jacket, among others. At a time when daily life is becoming more hectic, the smart tracker market helps address the everyday pain point of losing or misplacing the things that matter most to families.
- ***Crash and Roadside Assistance.*** Life360 Service's Crash Detection service can sense collisions and deploy emergency response; additionally, we aid with roadside issues, including towing and jumpstarts. According to Technavio, the vehicle roadside assistance market was estimated to be $15 billion globally in 2021 and is expected to grow to $18 billion by 2025 at a 6% CAGR.
- ***Identity Theft Protection.*** Increased credit card, employment, and bank fraud has driven a need for identity theft protection services. According to Magna Intelligence, the identity theft protection market was estimated to be $7 billion in 2021, growing to $21 billion by 2028, at a CAGR of 16%. Life360 developed a platform through which we leverage our aggregated data to offer proactive protection, notify about potential threats, and assist in remediation.
- ***Pets and Children Location Sharing Devices.*** Our acquisition of Jiobit adds a new pillar to our business, allowing us to cater to consumers with pets and children five to 10 years old through wearable devices. According to Global Market Insights, the pet wearables market was estimated to be $3 billion in 2021 and expected to grow to $10 billion by 2027 at a CAGR of 22%.

As part of our growth roadmap, we expect to leverage our core experience to drive growth in adjacent markets, expand our addressable market, and integrate Life360 into all life stages. Our total addressable market consists of adjacent markets which we believe we can reach over the near- to mid-term and present an additional combined $190 billion global market opportunity in auto insurance and elder monitoring, with additional opportunity in family financial services (not currently included in the $190 billion total addressable market):

- ***Auto Insurance.*** Today, the Life360 Service tracks 10% of all miles driven in the United States, giving us unique insights into driving habits. We believe we can leverage this contextualized driving data and partner with insurance underwriters to offer bespoke plans, disrupting the insurance agent and broker distribution channel in the consumer auto insurance industry. According to Allied Market Research, the personal auto insurance industry for insurance agents and brokers is expected to grow from approximately $187 billion in 2021 to $267 billion in 2027 at a CAGR of 6%.
- ***Elder Monitoring.*** The elder monitoring market includes a range of wearables, smart home technology and other monitoring devices that provide location and health tracking, incident alerts and other communication services for elderly users, their caregivers and families. We have the opportunity to enter this market because hardware-based elder monitoring devices are used similarly to how Life360 is used today. We may also be able to implement software-based functionality into Life360 that tracks an elder's activity, such as falls, leaving the home or leaving a geo-fenced area. According to ResearchandMarkets, the mobile personal emergency response systems market was approximately $4 billion in 2021, growing to $6 billion by 2027 at a CAGR of 8%.

- ***Family Financial Services.*** As we continue to deliver on a complete suite of family membership services, we can leverage the trust we have built with families to offer unique services for children and teenagers. With our core location platform and insights about families, we believe we can drive innovation in this rapidly expanding industry by building partnerships with the leading players in the space.

Our Value Proposition to Consumers

Our platform provides the following key benefits to family members at all family life stages:

- ***Secure Location Sharing and Coordination***. Location sharing and coordination underpin our platform, providing security and peace of mind to Life360 Service members. Using our location platform and location-based insights as a foundation, we expect to continue building innovative safety services and adding value to consumers in adjacent areas built upon location and safety.
- ***Comprehensive Platform for Safety***. Life360 provides a suite of services that span every life stage of the family.
  - *People, Pets, and Things*. We provide the full breadth of location-based offerings for people, pets, and things in a single solution set. We believe this combined offering is a key differentiator for us, enabling us to cover all life stages and use cases for our member base.
  - *Physical, Digital, and Driving Safety*. The Life360 Platform combines key safety solutions and incorporates them into a single membership within a single mobile app. We started with a focus on physical family safety and have recently expanded into digital family safety to help families as they face digital safety challenges. Life360 Platform subscribers get access to trained third-party emergency response operators who can offer real-time help 24/7 in situations that range from minor annoyances such as getting a flat tire and everyday challenges such as basic medical advice, to critical emergencies such as car accidents and stalking.
- ***Ease of Use***. We designed our platform for broad adoption across individuals and families. We have focused on a well-designed member experience that provides peace of mind with intuitive, frictionless tools for members. The simplicity and ease of adopting our products create a seamless, worry-free experience for members.
- ***Leading Innovation***. Life360 is focused on continuously developing new features and expanding our offerings to drive value for our members. Our long-term vision expands Life360 into a hub where families discover, access and buy a broader set of services related to safety. To date, we have expanded from location sharing to a wide range of adjacent services, such as driver safety, identity theft protection, and disaster and travel assistance, among many others. We expect to continue leveraging our insights on member needs to continue expanding our offering into new industries, such as insurance and elder monitoring. Tile also focuses on continuous innovation. For example, Tile offers an industry-first “Item Reimbursement” service, providing reimbursement for a lost item if Tile is unable to locate the item. Tile also designs numerous form factors to ensure there is a device for every use case.
- ***Large and Engaged Member Base Driving Value Creation***. The scale and high engagement of our member base drives powerful network effects, attracting more members to our platform. Our scale gives confidence in our solutions and enables us to derive critical insights on member habits, needs and preferences to further enhance our product offerings and improve the member experience. This ability to leverage data through scale results in a continuous cycle of value creation.
- ***Flexibility and Interoperability***. Our system- and device-agnostic approach enables OS interoperability, making it seamless for members to stay connected across operating systems and devices. Life360 gives families the choice and flexibility to use the options that work best for their family; each family member can select the right device and be a part of Life360.

- ***Bundled Membership Provides Compelling Value to Consumers***. Life360's bundled membership provides a cost-effective solution at a fraction of the cost for consumers compared to incumbents in the safety, security, and insurance industries. Most of our features are software-based, with the advantage of very low setup and support costs, making the marginal cost of onboarding incremental new members very low. For example, Life360 Platinum offers roadside assistance, nurse help line, stolen phone reimbursement, crash detection, location sharing, and more, at less than one-tenth the cost of the same package purchased piecemeal from competitors.
- ***Partner Ecosystem Enhancing Platform Functionality***. Our scale has allowed us to build unique partnerships that expand the value and reach of our offering. Tile devices are embedded in products with over 30 partners, such as Bose, HP, Skullcandy, and Dell. This network of partners helps broaden our location sharing functionality and allows members to benefit from Life360's technology across the devices and use cases that best fit their lifestyle.

Our Products

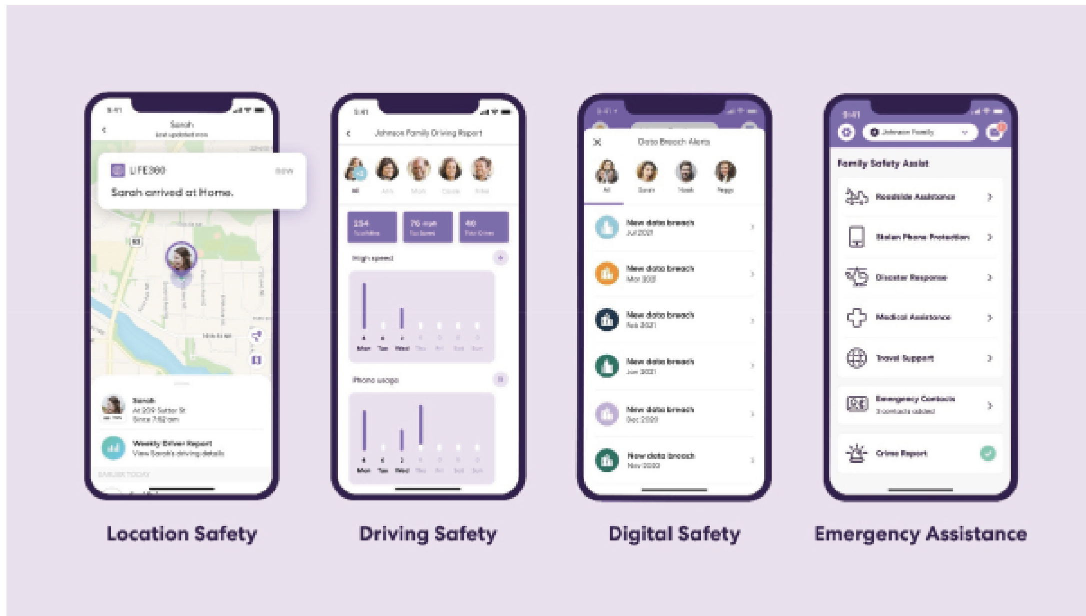
Life360

Life360 provides a one-stop solution for family safety and location sharing through the Life360 Platform's vertically-integrated mobile app and our Tile and Jiobit location sharing devices.

Life360 Platform

We currently offer four key product features that combined make up the Life360 Platform: (i) location coordination and safety, (ii) driving safety, (iii) digital safety, and (iv) emergency assistance. Each of these features keeps members connected to the important people in their lives by organizing them into Circles. A member selects who to invite to their Circle and what information a Circle receives. Any individual invited to a Circle must accept the invitation on their own device by installing the Life360 mobile app, creating an account, and giving permission for others to locate them by joining the Circle. Members of a Circle will receive information about other members in their Circle consistent with the services available based on their subscription plan and what a member chooses to share with their Circle.

Our location coordination and safety features include real-time location, location history and smart notifications such as location-specific alerts, driving alerts, crash alerts and crime reports. The Life360 Platform provides members with a custom map that shows the real-time location of the members in their Circles and additional context around their location data, such as street address and battery level. The device location data and information members elect to share with the platform enable us to efficiently capture accurate, real-time location data while the app is running in the background, which ensures that the member's map is always up to date and visible to other members of their Circle, even if the member does not open the app. Members have the option to disable location sharing at any time for a specific Circle and to customize location sharing through a feature called "bubbles," which only shares approximate location with Circle members while all safety and messaging features remain on. Additionally, our location history feature enables members to see the location history for each member in their Circle for the past two to 30 days based on their subscription plan. Parents can retrace their family members' steps to get an ongoing timeline of their family's past trips. Smart notifications, such as place alerts, drive alerts and crime reports, allow members across a Circle to coordinate when and where they arrive without having to send a single text. Place alerts automatically alert members when a Circle member enters or leaves a location designated by a Circle member. The Life360 Platform also provides crime alerts when crimes occur near members in order to promote greater safety and facilitate smarter decisions.



Our driving safety features include crash detection, roadside assistance, family driving summaries and individual driver reports. Our crash detection feature senses any collision that occurs at a speed over 25 miles per hour and immediately alerts the member’s Circle and emergency contacts if the member does not respond to the crash detection’s initial outreach. Outside of crash detection, we offer 24/7 roadside assistance to help with jumpstarts, towing, lockouts, refueling and other needs. During a drive, the Life360 Platform analyzes phone location and movement activity to determine potentially unsafe driving behaviors such as high speed, hard braking and rapid acceleration. When a member enables the Drive Detection feature, other members of the driver’s Circle are able to view a summary of each drive that is at least half a mile long and hits a speed over 15 miles per hour. Our family driving summary provides members with weekly snapshots of a Circle’s driving insights including top speed, phone usage, high speed, rapid acceleration and hard braking.

Our digital safety features include data breach alerts, identity theft protection, stolen funds reimbursement and credit monitoring. Data breach alerts attempt to identify theft by notifying the Circle if a Circle member’s data is stolen and found on the dark web. If identity theft occurs, specialists are available to assist Life360 Gold and Life360 Platinum members with gathering information, restoring the member’s identity and completing the necessary paperwork. Our third-party partner provides Life360 Gold members with stolen funds reimbursement of up to $25,000 for costs associated with out-of-pocket expenses related to identity theft and, for Life360 Platinum members, stolen funds reimbursement of up to $1,000,000 for costs associated with out-of-pocket expenses related to identity theft. Life360 Platinum members also receive third-party credit monitoring which notifies Life360 Platinum members if new accounts are opened in their name or if there is a change in their credit report.

Our emergency assistance features include SOS with emergency dispatch, disaster response, medical assistance and travel support. We offer SOS alerts with emergency dispatch that send alerts to a member’s Circle and request an ambulance in the event Life360 detects a car crash. We expand on these services for our Life360 Platinum members with disaster response that provides access to trained third-party agents who can provide assistance in the following cases: evacuation support in the event of natural disasters, active shooter events, emergency evacuation due to political or military events and other emergency situations including real-time information and expert resources about infectious disease outbreaks. We also provide medical assistance features, through a third-party partner, to Life360 Platinum members, including an on-call 24/7 nurse hotline,

medical advice, and referrals for pharmacies and specialists. The travel support feature equips Life360 Platinum members with assistance with the following: emergency travel arrangements, lost or stolen travel documents, lost luggage, access to a translator, interpreter referrals and pre-trip planning such as assistance with visa, passport and inoculation requirements.

Life360 Subscription Options

The Life360 app is available for download in more than 170 countries through the Apple App Store and more than 130 countries through the Google Play Store. We operate under a freemium model in which the Life360 Platform is available at no charge and includes a number of safety features for the everyday family. Beyond our free membership, we offer a comprehensive suite of premium safety services through Premium Memberships, which include Life360 Silver, Life360 Gold and Life360 Platinum. Pricing for the Premium Memberships of the Life360 Platform currently ranges from $4.99 to $19.99 per month depending on the chosen subscription option.

Premium Memberships are available in the United States and Canada. Outside of these two markets, Life360 offers the free membership and a single paid membership option ("Life360 Premium"), which is priced at $4.99 per month in local currency equivalent and offers unlimited place alerts, 30-day location history and individual driver reports.

Tile

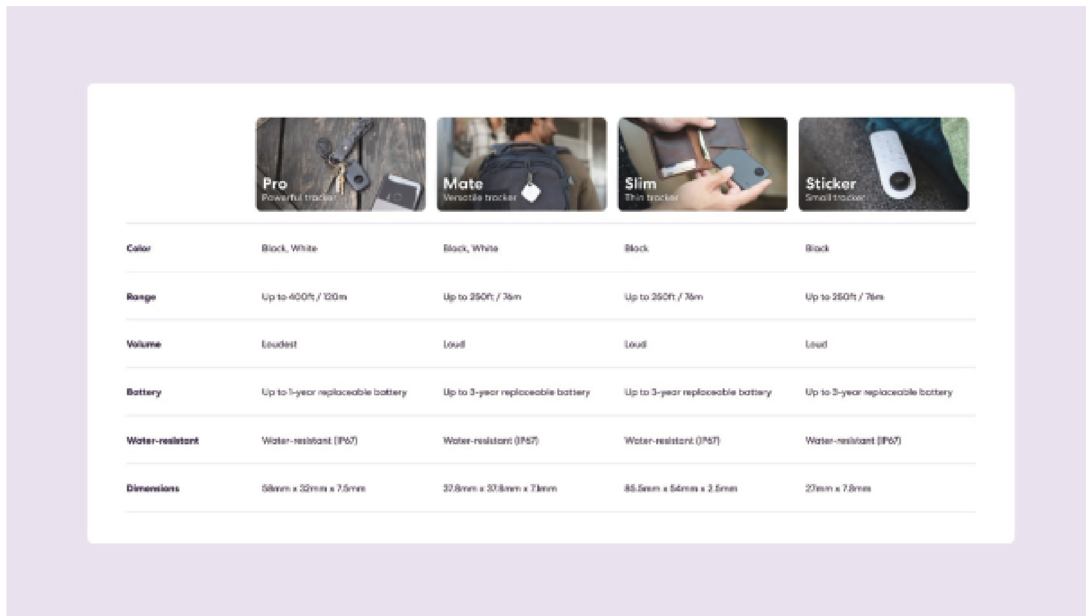
As of December 31, 2021, Tile was the leading cross-platform brand in finding things based on market share of the item tracker market. We acquired Tile in January 2022 to create a comprehensive cross-platform solution that enables location-based tracking of people, pets and things.

Tile Product Line

Tile's platform helps people find the things that matter the most to them, locating millions of unique items every day. Tile's products come in various shapes, sizes and price points for different use cases. We expect that

Tile's network will become more robust when it leverages the Life360 member base to broaden its Tile network, generating even higher confidence that we can locate lost devices of Tile customers. Tile devices are sold through retail channels such as Best Buy, Target and Amazon as well as directly via Tile.com. Single Tile devices have a range of U.S. manufacturer's suggested retail prices from $19.99 to $34.99 with additional bundles at higher price points. Tile devices are available in 50 countries at locally relevant prices.

We offer Tile in a range of form factors, designed to offer flexibility for different use cases. The Tile product line includes Pro, Mate, Slim and Sticker. The Tile Pro is our most powerful tracker with a range of up to 400 feet and offers a replaceable battery with a lifespan of up to one year. The Tile Mate is our most versatile tracker with a range of up to 250 feet and offers a non-replaceable battery with a lifespan of up to three years. The Tile Slim is our thinnest tracker that can fit inside a wallet, has a range of up to 250 feet, and offers a non-replaceable battery with a lifespan of up to three years. The Tile Sticker is a small tracker with an adhesive backing that can be attached to other devices. The Tile Sticker has a range of up to 250 feet and offers a non-replaceable battery with a lifespan of up to three years.



	Pro Powerful tracker	Mate Versatile tracker	Slim Thin tracker	Sticker Small tracker
Color	Black, White	Black, White	Black	Black
Range	Up to 400ft / 120m	Up to 250ft / 76m	Up to 250ft / 76m	Up to 250ft / 76m
Volume	Loudest	Loud	Loud	Loud
Battery	Up to 1-year replaceable battery	Up to 3-year replaceable battery	Up to 3-year replaceable battery	Up to 3-year replaceable battery
Water-resistant	Water-resistant (IP67)	Water-resistant (IP67)	Water-resistant (IP67)	Water-resistant (IP67)
Dimensions	58mm x 32mm x 7.5mm	37.8mm x 37.8mm x 7.1mm	85.5mm x 54mm x 2.5mm	27mm x 7.8mm

Tile Subscription Options

Tile offers a free service as well as two paid subscription options: Premium and Premium Protect. The Premium subscription offers smart alerts to proactively notify a member who has left Tile devices behind, free battery replacements for Tile devices with replaceable batteries, a warranty for Tile devices with defects or accidental damage, unlimited location sharing, location history for the past 30 days and access to Tile's Premium customer care team. Premium is available for $2.99 per month or $29.99 per year. Premium Protect offers all the benefits of Premium, plus up to $1,000 item reimbursement per year and is available for $99.99 per year.

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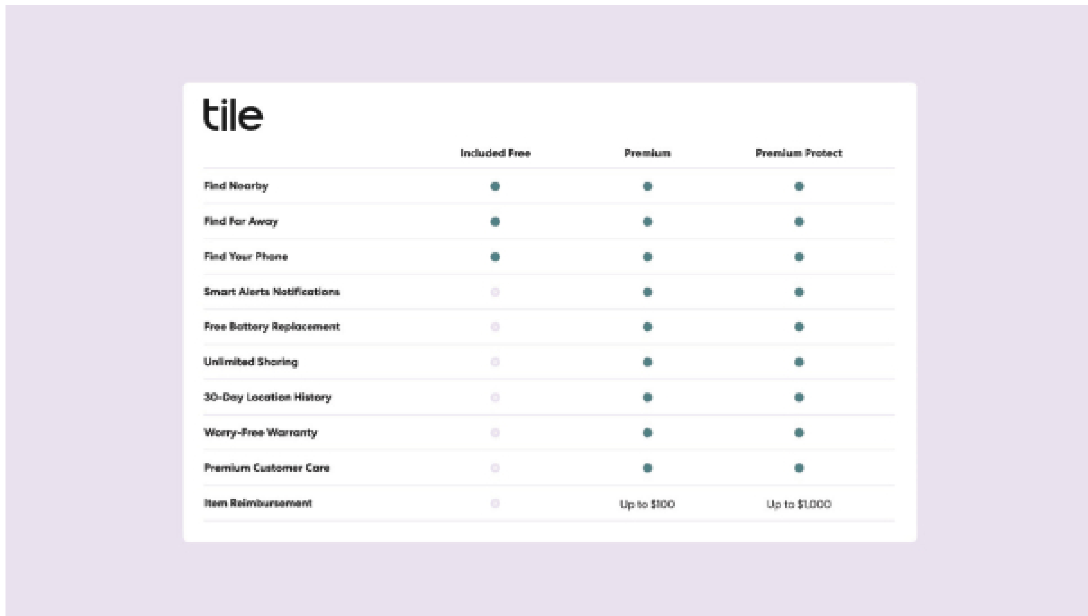


tile

	Included Free	Premium	Premium Protect
Find Nearby	●	●	●
Find Far Away	●	●	●
Find Your Phone	●	●	●
Smart Alerts Notifications	○	●	●
Free Battery Replacement	○	●	●
Unlimited Sharing	○	●	●
30-Day Location History	○	●	●
Worry-Free Warranty	○	●	●
Premium Customer Care	○	●	●
Item Reimbursement	○	Up to $100	Up to $1,000

Tile Partner Network

Tile works with over 30 partners, including Bose, HP, Skullcandy, and Dell and is embedded in over 50 partner products across audio, travel, wearables and personal computer categories.

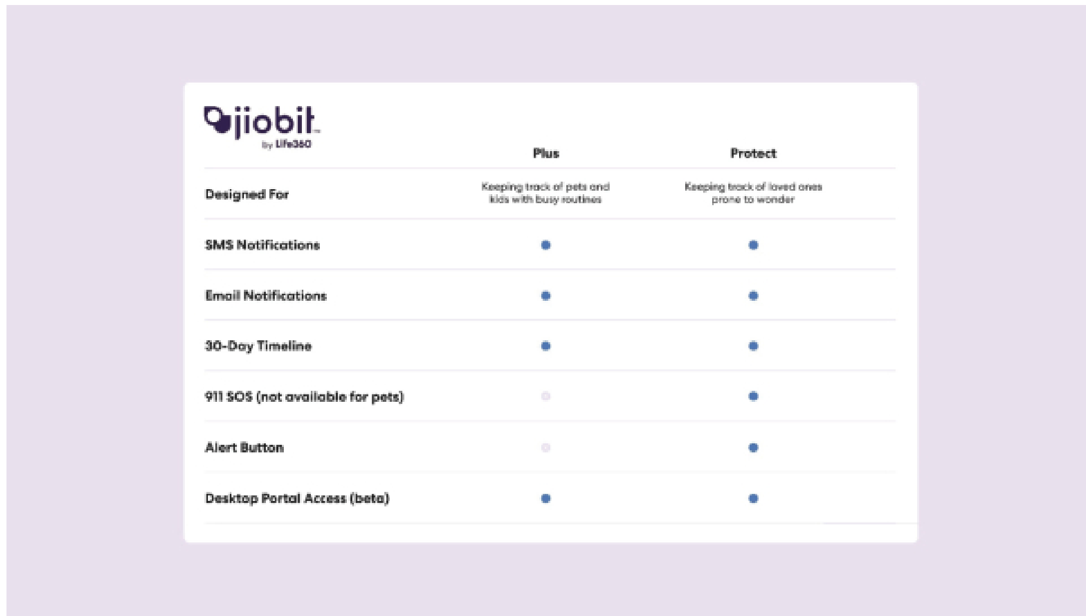
Jiobit

Jiobit is a leading platform-agnostic wearable location device for young children, pets and seniors. Jiobit has developed and patented a new way to resolve location based on Bluetooth, Wi-Fi, and multiple GPS systems. We acquired Jiobit in September 2021 to create a comprehensive cross-platform solution.

Jiobit Product Line

Currently, Jiobit is offered exclusively in the United States. Customers purchase a Jiobit device at the current U.S. manufacturer's suggested retail price of $129.99 and a monthly subscription to access Jiobit location tracking services. The Jiobit device is built on a 5G-compatible, low-power network that is faster and more available in rural and previously low-coverage and dead-zone areas. Jiobit technology uses a combination of GPS, cellular, Wi-Fi and Bluetooth to ensure the device is always connected. The device comes with a rechargeable battery that can last a full week between charges for elder and children location sharing, and up to 20 days for use on pets. The device has a modular design to allow for multiple wearing options with a focus on discretion and secure attachment, weighing less than an AA battery and being smaller than a tea bag in size. The device is both slip and water resistant. Additional accessories and attachment options are available to meet specific member needs.

Jiobit Subscription Options



jiobit by Life360	Plus	Protect
Designed For	Keeping track of pets and kids with busy routines	Keeping track of loved ones prone to wonder
SMS Notifications	●	●
Email Notifications	●	●
30-Day Timeline	●	●
911 SOS (not available for pets)		●
Alert Button		●
Desktop Portal Access (beta)	●	●

The Jiobit device requires a monthly subscription plan to stay connected to the Jiobit services. Subscription prices vary based on the duration of the contract and range from $8.99 per month with a two-year commitment to $14.99 per month, with no commitment. Each monthly contract can be upgraded with a premium subscription add-on—Jiobit Plus and Jiobit Protect. The Plus subscription add-on offers (i) a 30-day timeline feature that stores 30 days of location history, SMS and email notifications in addition to push notifications and (ii) access to the Jiobit desktop portal to provide greater access to all Jiobit features and devices. The Protect subscription add-on offers all of the Plus subscription features and also includes (i) SOS notifications for emergency response to the location of a Jiobit device and (ii) alert button notifications which allow the device wearer to send help alerts to the Jiobit app. Each premium subscription add-on is available for $6.00 per month or $8.00 per month for Plus and Protect, respectively, which is in addition to a subscriber's monthly subscription for a total monthly contract price of between $16.99 to $20.99 with add-ons.

Our Jiobit offering will be rebranded and integrated into our Tile operations to support our comprehensive cross-platform solution that enables location-based tracking of people, pets and things.

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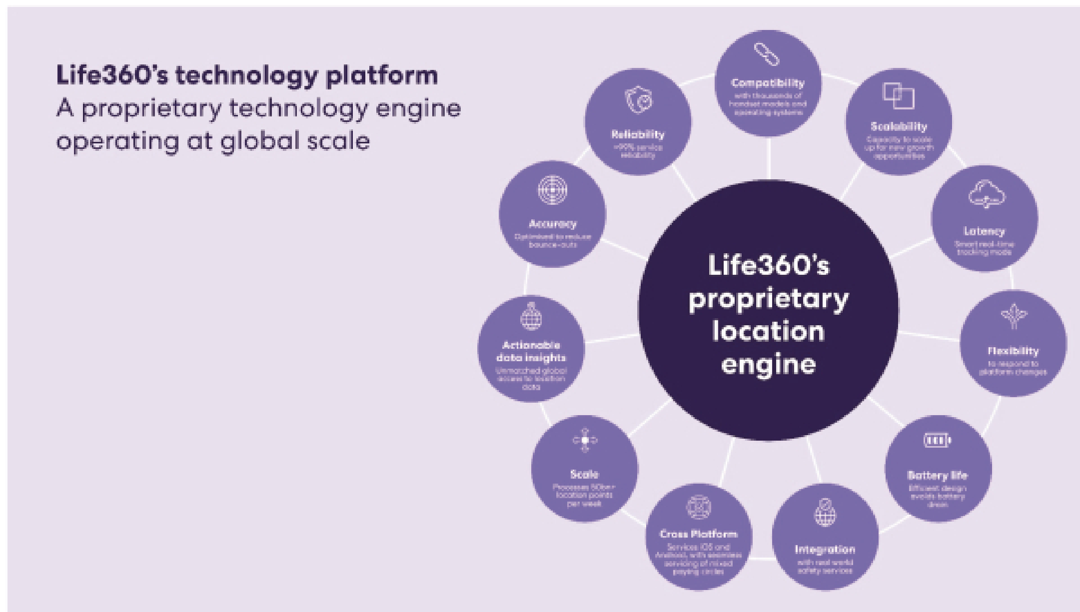
Our Technology Platform



To help families stay connected and safe we have developed a scalable mobile-first technology platform that supports our business while protecting our operational integrity, security and performance. Technology is at the core of everything we do. We continuously invest in innovation and the integration of new features to drive our competitive advantage, and today, over 60% of our employees work in research and development. With over a decade of industry knowledge, we have built a strong advantage around our key technology tenets: accuracy, timeliness and battery life.

Highlights of our technology platform include a robust location engine design, scalable and modern technology infrastructure, seamless third-party integration, reliable service and shared infrastructure across products and services.

Location Engine Design

Our location engine is at the core of the Life360 Platform. We have designed an end-to-end location technology solution that allows us to deliver real-time location-based experiences and includes functionality such as storage, processing and communication of events, locations, drives, maps, places, networking and visualization of device characteristics for people, pets and things. Our refined location engine provides high accuracy, increased consistency, low latency and long battery life. The Life360 Platform collects raw sensor data from all available sensors on a member's phone, including GPS, Wi-Fi, accelerometer, gyroscope and magnetometer and Bluetooth in various configurations, to optimize for reliability, accuracy, latency and power consumption. These optimizations are available for all of our major hardware platforms as well as the corresponding smartphone apps. Combined with our scalable backend architecture, this enables us to process billions of location-related activities daily from millions of devices worldwide and continuously improve our member services. The collected data is processed by our internal software to filter out low accuracy points and signals and is further clustered for use in our features and stored to provide long-term insights to each member.

Scalable and Modern Technology Infrastructure

We maintain a scalable, modern technology infrastructure which allows us to focus on running and scaling our Life360 Platform rather than building our own infrastructure. We primarily utilize Amazon Web Services

(“AWS”) for our backend platform and infrastructure to connect to our apps and custom hardware devices. We additionally use the Google Cloud Platform (“GCP”) for some of our functionality. Using these services grants us access to a highly distributed, scalable, reliable and secure architecture for global delivery.

Third-Party Integration

To extend the features and functionality of our platform, we integrate third-party software into our products where applicable. We provide members with various safety and support services provided by third-party partners including: 24/7 emergency dispatch, roadside assistance, identity theft protection, medical and travel triage and planning assistance which includes disaster response services, security transportation services, medical assistance services, emergency travel support, travel assistance services and parental verification consent mechanisms.

Our platform seamlessly integrates with our partnership offerings with several Software-as-a-Service vendors. This enhances our offerings with capabilities and features such as contextual auto insurance ads, identity theft protection, data breach alerts, and voice service integrations. These integrations are done through a collection of application programming interfaces (“APIs”) and are weaved into seamless experiences for customers. These APIs can be further extended to other third-party services for map overlays, insurance and automotive use cases through services such as notifications and account linking based on the product roadmap and market requirements. To ensure greater service reliability, we use a third-party information technology security and analytics firm to perform penetration testing services, simulate attacks on our networks, apps, devices and members, and identify the security level of our key systems and infrastructure. Additionally, we have testing and monitoring processes for software and infrastructure changes with structured releases of updates and containment barriers to enhance the quality of the Life360 Platform.

Our newly acquired Tile business segment will be able to share and take advantage of our extensive infrastructure to enhance its own offering once the initial integration is complete. Tile will leverage the established Life360 infrastructure by connecting its devices to the Life360 Platform, leading to increased reliability and accuracy. This integration will allow members and Circles to keep track of their things and connect with each other through one seamless Life360 Platform.

Competition

Life360 is the market-leading safety platform, according to market share of the family safety and location sharing app market based on revenue, to locate the people, pets and things that matter most to families. See “Market and Industry Data” for more information on how we calculate market share. We were a pioneer in location sharing and have expanded our offerings to provide a comprehensive suite of safety services, delivered through a mobile-native, subscription-based offering.

Our competitors include both large competitors with various product and service offerings and smaller competitors, including (i) direct competitors with location sharing products that target family safety, (ii) competitors providing location sharing platforms that are not focused on family safety, (iii) competitors in the item tracking technology market and (iv) competitors that have, or may in the future have, overlapping offerings (for example, companies in industries related to roadside assistance and crash detection, identity theft protection, phone insurance and travel, disaster and medical assistance).

While our industry is becoming increasingly competitive both domestically and abroad, we believe that we will continue to compete successfully due to our leading market position, superior value proposition, brand recognition, ability to leverage our member base, our comprehensive suite of offerings and economies of scale. In addition, our data-driven insights on families’ habits, needs and preferences enable us to continuously enhance our product offerings and improve the member experience, reinforcing our competitive differentiation.

We believe that our competitive position depends primarily on the following factors:

- our ability to continue to increase social and technological acceptance and adoption of location sharing and tracking products and digital subscription services;
- continued growth in internet access and smartphone adoption in certain regions of the world, particularly emerging markets;
- our ability to increase our organic growth through word-of-mouth;
- our ability to maintain the value and reputation of our brands;
- the scale, growth and engagement of our member community relative to those of our competitors;
- our ability to introduce new, and improve on existing, features, products and services in response to competition, member sentiment, online, market and industry trends, the ever-evolving technological landscape and the ever-changing regulatory landscape; and
- our ability to continue developing new monetization features and improving on existing features.

Go-to-Market Strategy

Life360's member base has historically grown primarily organically through word-of-mouth referral and virality from our Circle-based model. We continue to make investments in our go-to-market strategies to supplement our organic growth model and to enhance our service offerings to existing and new members. Key elements of our strategy include:

- ***Brand Marketing.*** We drive awareness of the Life360 Service via brand marketing, PR and organic social media efforts focused primarily on families with children ages 11 to 22. We reach our target audience via online and offline campaigns that drive press coverage, social sharing and more word-of-mouth. We primarily focus on high-reach channels like streaming TV, online video, Facebook, TikTok and online search. We recently invested in a brand refresh, allowing us to expand from location sharing, to add key dimensions of safety and family, such as crash detection, emergency response and identity theft protection. We believe that our products and services enable families to live life fully while staying connected and protected. In 2021, we created the Family Advisory Council to bring together well-known celebrities and influencers to help shape Life360's future product direction and marketing.
- ***Freemium Model***. We invest heavily in the free member experience. Our Life360 Platform operates under a freemium model in which our app is available to members at no charge, while Premium Memberships with additional features are available via paid subscriptions. This model has allowed us to scale to over 35 million MAUs on the Life360 Platform. The Life360 app is available for download in more than 170 countries through the Apple App Store and more than 130 countries through the Google Play Store as of December 31, 2021, creating a massive base of members who help to provide word-of-mouth referrals and drive virality for our product. This viral model of members joining our freemium offering and introducing and inviting new members lowers our customer acquisition costs. Further, the data and insights generated by our large member base enable us to drive targeted product enhancements that strengthen our competitive advantage.
- ***Paid Acquisition***. We complement and accelerate our organic member acquisition with strategic and targeted paid marketing spend. Our paid acquisition strategy is focused on targeting high quality member segments via streaming TV, mobile, paid social, and paid search marketing. We continue to test into and launch new and creative marketing channels to further scale spend and drive efficiencies. We use our paid acquisition on a limited basis and are not reliant on it for our member growth. Additionally, our paid marketing also leads to organic growth, due to the viral nature of our product.
- ***Geographic Expansion***. In markets where our organic awareness is relatively low and opportunity for growth is strong, we plan to hire experienced local marketing managers and engage in localized social

media and influencer-led campaigns, app store optimization, and paid advertising to generate interest in our products and drive new member growth. With the membership model now operating successfully in the U.S. market, we are looking to drive international expansion. The Life360 app is available for download in over 170 countries through the Apple App store and over 130 countries through the Google Play Store and the Life360 app is available in 13 languages. In December 2021, we launched the first full-service membership offering of the Life360 Platform outside of the United States in Canada with stated plans to continue this rollout in other markets such as the UK, Australia and Europe.

Employees and Culture

Life360's core values are designed to create a culture that supports our vision of an ambitious, professionally driven organization that can simplify safety so families can live fully:

- ***Think Long-Term***. We make strategic decisions focused on the long-term growth of our company and employees.
- ***Take Ownership***. We focus on outcomes over output and look for high-agency people that make things happen.
- ***Quality and Craftsmanship***. We train our employees with a focus on quality and on doing things the right way. Lives depend on it.
- ***Communicate Directly***. We resist the urge to avoid discomfort and intentionally lean into tough conversations.
- ***Be a Good Person***. We foster an environment that promotes respect for one another and maintain a high sense of integrity.

As of March 31, 2022, we had approximately 400 full-time employees, the majority of whom have the flexibility to work remotely or out of our San Francisco, San Diego, San Mateo and Chicago offices. Life360 aims to provide a work environment in which all its people can excel regardless of race, religion, age, disability, gender, sexual preference or marital status. The company's Diversity Policy reflects a strong commitment to diversity, and a recognition of the value of attracting people with different backgrounds, knowledge, experience and abilities. We believe that diversity contributes to our business success, and benefits all of our stakeholders. As of December 31, 2021, approximately 38% of Life360 employees were female and 47% were people of color. We are committed to implementing further initiatives to increase the diversity of our workforce.

We view the quality of our products and services as our key long-term strategic differentiator, and as such, we are committed to providing continuous learning and development opportunities for our people. We provide peer training, including our standing Thursday "deep-dives" where our people can learn from the expertise of their colleagues. We also provide full day and full week-long courses in "best practices" and broad and specialist business training to further promote personal and professional growth.

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Environmental, Social and Corporate Governance

During 2021, we progressed our environmental, social and governance ("ESG") initiatives, including the development of an ESG Policy to reflect our commitments to the communities we serve. We advanced our environmental commitments by achieving carbon neutrality across Scope 1, 2 and 3 emissions (as defined below) for 2020. Our core mission is the social good of simplifying safety for families through ESG initiatives based on four key areas: people, environment, community and governance.

People

We believe that different ideas, perspectives and backgrounds create a stronger and more creative work environment that delivers better results. Together, we continue to build an inclusive culture that encourages, supports, and celebrates the diverse voices of our employees. This fuels our innovation and connects us closer to our customers and the communities we serve. We strive to create a workplace that reflects the communities we serve and where everyone feels empowered to bring their authentic best selves to work. Our workplace culture is supported by a range of policies adopted by our Board that reflect our beliefs, including a Diversity Policy, Anti-Bribery and Corruption Policy, Whistleblowing Policy and Modern Slavery Statement.

Environment

We recognize that climate change will have an increasingly significant impact on all aspects of society. In 2021 we committed to quantifying the environmental footprint of our business operations by measuring the following emissions: direct greenhouse emissions that occur from sources that are controlled or owned by us ("Scope 1 emissions"), indirect greenhouse emissions associated with the purchase of electricity, steam, heat or cooling ("Scope 2 emissions") and results of activities from assets not owned or controlled by us, but that indirectly impact in our value chain ("Scope 3 emissions"). By quantifying our impact, we will be able to implement an emission reduction plan that targets the greatest contributors to our carbon footprint.

We achieved a carbon neutral status for the 2020 calendar year by purchasing EcoAustralia credits that blend InfraVest Guanyin Wind carbon credits with Mount Sandy Conservation biodiversity protection units. By purchasing EcoAustralia credits, we neutralize our emissions and promote conservation partnerships between traditional landowners and non-indigenous Australians.

During 2021, Life360's Scope 1 and 2 emissions increased due to growth in headcount. Scope 3 emissions increased as a result of the increased costs of professional services associated with the acquisitions of Jiobit and Tile. Emissions per full-time equivalent decreased from 25.60 in 2020 to 21.61 in 2021.

Community

We aim to simplify safety so families can live fully. Our products and services deliver peace of mind and safety in the online and physical worlds. Additionally, we engage in community outreach by supporting and matching employee contributions to three non-profit organizations committed to supporting families: Wine to Water, the American Society for the Prevention of Cruelty to Animals and the Ronald McDonald House.

Governance

We are committed to robust governance frameworks and responsible business practices to ensure the financial sustainability of the company for all stakeholders including shareholders, employees, customers and suppliers. We have established a disciplined process to identify, assess and analyze risk, and ensure appropriate risk monitoring and reporting. We do not believe that we have any material exposure to economic, environmental and social sustainability risks.

Our ESG report is available at https://investors.life360.com/investor-relations, which is provided for reference only and is not incorporated by reference into this Registration Statement.

Research and Development

We invest substantial resources in research and development to enhance our customer offerings and competitiveness. We are passionate about developing innovative products and services that keep our families safe and connected. We pay careful attention to the overall member experience which lies at the intersection of technology, design and compelling use cases.

Our global research and development team supports the design and development of our location sharing services, mobile app development, web development, firmware development, platform software development, site reliability engineering, hardware engineering, test engineering and data science and analytics. The Life360 research and development team is primarily based at our headquarters in San Francisco, California, as well as several other worldwide locations with the flexibility to work remotely. The Tile research and development team is primarily based in San Mateo, California.

Our research and development team had over 370 employees and contractors as of March 31, 2022. Our research and development expenses were $51.0 million and $39.6 million for the years ended December 31, 2021 and 2020, respectively. We intend to continue to significantly invest in research and development to bring new customer experiences and devices to market and expand our platform and capabilities.

Manufacturing, Logistics and Fulfillment

We outsource the manufacturing of our Tile and Jiobit products to our contract manufacturer, Jabil, Inc. (“Jabil”), located in Asia. Jabil has been designated the sole contract manufacturer for Tile and primary manufacturer for Jiobit since the inception of both companies. Jiobit utilizes additional contract manufacturers for additional accessory production. To continue to provide our members with quality technology, our supply chain teams in the United States and Asia coordinate the relationships between our contract manufacturer and suppliers. In order to mitigate risks associated with a single supply source, and to ensure we can scale our manufacturing base as we continue to expand, we routinely evaluate new partners, manufacturers and suppliers.

Under our agreement with Jabil, Jabil manufactures our products using design specifications, quality assurance programs, and standards that we establish. We pay for and own the majority of tooling and other equipment specifically required to manufacture our products. We have purchase commitments based on our purchase orders and demand forecasts for certain amounts of finished goods, works-in-progress, and components purchased in order to support such purchase orders and forecasts.

We also work with third-party fulfillment partners that package and deliver our products to multiple locations worldwide, which allows us to reduce order fulfillment time and shipping costs, as well as improve inventory flexibility. Our partner relationships help us maintain access to the resources needed to scale seasonally.

Intellectual Property

Intellectual property is an integral aspect of our business, and we seek protection for our intellectual property and technological innovations as appropriate. We rely upon a combination of federal, state, and common-law rights in the United States and the rights under the laws of other countries, patents, trademarks, copyrights, domain name, trade secrets, including know-how, license agreements, confidentiality procedures, nondisclosure agreements with third parties, employee confidentiality, and proprietary rights agreements, and other contractual rights, to establish and protect our proprietary rights.

We have developed and acquired patent assets to protect our proprietary technology. As of March 31, 2022, we owned approximately 174 U.S. utility patents, 29 U.S. design patents, 42 pending U.S. utility patent applications, eight pending U.S. design applications, 45 foreign patents, 17 pending foreign patent applications and four pending Patent Cooperation Treaty (PCT) applications. Individual patents have terms for varying periods depending on the date of filing of the patent application or the date of patent issuance and the legal term of patents in the countries in which they are obtained. Generally, utility patents issued for applications filed in the United States, and in many foreign countries, are granted a term of 20 years from the earliest effective filing date of a non-provisional patent application (14 or 15 years from the date of grant for U.S. design patents) provided their registrations are properly maintained. We continually review our development efforts to assess the existence and patentability of new intellectual property. We also pursue the registration of certain of our domain names and trademarks and service marks in the United States and in certain locations outside the United States. Notwithstanding these efforts, there can be no assurance that we will adequately protect our intellectual property or that it will provide any competitive advantage. Further, in some foreign countries, the mechanisms to establish and enforce intellectual property rights may be inadequate to protect our technology. To protect our brand, as of March 31, 2022, we owned a trademark portfolio comprising U.S. registered trademarks including our primary mark "Life360" and various versions of the Life360 logo, in addition to other Life360 word marks and logos, as well as registered and pending trademarks for our "Tile" and "Jiobit" marks in the United States and certain foreign jurisdictions. Trademark registrations can generally be renewed as long as the marks are in use. We also enter into, and rely on, confidentiality and proprietary rights agreements with our employees, consultants, contractors and business partners to protect our trade secrets, proprietary technology and other confidential information. We further protect the use of our proprietary technology and intellectual property through provisions in both our customer terms of use on our website and in our vendor terms and conditions. For information regarding risks related to our intellectual property, please see "Risk Factors—Risks Related to Our Technology and Intellectual Property."

Seasonality

Life360 has historically experienced member and subscription growth seasonality in the third quarter of each calendar year, which includes the return to school for many of our members. Tile has historically experienced revenue seasonality in the fourth quarter of each calendar year, which includes the important selling periods in November (Black Friday and Cyber Monday) and December (Christmas and Hanukkah) in large part due to seasonal holiday demand. For example, during Tile's fiscal years ended March 31, 2021 and March 31, 2020, the third quarters accounted for 48% and 39% of Tile's total revenue, respectively. Accordingly, an unexpected decrease in sales over those traditionally high-volume selling periods may impact our revenue, result in surplus inventory and have a disproportionate effect on our operating results for the entire fiscal year. Seasonality in our business can also be affected by introductions of new or enhanced products and services, including the costs associated with such introductions.

Facilities

Our company is headquartered in San Francisco, California and maintains offices in San Mateo and San Diego, California and Chicago, Illinois. All of our facilities are leased. Our headquarters facility currently accommodates our principal, development, engineering, marketing and administrative activities. Our offices in San Mateo, San Diego and Chicago generally accommodate principal, development, engineering, marketing and administrative activities. Beginning in 2020 at the start of the COVID-19 pandemic, we began operating as a remote-first company with plans to continue as such indefinitely. We believe that our current facilities are adequate to meet our current needs and that, should it be needed, suitable additional or alternative space will be available to accommodate our operations.

Legal Proceedings

From time to time, we may be involved in legal proceedings, claims and government investigations in the ordinary course of business. We have received, and may in the future continue to receive, inquiries from regulators regarding our compliance with law and regulations, including those related to data privacy and consumer rights, and due to the nature of our business and the rapidly evolving landscape of laws relating to data privacy, cybersecurity, consumer protection and data use and sharing, we expect to continue to be the subject of regulatory investigations and inquiries in the future. We have received, and may in the future continue to receive, claims from third parties relating to information or content that is published or made available on our platform, among other types of claims including those relating to, among other things, regulatory matters, commercial matters, intellectual property, competition, tax, employment, pricing, discrimination, and consumer rights. Future litigation may be necessary to defend ourselves, our partners, and our customers by determining the scope, enforceability, and validity of these claims. The results of any current or future regulatory inquiry or litigation cannot be predicted with certainty, and regardless of the outcome, such investigations and litigation can have an adverse impact on us because of defense and settlement costs, diversion of management resources, the potential for enforcement orders or settlements to impose operational restrictions or obligations on our business practices and other factors.

For additional information, see the section entitled “Risk Factors—Risks Related to Legal Matters and Our Regulatory Environment.”

Government Regulation

Our company is subject to many U.S. federal and state and foreign laws and regulations that involve matters central to our business. These include laws and regulations that relate to data privacy, data security, intellectual property (including copyright and patent laws), content regulation, rights of publicity, advertising, marketing, competition, protection of children and minors, consumer protection, payment processing, subscription services, taxation, health and safety, employment and labor and telecommunications. These laws and regulations are constantly evolving and being tested in courts and by regulators and may be interpreted, applied, created, or amended, in a manner that could harm our business. Additionally, the application and interpretation of these laws and regulations are often uncertain, especially in new or rapidly evolving industries, and could be interpreted and applied in a manner that is inconsistent from country to country or state to state and inconsistent with our current policies and practices and in ways that could harm our business.

Additionally, our service providers are also subject to domestic and international laws and regulations. Our business depends on certain products and services, including those delivered via internet, from these third parties. The uncertainty in the regulations and interpretation and application of such regulations in the third-party industries may result in an increase in our own expenses or adversely affect our business.

The costs of complying with U.S. and foreign laws and regulations, which in some cases can be enforced by private parties in addition to government entities, are high and likely to increase in the future, particularly as the degree of regulation increases, our business grows, and our geographic scope and data processing activities

expand. Furthermore, the impact of these laws and regulations may disproportionately affect our business in comparison to our peers in the technology sector that have greater resources. It is imperative that we secure the assets, functionality, materials and member data that are critical to our business. Any failure on our part to comply with these laws and regulations may subject us to significant liabilities or penalties, or otherwise adversely affect our business, financial condition or operating results. Further, it is possible that certain governments may seek to block or limit our products or otherwise impose other restrictions that may affect the accessibility or usability of any or all our products for an extended period of time or indefinitely.

For additional information, see the section entitled "Risk Factors—Risks Related to Legal Matters and Our Regulatory Environment."

Government Regulation of Data Privacy and Security

We collect, receive, process, store, use, and share data, some of which contains personal information, to create online accounts, process payments and subscription renewals, complete e-commerce transactions and ensure we can provide optimal services to our member base. We are therefore subject to a number of U.S. federal, state, local, and foreign laws and regulations regarding data privacy and the collection, storage, sharing, sale, use, processing, disclosure and protection of personal information and other data from users, employees or business partners, and these laws and regulations are continually evolving. While our compliance efforts continue to adapt to the rapidly-changing regulatory landscape, we currently, and from time to time, may not be in technical compliance with all such laws, rules and regulations. Moreover, we collect personal information that may be considered to be particularly sensitive and high risk by regulators, including precise geolocation data, biometric information and the personal information of children and minors under age 16 and their devices, and such data is subject to additional or enhanced requirements and obligations. Similarly, some of our processing of personal information, including our marketing practices, are subject to additional legal, regulatory and self-regulatory obligations in certain jurisdictions.

The regulatory framework for data privacy and data security is evolving rapidly, both domestically and internationally. Current or future legislation in the United States and other jurisdictions in which we have members, or new interpretations of existing laws and regulations, could significantly restrict or impose conditions on our ability to collect, store, augment, analyze, use, sell and share data or increase consumer notice or consent requirements before a company can sell or disclose data to third parties and/or utilize advertising technologies. In the United States, California, Colorado, Virginia, and Utah have enacted considerable laws and regulations relating to data protection and consumer privacy. The California Consumer Privacy Act ("CCPA") went into effect which requires covered companies to provide new disclosures to California consumers, increased transparency in the use and distribution of personal information and additional "opt-out" options regarding the sale of personal information. Additionally, California voters recently approved the California Privacy Rights Act ("CPRA"), effective January 2023, which adds additional protections to the CCPA regarding the use and sale of personal information. The CPRA also creates a new state agency with the authority to enforce the CCPA and CPRA. The Virginia Consumer Data Protection Act ("VCDPA"), the Colorado Data Privacy Act ("CDPA"), and the Utah Consumer Privacy Act ("UCAP") will go into effect in 2023 and will impose obligations similar to or more stringent than those we face under existing data privacy laws. The CPRA, VCDPA, CDPA, and UCAP all introduce new and additional compliance obligations with respect to the collection and use of "sensitive" personal information, including precise geolocation data. As these laws were recently enacted and will likely be subject to additional regulations to be promulgated in the future, their enforcement and interpretations remain unclear. Furthermore, in Europe and the European Economic Area, the General Data Protection Regulation ("EU GDPR") and applicable national supplementing laws, and in the UK, the UK General Data Protection Regulation ("UK GDPR") and UK Data Protection Act 2018, apply to our collection, control, processing, sharing, disclosure and use of personal data. The EU GDPR and UK GDPR impose strict data protection compliance regimes and include significant penalties for non-compliance (as below). Moreover, several other jurisdictions globally have established data protection legal frameworks that contain similar obligations to the EU GDPR and UK GDPR, including Brazil, China, Japan, Canada, Israel, and others.

We have many members and subscribers who access and/or pay for our services from outside the United States. Foreign data privacy, data security, e-commerce, consumer protection, content regulation and other laws and regulations are often more restrictive or burdensome than those in the United States, and those governments may attempt to apply such laws extraterritorially or through treaties or other arrangements with U.S. governmental entities. We might unintentionally violate such laws, such laws may be modified, and new laws may be enacted in the future, which may increase the chance that we violate them unintentionally. Any such developments, or the failure to accurately anticipate the application or interpretation of these laws could create liability to us, result in adverse publicity and adversely affect our business. For example, the EU GDPR and the UK GDPR impose strict data protection compliance requirements including: maintaining a record of data processing; providing detailed disclosures about how personal data is collected and processed (in a concise, intelligible and easily accessible form); obtaining consent or relying on an alternative legal basis to justify data processing activities, including, for example, with respect to processing geolocation data and children's data for marketing and other purposes; conducting data privacy impact assessments where processing is likely to result in a high risk to the rights and freedoms of individuals (including children); complying with specific obligations, including statutory codes of practice, regarding the collection and use of personal data relating to children such as regarding default privacy settings; ensuring appropriate safeguards are in place where personal data is transferred out of the European Economic Area ("EEA") and the UK; complying with rights for data subjects in regard to their personal data (including data access, erasure and portability); notifying data protection regulators, and in certain cases, affected individuals, of significant data breaches; and complying with the principle of accountability and the obligation to demonstrate compliance through policies, procedures, training and audit. Since we have users located in both the EEA and the UK, if a violation is found, we may be fined under both the EU GDPR and UK GDPR for the same breach. Penalties for certain breaches are up to the greater of EUR 20 million or 4% of total global annual turnover under the EU GDPR, and GBP 17.5 million or 4% total global annual turnover under the UK GDPR. In addition to the foregoing, a breach of the EU GDPR or UK GDPR may result in regulatory investigations, reputational damage, orders to cease/ change our processing of personal data, enforcement notices, assessment notices for a compulsory audit and/or litigation (including class actions).

Recent legal developments have created complexity and uncertainty regarding EEA and UK personal data exports, including specifically to the United States. On July 16, 2020, the Court of Justice of the European Union (the "CJEU") invalidated the EU-U.S. Privacy Shield Framework, or Privacy Shield, under which personal data could be transferred from the EEA (and UK) 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 EU Commission as an adequate personal data transfer mechanism and potential alternative to the Privacy Shield), it made clear that reliance on them alone may not necessarily be sufficient in all circumstances and transfers must be assessed on a case by case basis. U.S. and EU officials are actively seeking a solution to replace the personal data transfer mechanism struck down by the CJEU. On March 25, 2022, the U.S. and the European Commission committed to a new so-called Trans-Atlantic Data Privacy Framework to enable trans-Atlantic data flows and address the concerns raised by the CJEU in its July 2020 ruling. There is no clear timeline for the enactment of this new framework. Moreover, once enacted the new framework is likely to be subject to legal challenges and may be struck down by the CJEU.

We are also subject to evolving EU and UK privacy laws on cookies, tracking technologies and e-marketing. Recent European court and regulator decisions are driving increased attention to cookies and similar tracking technologies and compliance with EU and UK national laws that implement the European Directive 2002/58/EC (the "ePrivacy Directive"). Informed consent is required for the placement of certain cookies or similar tracking technologies that store information on, or access information stored on, an individual's device and for direct electronic marketing. Consent is tightly defined and includes prohibition on pre-checked consents and a requirement to obtain separate consents for each type of cookie or similar technology. The ePrivacy Directive is expected to be replaced by an EU regulation known as the ePrivacy Regulation that will significantly increase fines for non-compliance, potentially to GDPR-level fines (see above).

Additionally, a variety of laws and regulations relating to children's privacy have been adopted in recent years, including the Children's Online Privacy Protection Act ("COPPA"), Article 8 of the GDPR and the UK GDPR, the CCPA and the UK's Age Appropriate Design Code and similar Codes in other jurisdictions. COPPA applies to operators of commercial websites and online services directed to U.S. children under the age of 13 that collect personal information from children and operators of general audience sites with actual knowledge that they are collecting information from U.S. children under the age of 13. Penalties for violations of COPPA may include injunctive relief, civil penalties, and consumer redress. In addition, a state attorney general may bring a civil action for COPPA violations, seeking relief that may include injunctive relief, enforced compliance, damages, restitution, or other compensation, or other appropriate relief. The CPRA, VCDPA, CDPA, and UCAP also impose compliance obligations regarding the collection and use of personal information relating to children under the age of 16.

For additional information, see the section entitled "Risk Factors—Risks Related to Privacy and Cybersecurity."

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ITEM 1A. RISK FACTORS.

Our business is subject to numerous risks and uncertainties. These risks and uncertainties may cause our operations to vary materially from those contemplated by our forward-looking statements. These risk factors include:

Risk Factors Summary

- If we fail to retain existing members or add new members, or if our members decrease their level of engagement with our products or do not convert to paying subscribers, our revenue, financial results, and business may be significantly harmed.
- If we fail to monetize members through subscription plans, our business, financial condition and results of operations may be harmed.
- If we are not able to maintain the value and reputation of our brands, our ability to expand our member base and maintain our relationships with partners and other key service providers may be impaired, and our business, financial condition, and results of operations may be harmed.
- The digital consumer subscription services market is competitive, with low switching costs and a consistent stream of new products, services and entrants. We may not be able to compete successfully with current or future competitors, which may impact our business, financial condition and results of operations.
- Our success depends, in part, on our ability to access, collect, use, share, disclose, monetize and otherwise process personal information about our members, and to comply with applicable data privacy and security laws, both domestically and worldwide.
- We may need to change our pricing models to compete successfully.
- The market for our offerings is evolving, and our future success depends on the growth of this market and our ability to anticipate and satisfy consumer preferences in a timely manner.
- Changes to our existing brands, products and services, or the introduction of new brands, products or services, could fail to attract or retain members or generate revenue and profits.
- Unfavorable media coverage and publicity could damage our brands and reputation, and materially adversely affect our business, financial condition and results of operations.
- Inappropriate actions by certain of our members could be attributed to us and cause damage to our brands.
- Our business could be harmed if we are unable to accurately forecast demand for our products and to adequately manage our product inventory.
- Our growth and profitability rely, in part, on our ability to attract members through cost-effective marketing efforts. Any failure in these efforts could materially adversely affect our business, financial condition and results of operations.
- Distribution and marketing of, and access to, our products and services depends, in significant part, on a variety of third-party publishers and platforms. If these third parties change their policies in such a way that restricts our business, increases our expenses or limits, prohibits or otherwise interferes with or changes the terms of the distribution, use or marketing of our products and services in any material way or affects our ability to collect revenue, our business, financial condition and results of operations may be adversely affected.
- We depend on retailers and distributors to sell and market our products, and our failure to maintain and further develop our sales channels could harm our business.
- We rely on a limited number of suppliers, manufacturers, and fulfillment partners for our smart trackers. A loss of any of these partners could negatively affect our business.

- Our apps are currently available for download internationally and in the future we expect to penetrate additional international regions, including certain markets and regions in which we have limited experience, which subjects us to a number of additional risks.
- We are subject to laws and regulations concerning data privacy, security, consumer protection, advertising, tracking, targeting and children’s privacy protections, and these laws and regulations are continually evolving. Our actual or perceived failure to comply with these laws and regulations could result in regulatory investigations, claims (including class action or similar lawsuits), monetary penalties, changes to our business practices, reputational damage, increased cost of operations, or declines in user growth or engagement, or otherwise materially and adversely harm our business, financial condition and results of operations.
- Our business involves the collection and processing of different categories of personal information and data, including precise geolocation data, biometric data, and personal data of children and minors, which is considered to be particularly sensitive and high risk by regulators. The processing of this data could subject us to increased risk of regulatory investigations, litigation, media scrutiny and negative public relations, which could result in regulatory enforcement actions, claims (including class action or similar lawsuits), monetary penalties, changes to our business practices, reputational damage, increased cost of operations, or declines in user growth or engagement, or otherwise materially and adversely harm our business, financial condition and results of operations.
- Providers of online websites, applications and services are subject to various laws, regulations and other requirements relating to unfair and deceptive practices, the protection of minors, stalking and surveillance, and notice and consent obligations (for example in connection with subscriptions and autorenewal payment terms, communications and advertising through email, telephonic calls or text messages), which if violated, could subject us to an increased risk of litigation and regulatory actions.
- We are at present, and have been in the past, subject to regulatory inquiries relating to our business practices, including those related to data processing activities, and we expect to continue to be subject to such proceedings in the future, which could cause us to incur substantial costs or require us to change our business practices in a manner materially adverse to our business, financial condition and results of operations.
- Our success depends, in part, on the integrity of our information technology systems and infrastructures and on our ability to enhance, expand and adapt these systems and infrastructures in a timely and cost-effective manner.
- Our business is subject to complex and evolving U.S. and international laws and regulations. Many of these laws and regulations are subject to change and uncertain interpretation, and failure to comply with such laws and regulations could result in claims, regulatory investigations, changes to our business practices, monetary penalties, increased cost of operations, reputational damage, or declines in user growth or engagement, or otherwise harm our business, financial condition and results of operations.

Risks Related to our Business

If we fail to retain existing members or add new members, or if our members decrease their level of engagement with our products and services or do not convert to paying subscribers, our revenue, business, financial condition and results of operations may be significantly harmed.

Our business model is predicated on building a large critical mass of members and monetizing them directly through subscription-based products and services we build ourselves, and indirectly by allowing third parties to derive value from our members. Our financial performance has been and will continue to be significantly determined by our success in adding, retaining and engaging our members and converting members into paying subscribers. We expect that the size of our member base will fluctuate or decline in one or more markets from time

to time. If people do not perceive our products and services to be useful, effective, reliable, and/or trustworthy, we may not be able to attract or retain members or otherwise maintain or increase the frequency and duration of their engagement or the percentage of members that are converted into paying subscribers. There is no guarantee that we will not experience an erosion of our member base or engagement levels. Member engagement can be difficult to measure, particularly as we introduce new and different products and services. Any number of factors can negatively affect member retention, growth, engagement and conversion, including the following, among others:

- members increasingly engage with other competitive products or services;
- member behavior on any of our apps or with respect to any of our products or services changes, including decreases in the frequency of their use;
- members lose confidence in the quality or usefulness of our products or services or have concerns related to safety, security, privacy, well-being or other factors;
- subscribers are no longer willing to pay for subscriptions or in-app hardware purchases;
- members feel that their experience is diminished as a result of the decisions we make with respect to the frequency, prominence, format, size and quality of ads that we display;
- member experience is affected due to difficulty installing, updating or otherwise accessing our products and services on mobile devices or hardware as a result of actions or unplanned network or site outages by us or third parties that we rely on to distribute our products and deliver our services;
- we fail to introduce new features, products or services that members find engaging, or if we introduce new products or services, or make changes to existing products and services that are not favorably received;
- we fail to keep pace with evolving online, mobile device, market and industry trends (including the introduction of new and enhanced digital services), as well as prevailing social, cultural or political preferences in the markets in which our apps are available for download;
- initiatives designed to attract and retain members and increase engagement are unsuccessful or discontinued, whether as a result of actions by us, third parties or otherwise;
- third-party initiatives that may enable greater use of our products and services, including low-cost or discounted data plans, are discontinued;
- we, our partners or companies in our industry adopt terms, policies, procedures or practices that are perceived negatively by our members or the general public, including those related to areas such as member data, including practices involving our collection and sharing of precise geolocation data and information collected from children and minors under age 16 and their devices, privacy, security, or advertising;
- we fail to detect or combat inappropriate, fraudulent, criminal or abusive activity on our platform;
- we fail to provide adequate customer service to members, marketers or other partners;
- we fail to protect our brands or reputation;
- we, our partners or companies in our industry are the subject of regulatory investigation and/or rulings of non-compliance, litigation, adverse media reports or other negative publicity, including as a result of our or their member data practices, such as the collection and sharing of precise geolocation data and/or information collected from children and minors under age 16 and their devices;
- there is decreased engagement with our products and services as a result of internet shutdowns or other actions by governments that affect the accessibility of our products and services in any of our markets; or
- there are changes mandated or necessitated by legislation, regulatory authorities or litigation that adversely affect our products, services, members or partners.

From time to time, certain of these factors have negatively affected member retention, growth, and engagement to varying degrees. If we are unable to maintain or increase our member base and member

engagement, our revenue, business, financial condition and results of operations may be materially adversely affected. In addition, we may not experience rapid member growth or engagement in countries where, even though mobile device penetration is high, due to the lack of sufficient cellular-based data networks, consumers rely heavily on Wi-Fi and may not access our products and services regularly throughout the day. Any decrease in member retention, growth or engagement could render our products and services less attractive to members, which is likely to have a material and adverse impact on our revenue, financial condition, business and results of operations. If our member growth rate slows or declines, we will become increasingly dependent on our ability to maintain or increase levels of member engagement and monetization in order to drive revenue growth.

If we fail to monetize members through subscription plans, our business, financial condition and results of operations may be harmed.

Life360 operates under a “freemium” model in which the Life360 app is available to members at no charge, while Premium Memberships with additional features are available via a paid monthly or annual subscription. As of December 31, 2021, we have over 24 million U.S. MAUs on the Life360 Platform and 14% of our U.S MAUs were in Paying Circles. Our Premium Memberships accounted for over 77% and 72% of our revenue for the years ended December 31, 2021 and 2020, respectively. Tile has sold over 49 million Tile devices since its inception and had over 478,400 total subscribers for the year ended December 31, 2021. As of December 31, 2021, Tile’s subscription offerings accounted for over 8% of our revenue on a pro forma basis. Actual or perceived reduction in the functionality, quality, reliability and cost-effectiveness of our subscription plans could impact our ability to retain and grow paid subscriptions, and failure to provide successful enhancements and new features that grow paid subscriptions may have a material adverse impact on our business, financial condition and results of operations.

If we are not able to maintain the value and reputation of our brands, our ability to expand our member base and maintain our relationships with partners and other key service providers may be impaired, and our business, financial condition, and results of operations may be harmed.

We believe that our brands have significantly contributed to our word-of-mouth virality, which has in turn contributed to the success of our business. We also believe that maintaining, protecting and enhancing our brands is critical to expanding our member base and maintaining our relationships with partners and other key service providers that will assist in successfully implementing our business strategy which we anticipate will increase our expenses. If we fail to do so, our business, financial condition and results of operations could be materially adversely affected. We believe that the importance of brand recognition will continue to increase, as the location- based services and item tracking markets grow. Many of our new members are referred by existing members. Maintaining our brands will depend largely on our ability to continue to provide useful, reliable, trustworthy and innovative products and services, which we may not do successfully.

Further, we have in the past and expect to continue to experience media, legislative, or regulatory scrutiny of our actions or decisions, including those relating to member privacy, data privacy and security, consumer protection, tracking, targeting children’s data and privacy protections, precise geolocation data, encryption, content, contributors, advertising and other issues, which may materially adversely affect our reputation and brands. We may be subject to settlements, judgments, fines, or other monetary penalties in connection with legal and regulatory developments that may be material to our business. In addition, we may fail to timely detect or respond expeditiously or appropriately to objectionable content within the Life360, Tile or Jiobit apps or practices by members, or to otherwise address member concerns, which could erode confidence in our brands. Maintaining and enhancing our brands will require us to make substantial investments and these investments may not be successful.

The digital consumer subscription services market is competitive, with low switching costs and a consistent stream of new products, services and entrants. We may not be able to compete successfully with current or future competitors, which may impact our business, financial condition and results of operations.

The digital consumer subscription services market in general, and the markets for family safety, location sharing, location tracking and related offerings, are fast-paced and constantly changing, with frequent changes in technology, consumer expectations and requirements, industry standards and regulations and a consistent stream of new products, services and entrants both in the United States and abroad. We face significant competition in every aspect of our business, and competitors include both large competitors with various product and service offerings and many smaller competitors.

Many of our current and potential competitors, both domestically and internationally, have or may have competitive advantages over us, including longer operating histories, significantly more resources (including larger marketing and operating budgets), greater brand recognition, access to more data and potential insights related to members, potential acquisition and other opportunities, higher amounts of available capital or access to such capital and in some cases, lower costs. Some of our competitors may enjoy better competitive positions in certain geographical regions, member demographics or other key areas that we currently serve or may serve in the future. These advantages could enable these competitors to offer products that are more appealing to our existing and prospective members, to respond more quickly and/or cost-effectively than us to new or changing opportunities and regulations, new or emerging technologies or changes in customer requirements and preferences, or to offer lower prices or free products and services. A competitor could gain rapid scale for its products by, among other things, leveraging its existing brands, products or services or existing data or insights, harnessing a new technology or a new or existing distribution channel or creating a new or different approach to family safety and location sharing of people, pets and things. For example, in 2021, Apple introduced AirTag, a tracker that uses ultra-wideband technology to allow members to track and find items through Apple's Find My app, an iOS location sharing app developed by Apple for iOS devices, to allow approved users to access the GPS location of the users' Apple devices.

We compete to attract, engage and retain members, as well as to increase their engagement with our various products and services and to grow our subscriptions, on numerous factors, including our brand and reputation, the prices associated with our subscriptions, products and services, the ease of use of our platform and technology, the actual and perceived safety and security of our platform, products and services, and our ability to address consumer and regulatory concerns as they arise, including those related to data usage, privacy and security such as practices involving the sharing of precise geolocation data and information collected from children and minors under age 16 and their devices. Our competitors include both large competitors with various product and service offerings and smaller competitors, including (i) direct competitors with location sharing products that target family safety, (ii) competitors providing location sharing platforms that are not focused on family safety, (iii) competitors in the item tracking technology market and (iv) competitors that have, or may in the future have, overlapping offerings (for example, companies in industries related to roadside assistance and crash detection, identity theft protection, phone insurance and travel, disaster and medical assistance).

Potential competitors may also include operators of mobile operating systems and app stores. These mobile platform competitors could use strong or dominant positions in one or more markets, and access to existing large pools of potential users and personal information regarding those users, to gain competitive advantages over us.

If we are not able to compete effectively against our current or future competitors and products or services that may emerge, the size and level of engagement of our member base may decrease, which could adversely affect our business, financial condition and results of operations.

Our success depends, in part, on our ability to access, collect, use, share, disclose, monetize and otherwise process personal information about our members, and to comply with applicable data privacy and security laws, both domestically and worldwide.

In the ordinary course of our business, we access, collect, use, share, disclose, monetize and otherwise process personal information about our members. Our business model is predicated on building a large critical

mass of member data, and we allow third parties to derive value from such data. We have been criticized for sharing information collected from minors under age 16 and their devices as well as for selling member data, including precise geolocation data, to third parties for purposes of targeted advertising, research, analytics, attribution, and other commercial purposes. In January 2022, Life360 announced a new partnership agreement with Placer.ai ("Placer"), a provider of anonymized aggregated analytics for the retail ecosystem. As part of this partnership, Placer will provide data processing and analytics services to Life360 and will have the right to commercialize solely aggregated data insights. We and our competitors have been criticized by consumer protection groups, privacy groups and governmental bodies for attempts to link personal identities and other information to data collected on the internet regarding members' browsing, driving and other habits. These data processing activities, and increased regulator and consumer scrutiny of such practices, as well as increasing and evolving regulation of such practices, including self-regulation or findings under existing laws that limit our ability to collect, transfer and use information and other data, could have a material adverse effect on our business, financial condition and results of operations, including the potential for regulatory investigations, enforcement actions, lawsuits and a loss of business and a degradation of our reputation. In addition, if we were to disclose information and other data about our members in a manner that was objectionable to our members, regulators, consumer protection groups, or privacy groups, our reputation could be materially adversely affected, and we could face potential legal claims from members or others and penalties from regulators that could impact our financial results and operations. The growing awareness of our members and potential members regarding data privacy and data security laws and regulations and/or adverse media coverage or regulatory scrutiny could limit the use and adoption of our services.

Our Life360 app and Tile app are currently available for download internationally in over 170 countries through the Apple App Store and over 130 countries through the Google Play Store as of December 31, 2021, and we may be subject to additional, more stringent, and in some cases, inconsistent and conflicting legal obligations concerning our access, collection, usage, sharing, disclosing, monetization and other processing of member data, such as laws regarding data localization and/or restrictions on data export that we have not yet addressed. Moreover, potentially inconsistent and conflicting legal obligations may become enacted and applied in the future, as well as additional standards and requirements resulting from new laws, court or regulatory decisions or new guidance. For example, in July 2020 the CJEU struck down a permitted personal data transfer mechanism between the European Union and the United States, and the decision and subsequent regulatory guidance and proceedings have cast doubt on what extent EU-U.S. data transfers can be made compliantly. U.S. and EU officials are actively seeking a solution to replace the personal data transfer mechanism struck down by the CJEU. On March 25, 2022, the U.S. and the European Commission committed to a new so-called Trans-Atlantic Data Privacy Framework to enable trans-Atlantic data flows and address the concerns raised by the CJEU in its July 2020 ruling. There is no clear timeline for the enactment of this new framework. Moreover, once enacted the new framework is likely to be subject to legal challenges and may be struck down by the CJEU. See "—We are subject to laws and regulations concerning data privacy, data security, consumer protection, advertising, tracking, targeting and the protection of minors, and these laws and regulations are continually evolving. Our actual or perceived failure to comply with these laws and regulations could result in regulatory investigations, claims (including class action or similar lawsuits), monetary penalties, changes to our business practices, reputational damage, increased cost of operations, or declines in member growth or engagement, or otherwise materially and adversely harm our business, financial condition and results of operations."

In the event any regulator or court blocks personal data transfer to or from a particular jurisdiction, this could give rise to operational interruption in the performance of products and services for our members, greater costs to implement alternative data transfer mechanisms, investigations and enforcement actions from regulators including penalties or order to change current practice and reputational harm. Failure to comply with evolving privacy and security laws could subject us to liability, and to the extent that we need to alter our business model or practices to adapt to these obligations, we could incur additional expenses, which may in turn materially adversely affect our business, financial condition and results of operations. See "—Our business is subject to complex and evolving U.S. and international laws and regulations. Many of these laws and regulations are subject to change and uncertain interpretation, and failure to comply with such laws and regulations could result

in claims, changes to our business practices, monetary penalties, increased cost of operations, reputational damage, or declines in member growth or engagement, or otherwise harm our business, financial condition and results of operations."

Additionally, privacy activist groups may bring, have previously provided and may continue to provide resources to support individuals who wish to pursue privacy claims, or may put pressure on companies to change data processing practices. High-profile brands, such as ours, risk being targeted by such groups and, due to the nature of the data that we hold, there is a risk that if a member became disgruntled with our data processing practices, he or she could leverage support from such privacy activist groups to take legal action, initiate regulatory investigation or gain publicity for their cause. These groups could seek to challenge our practices, particularly in relation to targeted advertising, data sales, children's data, geolocation data, the use of cookies and other tracking technology and international data transfers. Any such campaign could require significant resources to mount a response, which would occupy management time and resources and potentially lead to negative publicity and investigation from regulators, any of which could materially adversely affect our business, financial condition and results of operations.

As we seek to expand our business into new lines of business and markets, we may become subject to additional contractual obligations, industry standards, codes of conduct, and regulatory guidance relating to data privacy and security. Any failure, or perceived failure, by us to comply with any federal, state or foreign privacy or security laws, regulations, industry self-regulatory principles, codes of conduct, regulatory guidance, orders to which we may be subject, or other legal obligations relating to data privacy or security could adversely affect our reputation, brand and business, and may result in claims, liabilities, proceedings or actions against us by governmental entities, members or others. Any such claims, proceedings or actions could hurt our reputation, brand and business, force us to incur significant expenses in defense of such proceedings or actions, distract our management, increase our costs of doing business, result in a loss of members and result in the imposition of monetary penalties.

We may need to change our pricing models to compete successfully.

The intense competition we face in the family safety, location-based services and item tracking technology markets, in addition to general economic and business conditions (including the economic volatility resulting from the COVID-19 pandemic), can result in downward pressure on the prices of our products and services. If our competitors offer significant discounts on competing products or services or develop products or services that our customers believe are more valuable or cost-effective, we may be required to decrease our prices or offer other incentives in order to compete successfully. Additionally, if we increase prices for our products and services, demand for our solutions could decline as members adopt less expensive competing products and services, and our market share could suffer. If we do not adapt our pricing models to reflect changes in customer use of our products and services or changes in customer demand, our revenues could decrease.

Any broad-based change to our pricing strategy could cause our revenues to decline or could delay future sales as our sales force implements, and our subscribers adjust to, the new pricing terms. We or our competitors may bundle products and services for promotional purposes or as a long-term go-to-market or pricing strategy or provide price guarantees to certain subscribers as part of our overall sales strategy. These practices could, over time, significantly limit our flexibility to change prices for existing products and services and to establish prices for new or enhanced products and services. Any such changes could reduce our margins and adversely affect our business, financial position and results of operations.

The market for our offerings is evolving, and our future success depends on the growth of this market and our ability to anticipate and satisfy consumer preferences in a timely manner.

The family safety and location-based services and item tracking technology markets for our offerings are in a relatively early stage of development, and it is uncertain whether these markets will grow, and even if they do grow, how rapidly they will grow, how much they will grow, or whether our platform will be widely adopted. As

such, any predictions or forecasts about our future growth, revenue, and expenses may not be as accurate as they would be if we had a longer operating history or operated in a more predictable market. Any expansion in our markets depends on a number of factors, including the cost, performance, and perceived value associated with our platform and the offerings of our competitors.

Our success will depend, in part, on market acceptance and the widespread adoption of our family safety and location sharing products and services as an alternative to other family coordination options such as texts and phone calls, and member selection of our products and services over competing products and services that may have similar functionality. Family safety, location sharing and location tracking technology is still evolving and we cannot predict marketplace acceptance of our products and services or the development of products and services based on entirely new technologies.

There is a risk that we will not be able to grow our member base outside of the United States in a way that provides the scale required to offer the full functionality of the Life360 Service to a particular geography, or to a scale that will enable us to generate indirect revenue.

Our success depends on our ability to anticipate and satisfy consumer preferences in a timely manner. All of our products and services are subject to changing consumer preferences that cannot be predicted with certainty. Consumers may decide not to purchase our products and services as their preferences could shift rapidly to different types of offerings or away from these types of products and services altogether, and our future success depends in part on our ability to anticipate and respond to shifts in consumer preferences. In addition, certain of our newer products and services may have higher prices than many of our earlier offerings and those of some of our competitors, which may not appeal to consumers or only appeal to a smaller subset of consumers. It is also possible that competitors could introduce new products and services that negatively impact consumer preference for our offerings, which could result in decreased sales and a loss in market share. Accordingly, if we fail to anticipate and satisfy consumer preferences in a timely manner, our business, financial condition and results of operations may be adversely affected.

Changes to our existing brands, products and services, or the introduction of new brands, products or services, could fail to attract or retain members or generate revenue and profits.

Our ability to retain, increase, and engage our member base and to increase our revenue depends heavily on our ability to continue to evolve our existing brands, products and services, as well as to create successful new ones, both independently and in conjunction with developers or other third parties. We may introduce significant changes to our existing brands, products and services, or acquire new and unproven brands, products, services and product and services extensions, including technologies with which we have little or no prior development or operating experience. We have also invested, and expect to continue to invest, significant resources in growing our subscription-based services to support increasing usage as well as new lines of business, products, services, product extensions and other initiatives to generate revenue. Developing new products and services is expensive and can require substantial management and company resources and attention and investing in the development and launch of new products and services can involve an extended period of time before a return on investment is achieved, if at all. An important element of our business strategy is to continue to make investments in innovation and related product and services opportunities to maintain our competitive position. Unanticipated problems in developing products and services could also divert substantial research and development resources, which may impair our ability to develop new products and services or enhance existing products and services, and substantially increase our costs. We may not receive revenues from these investments for several years and may not realize returns from such investments at all.

There is no guarantee that investing in new lines of business, products, services, product and services extensions or other initiatives to show our community meaningful opportunities to facilitate family safety or location, driving and family co-ordination will succeed, that members will like the changes or that we will be able to implement such new lines of business, products, services, product and services extensions or other initiatives effectively or on a timely basis, which may negatively affect our brands. Our new or enhanced brands, products, services or product and services extensions may provide temporary increases in engagement but may ultimately fail to engage members, marketers, or developers, we may fail to attract or retain members or to

generate sufficient revenue, operating margin, or other value to justify our investments, and our business may be materially adversely affected.

The development of our products and services is complex and costly, and we typically have several products and services in development at the same time. Given the complexity, we occasionally have experienced, and could experience in the future, delays in the development and introduction of new and enhanced products and services. Problems in the design or quality of our products or services may also have an adverse effect on our brand, business, financial condition or results of operations. Unanticipated problems in developing products and services could also divert substantial resources, including research and development, which may impair our ability to develop new products and services and enhancements of existing products and services, and could substantially increase our costs. If new or enhanced product and service introductions are delayed or not successful, we may not be able to achieve an acceptable return, if any, on our research and development efforts, and our business, financial condition and results of operations may be adversely affected.

Unfavorable media coverage and publicity could damage our brands and reputation, and materially adversely affect our business, financial condition and results of operations.

Unfavorable publicity or media reports, including those regarding us, our privacy and data collection practices, including those related to children and minors, data security compromises or breaches, product or service changes, quality or features, litigation or regulatory activity, including any intellectual property proceeding, any investigation and/or enforcement activity from data protection authorities or proceeding relating to the privacy or security of member data, or regarding the actions of our partners, our members, our employees or other companies in our industry, could materially adversely affect our brands and reputation, regardless of the veracity of such publicity or media reports. Major media outlets have increased scrutiny of the location data market and Life360 has been the target of media articles recently, which could impact member retention, growth, engagement and conversion as well as increase regulatory scrutiny of our actions or decisions regarding member privacy, encryption, content, contributors, advertising and other issues, which may materially adversely affect our reputation and brands.

If we fail to protect our brands or reputation, we may experience material adverse effects to the size, demographics, engagement, and loyalty of our member base, resulting in decreased revenue, fewer app installs (or increased app uninstalls) and subscription purchases, or slower member growth rates. Any of the foregoing could materially adversely affect our business, financial condition and results of operations.

Inappropriate actions by certain of our members could be attributed to us and cause damage to our brands.

Our members may be physically, financially, emotionally or otherwise harmed by other individuals through the use of one of our products or through features of our products. If one or more of our members suffers or alleges to have suffered any such harm as a result of the Life360 Service, we could in the future experience, negative publicity or legal action that could damage our brands. Similar events affecting users of our competitors' products and services could also result in negative publicity for our products and services, as well as the industries in which we operate, including the location sharing and tracking industries, which could in turn negatively affect our business.

The reputation of our brands may also be materially adversely affected by the actions of our members that are deemed to be hostile, offensive, inappropriate or unlawful. Furthermore, members have in the past used competitor products and may use our products, for illegal or harmful purposes such as stalking or theft, rather than for their intended purposes. While we have systems and processes in place that aim to monitor and review the appropriateness of the content accessible through our products and services, which include, in particular, reporting tools through which members can inform us of such behavior on the platform, and have adopted policies regarding illegal, offensive or inappropriate use of our products and services, our members have in the

past, and could in the future, nonetheless engage in activities that violate our policies. Additionally, while our policies attempt to address illegal, offensive or inappropriate use of our products, we cannot control how our members engage on our products. These safeguards may not be sufficient to avoid harm to our reputation and brands, especially if such hostile, offensive or inappropriate use is well-publicized.

Our business could be harmed if we are unable to accurately forecast demand for our products and services and to adequately manage our product inventory.

We invest broadly in our business, and such investments are driven by our expectations of the future success of a product or service. For example, our Tile and Jiobit hardware often require investments with long lead times. We must forecast inventory needs and expenses and place orders sufficiently in advance with our third-party suppliers and contract manufacturers based on our estimates of future demand for particular products. Our ability to accurately forecast demand for our products and services could be affected by many factors, including an increase or decrease in demand for our products and services or for our competitors' products and services, unanticipated changes in general market or economic, political or conditions, and business closures and other actions taken to combat COVID-19 and other pandemics and epidemics or as a result of current events. An inability to correctly forecast the success of a particular product or service could harm our business.

If we underestimate demand for a particular product, our contract manufacturers and suppliers may not be able to deliver sufficient quantities of that product to meet our requirements, and we may experience a shortage of that product available for sale or distribution. If we overestimate demand for a particular product, we may experience excess inventory levels for that product and the excess inventory may become obsolete or out-of-date. Inventory levels in excess of demand may result in inventory write-downs or write-offs and the sale of excess inventory at further discounted prices, which could negatively impact our gross profit and our business.

Our growth and profitability rely, in part, on our ability to attract members through cost-effective marketing efforts. Any failure in these efforts could materially adversely affect our business, financial condition and results of operations.

Attracting members involves considerable expenditure for online and offline marketing. Historically, we have had to increase our marketing expenditures over time in order to build our brand awareness, attract members and drive our long-term growth. Evolving consumer behavior has affected, and will in the future affect, the availability of profitable marketing opportunities. For example, as consumers communicate less via email and more via text messaging, messaging apps and other virtual means, the reach of email campaigns designed to attract new and repeat members for our products is adversely impacted. To continue to reach potential members and grow our businesses, we must identify and devote our overall marketing expenditures to newer advertising channels, such as mobile and online video platforms as well as targeted campaigns in which we communicate directly with potential, former and current members via new virtual means. We currently rely on member acquisition through paid efforts on a limited basis and are not reliant on it for our member growth. Our paid acquisition efforts include paid search in app stores as well as commercials on streaming television. Generally, the opportunities in and sophistication of newer advertising channels are relatively undeveloped and unproven, and we may not be able to continue to appropriately manage and fine-tune our marketing efforts in response to these and other trends in the marketing and advertising industries. Any failure to do so could materially adversely affect our business, financial condition and results of operations.

Distribution and marketing of, and access to, our products and services depends, in significant part, on a variety of third-party publishers and platforms. If these third parties change their policies in such a way that restricts our business, increases our expenses or limits, prohibits or otherwise interferes with or changes the terms of the distribution, use or marketing of our products and services in any material way or affects our ability to collect revenue, our business, financial condition and results of operations may be adversely affected.

We market and distribute our products and services (including the Life360 app, Tile app and Jiobit app) through a variety of third-party publishers and distribution channels including the Apple App Store and Google

Play Store. Our mobile applications are almost exclusively accessed through the Apple App Store and Google Play Store. Our ability to market our brands on any given property or channel is subject to the policies of the relevant third-party. There is no guarantee that popular mobile platforms will continue to feature our products, or that mobile device users will continue to use our products and services rather than competing ones. Because Life360 is only used on mobile devices, it must remain interoperable with popular mobile operating systems, networks, technologies, products, and standards that we do not control, such as the Android and iOS operating systems and related hardware, including but not limited to GPS, accelerometers and gyrometers. Any changes, bugs, or technical issues in such systems, or changes in our relationships with mobile operating system partners, handset manufacturers, or mobile carriers, or in their terms of service or policies that degrade our products' functionality, reduce or eliminate our ability to update or distribute our products, give preferential treatment to competitive products, limit our ability to deliver, target, or measure the effectiveness of ads, or charge fees related to the distribution of our products or our delivery of ads could materially adversely affect the usage of our products and services on mobile devices.

The third-party publishers and distribution channels may grant users of these mobile operating systems the ability to adjust their device settings in ways that change our ability to collect data. For example, Apple devices require app users to provide opt-in consent before their identifier for advertisers ("IDFA"), can be accessed by an app for certain types of utility. Apple's IDFA is a string of numbers and letters assigned to Apple devices which, with user permission, marketers use to identify app users to deliver personalized and targeted marketing. The effect of changes in access to IDFA may impact future operations. We rely in part on IDFA to provide us with data that helps better market and monetize our products and services. The proposed IDFA and transparency changes may limit our ability to collect and use IDFAs from Apple devices. Finding alternative solutions may require the incurrence of substantial costs and the expenditure of substantial resources, to the extent we are unable to utilize IDFAs or a similar offering. As a consequence, fewer of our cookies, publishers' cookies or IDFAs, as applicable, may be set in browsers or be accessible from mobile devices, which would adversely affect our business. Digital marketing and in-app marketing are also dependent, in part, on internet protocols and the practices of internet service providers, including IP address allocation. Changes that these providers make to their practices, or adoption of new internet IDFA or other privacy or security protocols, including with respect to device de-identification and cross-device data, may materially limit or alter the availability of data, including location data, essential for our business operations or may prohibit critical components of our platform from operating as designed. A limitation or alteration of the availability of data in any of these or other instances, or any limitation on the operability of our platform and related technologies, may materially and negatively impact the effectiveness of our technology and datasets, which could reduce our revenue and materially and adversely affect our business, financial condition and results of operations.

We are subject to the standard policies and terms of service of these third-party platforms, which generally govern the promotion, distribution, content, and operation of applications on such platforms. Each platform provider has broad discretion to change its policies and interpret its terms of service and other policies with respect to us and other companies, including changes that may be unfavorable to us and may limit, eliminate or otherwise interfere with our ability to distribute or market through their stores, affect our ability to update our applications, including to make bug fixes or other feature updates or upgrades and affect our ability to access native functionality or other aspects of mobile devices and our ability to access information about our members that they collect. A platform provider may also change how the personal information of its users is made available to developers on its platform, limit the use of personal information for advertising purposes, restrict how members can share information on its platform or across platforms, or significantly increase the level of compliance or requirements necessary to use its platform.

In addition, the platforms we use may dictate rules, conduct or technical features relating to the collection, storage, use, transmission, sharing and protection of personal information and other consumer data, which may result in substantial costs and may necessitate changes to our business practices, which in turn may compromise our growth strategy, adversely affect our ability to attract, monetize or retain members, and otherwise adversely affect our business, reputation, legal and regulatory exposures, business, financial condition and results of

operations. Any failure or perceived failure by us to comply with these platform-dictated rules, conduct or technical features may result in investigations or enforcement actions, litigation, or public statements against us, which in turn could result in significant liability or temporary or permanent suspension of our business activities with these platforms, cause our members to lose trust in us, and otherwise compromise our growth strategy, adversely affect our ability to attract, monetize or retain members, and otherwise adversely affect our reputation, legal exposures, business, financial condition and results of operations.

If we violate, or a distribution platform provider believes we have violated, a distribution platform's terms of service, or if there is any change or deterioration in our relationship with such distribution provider, that platform provider could limit or discontinue our access to its platform. For example, in August 2020, Apple and Google removed mobile apps from their platforms for violating their standard policies and terms of service which include policies against selling location data to brokers. If one of our distribution platform partners were to limit or discontinue our access to their platform, it could significantly reduce our ability to distribute our products to members, decrease the size of the member base we could potentially convert into subscribers, or decrease the revenues we derive from subscribers or advertisers, each of which could adversely affect our business, financial condition and results of operations.

We also rely on the continued popularity, member adoption, and functionality of third-party platforms. In the past, some of these platform providers have been unavailable for short periods of time or experienced issues with their in-app purchasing functionality. If either of these events recurs on a prolonged, or even short-term, basis or if similar issues arise that impact members' ability to access our products and services, our business, financial condition, results of operations and reputation may be harmed. Third-party platforms may also impose certain file size limitations, which could limit the ability of our members to download some of our larger app updates over-the-air.

Furthermore, the owners of mobile operating systems provide consumers with the ability to download products that compete with Life360. We have no control over Apple's or Google's operating systems or hardware or hardware manufactured by other original equipment manufacturers, and any changes to these systems or hardware could degrade the functionality of our mobile apps, impact the accessibility, speed or other performance aspects of our mobile apps or give preferential treatment to competitive products. If issues arise with third-party platforms that impact the visibility or availability of our products and services, our members' ability to access our products and services or our ability to monetize our products and services, or otherwise impact the design or effectiveness of our software, our business, financial condition and results of operations could be adversely affected.

In addition, many of our subscription fees are collected by Apple and Google through the Apple App Store and Google Play Store and remitted to us. Historically, the number of new and retained members recorded by Life360's internal database has differed from the number recorded by Apple and Google in their respective databases. Direct revenue is recognized based on the invoices received from Apple and Google. Any delay to a remittance from Apple or Google or difference in the numbers in our respective databases may lead to distortions between our expected direct revenue and our actual direct revenue and may have an adverse effect on our business, financial condition and results of operations.

We depend on retailers and distributors to sell and market our products, and our failure to maintain and further develop our sales channels could harm our business.

We primarily sell our products through retailers and distributors and depend on these third parties to sell and market our products to consumers. Any changes to our current mix of retailers and distributors could adversely affect our gross margin and could negatively affect both our brand image and our reputation. Our sales depend, in part, on retailers adequately displaying our products, including providing attractive space and point of purchase displays in their stores, and training their sales personnel to sell our products. If our retailers and distributors are not successful in selling our products, Tile's and Jiobit's revenue would decrease and we could experience lower

gross margin due to product returns or price protection claims. Our retailers also often offer products and services of our competitors in their stores. In addition, our success in expanding and entering into new markets internationally will depend on our ability to establish relationships with new retailers and distributors. We also sell through, and will need to continue to expand our sales through, online retailers, such as Amazon.com. If we do not maintain our relationship with existing retailers and distributors or if we fail to develop relationships with new retailers and distributors, our ability to sell our products and services could be adversely affected and our business may be harmed.

In fiscal 2021 and for the nine months ended December 31, 2021, the 10 largest retailers, distributors and distribution channels for Tile accounted for approximately 66% and 67% of Tile’s gross hardware revenue, respectively. Of these retailers, distributors, and distribution channels, Target, Best Buy, and Amazon.com accounted for approximately 2%, 6%, and 53% of Tile’s gross hardware revenue for fiscal 2021, respectively, and approximately 2%, 6%, and 52% of Tile’s gross hardware revenue for the nine months ended December 31, 2021, respectively. Accordingly, the loss of a small number of our large retailers distributors, and distribution channels, or the reduction in business with, or access to, one or more of these retailers, distributors, or distribution channels could have a significant adverse impact on our operating results. While we have agreements with these large retailers and distributors, these agreements do not require them to purchase any meaningful amount of our products.

We rely on a limited number of suppliers, manufacturers, and fulfillment partners for our smart trackers. A loss of any of these partners could negatively affect our business.

We rely on a limited number of suppliers to manufacture and transport our smart trackers, including in some cases only a single supplier for some of our products and components. We outsource the manufacturing of our Tile and Jiobit devices to one contract manufacturer, using our design specifications. Jiobit also utilizes other contract manufacturers for additional accessory production. To ensure the quality of our products, we conduct routine product audits.

We also work with third-party fulfillment partners that package and deliver our products to multiple locations worldwide, which allows us to reduce order fulfillment time, reduce shipping costs, and improve inventory flexibility. Our reliance on a limited number of manufacturers and fulfillment partners for each of our smart trackers increases our risk since we do not currently have alternative or replacement manufacturers beyond these key parties. In the event of interruption from any of our manufacturers or fulfillment partners, we may not be able to increase capacity from other sources or develop alternate or secondary sources without incurring material additional costs and substantial delays. Furthermore, our primary manufacturer’s facilities are located in the People’s Republic of China and Malaysia. Thus, our business could be adversely affected if one or more of our suppliers is impacted by a natural disaster, political, social or economic instability, such as the current conflict between Russia and Ukraine, changing foreign regulations, labor unrests, pandemics, including unknown and unforeseen consequences of emerging variants of the COVID-19 pandemic, or any other interruption at a particular location.

If we experience a significant increase in demand for our smart trackers, or if we need to replace an existing supplier or partner, we may be unable to supplement or replace them on terms that are acceptable to us, if at all, which could limit our ability to deliver our products to our members in a timely manner. Our contract with Jabil expired on its terms in April 2022. Although Jabil has provided us with written confirmation of its intention to continue our relationship on the same terms and to enter into a new agreement with us on similar terms, if we are unable to enter into such an agreement, it could cause an adverse effect on our business, financial condition and results of operations. For example, it may take a significant amount of time to identify a manufacturer or fulfillment partner that has the capability and resources to build our products to our specifications in sufficient volume. Identifying suitable suppliers, manufacturers, and fulfillment partners is an extensive process that requires us to become satisfied with their quality control, technical capabilities, responsiveness and service, financial stability, regulatory compliance, and labor and other ethical practices. Accordingly, a loss of any of our

significant suppliers, manufactures, or fulfillment partners could have an adverse effect on our business, financial condition and results of operations.

We have limited control over our suppliers, manufacturers, and fulfillment partners, which may subject us to significant risks, including the potential inability to produce or obtain quality products and services on a timely basis or in sufficient quantity.

We have limited control over our suppliers, manufacturers, and fulfillment partners, which subjects us to risks, including, among others:

- inability to satisfy demand for our smart trackers;
- reduced control over delivery timing and product reliability;
- reduced ability to monitor the manufacturing process and components used in our smart trackers;
- limited ability to develop comprehensive manufacturing specifications that take into account any materials shortages or substitutions;
- variance in the manufacturing capability of our third-party manufacturers;
- design and manufacturing defects;
- price increases;
- failure of a significant supplier, manufacturer, or fulfillment partner to perform its obligations to us for technical, market, or other reasons;
- difficulties in establishing additional supplier, manufacturer, or fulfillment partner relationships if we experience difficulties with our existing suppliers, manufacturers, or fulfillment partners;
- shortages of materials or components;
- misappropriation of our intellectual property;
- exposure to natural catastrophes, political unrest, terrorism, labor disputes, and economic instability resulting in the disruption of trade from foreign countries in which our smart trackers are manufactured or the components thereof are sourced;
- changes in local economic conditions in the jurisdictions where our suppliers, manufacturers, and fulfillment partners are located including as a result of global supply chain issues;
- the imposition of new laws and regulations, including those relating to labor conditions, quality and safety standards, imports, duties, tariffs, taxes, and other charges on imports, as well as trade restrictions and restrictions on currency exchange or the transfer of funds; and
- insufficient warranties and indemnities on components supplied to our manufacturers or performance by our partners.

Further, international operations entail a variety of risks, including currency exchange fluctuations, challenges in staffing and managing foreign operations, tariffs and other trade barriers, unexpected changes in legislative or regulatory requirements of foreign countries that manufacture, or into which we sell, our products and services, difficulties in obtaining export licenses or in overcoming other trade barriers, laws and business practices favoring local companies, political and economic instability, difficulties protecting or procuring intellectual property rights, and restrictions resulting in delivery delays and significant taxes or other burdens of complying with a variety of foreign laws. For example, given ongoing supply chain issues, we are prioritizing hardware inventory allocation for the benefit of bundled subscription offers over retail sales. Additionally, in February 2022, armed conflict escalated between Russia and Ukraine. The EU and other governments in jurisdictions in which our apps are available for download through the Apple App Store and Google Play Store have imposed severe sanctions and export controls against Russia and Russian interests, and have threatened

additional sanctions and controls. It is not possible to predict the broader consequences of this conflict, which could include further sanctions, embargoes, greater regional instability, geopolitical shifts and other adverse effects on macroeconomic conditions, currency exchange rates, supply chains and financial markets.

The occurrence of any of these risks, especially during seasons of peak demand, could cause us to experience a significant disruption in our ability to produce and deliver our products and services to our customers.

If we do not successfully coordinate the worldwide manufacturing and distribution of our products, we could lose sales, which could materially adversely affect our business, financial condition and results of operations.

Our business requires us to coordinate the manufacture and distribution of our Tile and Jiobit products across the United States and over the world. We rely on third parties to manufacture our products, manage centralized distribution centers and transport our products. If we do not successfully coordinate the timely manufacturing and distribution of our products, if our manufacturers, distribution logistics providers or transport providers are not able to successfully and timely process our business or if we do not receive timely and accurate information from such providers, and especially if we expand into new product categories or our business grows in volume, we may have an insufficient supply of products to meet customer demand, lose sales, experience a build-up in inventory, incur additional costs, and our financial condition and results of operations may be adversely affected.

As a result of our products being manufactured in the People's Republic of China and Malaysia, we are reliant on third parties to get our products to distributors around the world. Transportation costs, fuel costs, labor unrest, political unrest, natural disasters, regional or global pandemics, including emerging variants of COVID-19 and consequences thereof, and other adverse effects on our ability, timing and cost of delivering products can increase our inventory, decrease our margins, adversely affect our relationships with distributors and other customers and otherwise adversely affect our financial condition and results of operations.

A significant portion of our annual retail orders and product deliveries generally occur in the last quarter of the year which includes the important selling periods in November (Black Friday and Cyber Monday) and December (Christmas and Hanukkah) in large part to seasonal holiday demand. This places pressure on our supply chain and could adversely affect our revenues and profitability if we are unable to successfully fulfill customer orders during this quarter.

Our apps are currently available for download internationally and in the future we expect to penetrate additional international regions, including certain markets and regions in which we have limited experience, which subjects us to a number of additional risks.

We have a rapidly growing member base, with the Life360 app and the Tile app being available for download in over 170 countries through the Apple App Store and more than 130 countries through the Google Play Store. Although our current member base is mostly in the United States, we have significant runway for international expansion. We believe our value proposition for family safety is universal. As of December 31, 2021, international members represented over 33% of our total MAUs and accounted for 10% of revenue. The Life360 app is available in 13 languages, and we are focused on increasing our penetration in other markets to replicate our success in the United States. In December 2021, we launched the first full-service membership offering of the Life360 Platform outside of the United States in Canada with plans to continue this rollout in other markets such as the UK, Australia and Europe. Since Tile, like Life360, is system- and device- agnostic and 16% of Tile's hardware net revenue was international, as of December 31, 2021. Our acquisition of Tile has significantly accelerated our international growth roadmap, especially in Android-heavy locales. The timing of certain of our international market rollouts has been impacted by the conflict in Ukraine, where we had a development office responsible for our international efforts. While we have been able to adapt, and get development back on track by redeploying these teams, our plans has been delayed by the conflict due to temporarily reduced engineering capacity.

Offering our apps for download internationally and rolling out full-service memberships outside of the United States, particularly in countries in which we have limited experience, exposes us to a number of additional risks including, among others:

- operational and compliance challenges caused by distance, language, and cultural differences;
- difficulties in staffing and managing international operations and differing labor regulations for contractors and certain Tile employees working internationally;
- differing levels of social and technological acceptance and adoption of our products and services or lack of acceptance of them generally and the risk that our products and services may not resonate as deeply in certain international markets;
- foreign currency fluctuations;
- restrictions on the transfer of funds among countries and back to the United States, as well as costs associated with repatriating funds to the United States;
- differing and potentially adverse tax laws and consequences;
- multiple, conflicting and changing laws, rules and regulations, and difficulties understanding and ensuring compliance with those laws by our company, our employees and our business partners, over whom we exert no control, and other government requirements, approvals, permits and licenses;
- compliance challenges due to different requirements and processes set out in different laws and regulatory environments, particularly in the case of privacy, data security intermediary liability, and consumer protection;
- competitive environments that favor local businesses or local knowledge of such environments;
- limited or insufficient intellectual property protection, or the inability or difficulty to obtain, maintain, protect or enforce intellectual property rights or to obtain intellectual property licenses from third parties, which could make it easier for competitors to capture increased market position;
- use of international data hosting platforms and other third-party platforms;
- low usage and/or penetration of internet connected consumer electronic devices;
- political, legal, social or economic instability (such as the current armed conflict between Russia and Ukraine);
- laws and legal systems less developed or less predictable than those in the United States;
- trade sanctions, political unrest, terrorism, war, pandemics and epidemics or the threat of any of these events (such as COVID-19); and
- breaches or violation of any export and import laws, anti-bribery or anti-corruption laws, anti-money laundering rules or other rules or regulations applicable to our business, including but not limited to the Foreign Corrupt Practices Act of 1977, as amended.

The occurrence of any or all of the risks described above could adversely affect our international operations, which could in turn adversely affect our business, financial condition and results of operations.

Our future success depends on the continuing efforts of our key employees and our ability to attract and retain highly skilled personnel and senior management.

We currently depend on the continued services and performance of our key employees, including Chris Hulls, our Co-Founder and Chief Executive Officer. If one or more of our executive officers or other key employees were unable or unwilling to continue their employment with us, we may not be able to replace them easily, in a timely manner, or at all. The risk that competitors or other companies may poach our talent increases

as we continue to build our brands and become more well-known. Our key personnel have been, and may continue to be, subject to poaching efforts by our competitors and other internet and high-growth companies, including well-capitalized players in the social media and consumer internet space. The loss of key personnel, including members of management, as well as key engineering, product development, marketing, and sales personnel, could disrupt our operations and have a material adverse effect on our business. The success of our brands also depends on the commitment of our key personnel. To the extent that any of our key personnel act in a way that does not align with our values, our reputation could be materially adversely affected. See "—Our employees, consultants, third-party providers, partners and competitors could engage in misconduct that materially adversely affects us."

Our future success will depend upon our continued ability to identify, hire, develop, motivate and retain highly skilled individuals across the globe, with the continued contributions of our senior management being especially critical to our success. Competition for well-qualified, highly skilled employees in our industry is intense and our continued ability to compete effectively depends, in part, upon our ability to attract and retain new employees. While we have established programs to attract new employees and provide incentives to retain existing employees, particularly our senior management, we cannot guarantee that we will be able to attract new employees or retain the services of our senior management or any other key employees in the future. Additionally, we believe that our culture and core values have been, and will continue to be, a key contributor to our success and our ability to foster the innovation, creativity and teamwork we believe we need to support our operations. If we fail to effectively manage our hiring needs and successfully integrate our new hires, or if we fail to effectively manage remote work arrangements, our efficiency and ability to meet our forecasts and our ability to maintain our culture, employee morale, productivity and retention could suffer, and our business, financial condition and results of operations could be materially adversely affected.

Finally, effective succession planning is also important to our future success. While our remuneration and nomination committee is responsible for overseeing and implementing proper succession plans for the company, if we fail to ensure the effective transfer of senior management knowledge and smooth transitions involving senior management across our various businesses, our ability to execute short and long term strategic, financial and operating goals, as well as our business, financial condition and results of operations generally, could be materially adversely affected.

Our employees, consultants, third-party providers, partners and competitors could engage in misconduct that materially adversely affects us.

Our employees, consultants, third-party providers, partners and competitors could engage in misconduct, including the misuse of data and intentional failures to comply with applicable laws and regulations (including those related to cybersecurity and data privacy or those prohibiting a wide range of pricing, discounting and other business arrangements), report financial information or data accurately or disclose unauthorized activities. Such misconduct could result in legal or regulatory sanctions and cause serious harm to their and our reputation. It is not always possible to identify and deter misconduct by employees, consultants, third-party providers or partners, and any other precautions we take to detect and prevent this activity may not be effective in controlling unknown or unmanaged risks or losses, or in protecting us from governmental investigations or other actions or lawsuits stemming from a failure to comply with these laws or regulations. If any such actions are instituted against us, whether or not we are successful in defending against them, we could be exposed to legal liability (including civil, criminal and administrative penalties), incur substantial costs and damage to our reputation and brands, and we could fail to retain key employees. Additionally, any misconduct or perception of misconduct by our members that is attributed to us, our employees, consultants, third-party providers, partners or competitors could seriously harm our business or reputation. See "—Unfavorable media coverage and publicity could damage our brands and reputation, and materially adversely affect our business, financial condition and results of operations" and "—Inappropriate actions by certain of our members could be attributed to us and cause damage to our brands."

If we fail to offer high-quality customer support, our customer satisfaction may suffer, and it may have a negative impact on our business and reputation.

Many of our members rely on our customer support services to resolve issues, including technical support, billing and subscription issues, which may arise. If demand increases, or our resources decrease, we may be unable to offer the level of support our customers expect. Any failure by us to maintain the expected level of support could reduce member satisfaction and negatively impact our customer retention, our business and reputation.

We rely on several key data partners, the agreements with which are terminable by either party at will, and any termination could have a material adverse effect on our revenues, business, financial condition and results of operations.

We generate indirect revenue from key partners through the sale of data insights from the personal data we collect from our members. This revenue represented approximately 17% and 20% of our revenue for the years ended December 31, 2021 and 2020, respectively. Termination of agreements with key partners may adversely impact our future financial performance.

In January 2022, Life360 announced a new partnership agreement with Placer, a provider of anonymized aggregated analytics for the retail ecosystem. As part of this partnership, Placer will provide data processing and analytics services to Life360 and will have the right to commercialize solely aggregated data insights. This partnership marked the beginning of Life360's exit from its legacy data sales model and transition to commercialize solely aggregated data. There is a risk that demand for this aggregated data will decrease, which may adversely impact our future financial performance. There is also a risk that the supply of aggregated data by other parties will increase which may adversely impact our ability to continue to generate revenue for the sale of aggregated data.

Our growth strategy includes expanding in international markets which requires significant resources and management attention. Failure to execute on our growth strategy could have an adverse impact on our business, financial condition and results of operations.

We have expanded to new international markets and are growing our operations in existing international markets, which may have very different cultures and commercial, legal, and regulatory systems than the markets in which we predominately operate. We have also hired new team members in many of these markets through professional employer organizations but may directly employ them in the future. This international expansion may:

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

These issues may eventually lead to turnover or layoffs of team members in these markets and may harm our ability to grow our business in these markets. In addition, scaling our business to international markets imposes complexity on our business, and requires additional financial, legal, and management resources. An inability to manage this expansion successfully may have an adverse impact on our business, financial condition and results of operations.

If we cannot maintain our corporate culture as we grow, our business may be harmed.

We believe that our corporate culture has been a critical component to our success and that our culture creates an environment that drives and perpetuates our overall business strategy. We have invested substantial

time and resources in building our team, and we expect to continue to hire aggressively as we expand, including with respect to any potential international expansions we may pursue. As we grow and mature, we may find it difficult to maintain our corporate culture. Any failure to preserve our culture could negatively affect our future success, including our ability to recruit and retain personnel and effectively focus on and pursue our business strategy.

We plan to continue to make acquisitions and pursue other strategic transactions, which could impact our business, financial condition and results of operations.

As part of our business strategy, we have made and intend to continue to make acquisitions to add specialized employees and complementary companies, products, services or technologies, and from time to time, may enter into other strategic transactions such as investments and joint ventures. We may not be able to find suitable acquisition candidates, and we may not be able to complete acquisitions or other strategic transactions on favorable terms, or at all, including as a result of regulatory challenges. In some cases, the costs of such acquisitions or other strategic transactions may be substantial, and there is no assurance that we will realize expected synergies from future growth and potential monetization opportunities for our acquisitions or a favorable return on investment for our strategic investments.

We may pay substantial amounts of cash or incur debt to pay for acquisitions or other strategic transactions, which has occurred in the past and could adversely affect our liquidity. The incurrence of indebtedness would also result in increased fixed obligations and increased interest expense and could also include covenants or other restrictions that would impede our ability to manage our operations. In the past, we have granted restricted stock units (“RSUs”) and options to retain employees of acquired companies. We may issue additional equity securities to pay for future acquisitions, which could increase our expenses, adversely affect our financial results, and result in dilution to our stockholders. In addition, any acquisitions or other strategic transactions we announce could be viewed negatively by members, marketers, developers, investors or other stakeholders, which may adversely affect our business or the price of our common stock.

We may also discover liabilities, deficiencies, or other claims associated with the companies or assets we acquire that were not identified in advance, which may result in significant unanticipated costs. The effectiveness of our due diligence review and our ability to evaluate the results of such due diligence are dependent upon the accuracy and completeness of statements and disclosures made or actions taken by the companies we acquire or their representatives, as well as the limited amount of time in which acquisitions are executed. In addition, we may fail to accurately forecast the financial impact of an acquisition or other strategic transaction, including tax and accounting charges. Acquisitions or other strategic transactions may also result in our recording of significant additional expenses to our results of operations and recording of substantial finite-lived intangible assets on our balance sheet upon closing. Any of these factors may adversely affect our financial condition or results of operations.

We may experience operational and financial risks in connection with acquisitions.

We have consummated acquisitions in the past and may continue to seek potential acquisition candidates to add complementary companies, products, services or technologies. The identification of suitable acquisition candidates can be difficult, time-consuming and costly, and we may not be able to successfully complete identified acquisitions. We may experience operational and financial risks in connection with historical and future acquisitions if we are unable to:

- properly value prospective acquisitions, especially those with limited operating histories;
- accurately review acquisition candidates’ business practices against applicable laws and regulations and, where applicable, implement proper remediation controls, procedures, and policies;

- successfully integrate the operations, as well as the accounting, financial controls, management information, technology, human resources and other administrative systems, of acquired businesses with our existing operations and systems;
- overcome cultural challenges associated with integrating employees from the acquired company into our organization;
- successfully identify and realize potential synergies among acquired and existing businesses;
- fully identify potential risks and liabilities associated with acquired businesses, including intellectual property infringement claims, violations of laws, commercial disputes, tax liabilities, litigation or other claims in connection with the acquired company, including claims from terminated employees, former stockholders or other third parties, and other known and unknown liabilities;
- retain or hire senior management and other key personnel at acquired businesses; and
- successfully manage acquisition-related strain on our management, operations and financial resources and those of the various brands in our portfolio

Furthermore, we may not be successful in addressing other challenges encountered in connection with our acquisitions. The anticipated benefits of one or more of our acquisitions may not be realized or the value of goodwill and other intangible assets acquired could be impacted by one or more continuing unfavorable events or trends, which could result in significant impairment charges. The occurrence of any of these events could have a material adverse effect on our business, financial condition and results of operations.

Additionally, the integration of acquisitions requires significant time and resources, and we may not manage these processes successfully, particularly with respect to companies that have significant operations or that develop products with which we do not have prior experience. We may make substantial investments of resources to support our acquisitions, which would result in significant ongoing operating expenses and may divert resources and management attention from other areas of our business. If we fail to successfully integrate the companies we acquire, we may not realize the benefits expected from the transactions and our business may be harmed.

Our recently completed acquisitions of Jiobit and Tile present numerous risks that may affect our ability to realize the anticipated strategic and financial goals from the acquisitions.

Risks we may face in connection with our acquisitions and integrations of Jiobit and Tile include, among others:

- We may not realize the benefits we expect to receive from the transactions, including anticipated synergies;
- We may have difficulties managing Jiobit’s or Tile’s technologies and lines of business or retaining key personnel from Jiobit or Tile;
- The acquisitions may not further our business strategy as we expected, we may not successfully integrate Jiobit or Tile as planned, there could be unanticipated adverse impacts on Jiobit’s or Tile’s business, or we may otherwise not realize the expected return on our investments, which could adversely affect our business or results of operations and potentially cause impairment to assets that we record as a part of an acquisition;
- Our business, financial condition and results of operations may be adversely impacted by (i) claims or liabilities related to Jiobit’s or Tile’s business including, among others, claims from government agencies, terminated employees, current or former members, business partners or other third parties; (ii) pre-existing contractual relationships or lines of business of Jiobit or Tile that we would not have otherwise entered into, the termination or modification of which may be costly or disruptive to our

business; (iii) unfavorable accounting treatment as a result of Jiobit's or Tile's practices; (iv) intellectual property claims or disputes; and (v) pre-existing lack of controls or difficulty with technical and data integrations resulting in data privacy, data security, and consumer protection risks that could lead to litigation or regulatory investigations or enforcement activity;

- The manufacturing of Tile and Jiobit products is outsourced to a single manufacturer, Jabil, and if the Jabil contract is terminated or not renewed, we would be required to enter into a new agreement with another manufacturer that may not be available on reasonable terms, potentially resulting in new and unexpected operational complexities and costs;
- Jiobit and Tile operate in segments of the commercial market that we have less experience with, including item tracking devices, and expansion of our operations in these segments through the acquisitions could present various integration challenges and result in increased costs and other unforeseen challenges;
- Tile's employees outside of the United States are employed through professional employer organizations, or directly employed by Tile in the case of employees located in Canada, and we may face new and unanticipated challenges in employing this workforce, including integrating these employees into our existing business units and providing benefits and working conditions that comply with the laws in jurisdictions in which we have not operated before;
- We may fail to maintain existing agreements with Jiobit and Tile partners and alternative partnerships may not be available on reasonable terms, or at all;
- We may experience difficulties managing hardware inventories, including tracking movements, supply chain, and associated costs of managing hardware inventories;
- We may fail to effectively integrate and maintain Jiobit and Tile brands and reputations; and
- We may have failed to identify or assess the magnitude of certain liabilities, shortcomings or other risks in Jiobit's or Tile's businesses prior to closing our acquisitions of Jiobit or Tile, which could result in unexpected litigation or regulatory exposure, unfavorable accounting treatment, a diversion of management's attention and resources, and other adverse effects on our business, financial condition and results of operations.

The occurrence of any of these risks could have a material adverse effect on our business, financial condition and results of operations. See "—We may experience operational and financial risks in connection with acquisitions."

We may be unable to effectively integrate the Jiobit and Tile businesses into our operations.

The acquisitions of Jiobit and Tile, their product lines, and all existing equipment, inventory and facilities present significant challenges for our management team. To be successful, we must effectively and efficiently integrate the Jiobit and Tile businesses into our organization, including the Jiobit and Tile product lines, marketing and distribution systems, production facilities, product development teams, and administrative and finance personnel and policies. We must also implement appropriate operational, financial and management systems and controls. We may encounter significant difficulties in this process, any one or more of which could adversely affect our business. The integration process could take longer than anticipated and could result in the loss of valuable employees, the disruption of each company's ongoing businesses, processes and systems or inconsistencies in standards, controls, procedures, practices, policies and compensation arrangements, any of which could adversely affect Life360's ability to achieve the anticipated benefits of the acquisitions. We will also have a number of non-recurring expenses associated with the acquisitions and integrations of Jiobit and Tile. Life360's results of operations could also be adversely affected by any issues attributable to Jiobit's or Tile's operations that arise or are based on events or actions that occurred before the closing of the acquisitions. Life360 may have difficulty addressing possible differences in corporate cultures and management philosophies. The integration process is subject to a number of uncertainties, and the anticipated benefits may not be realized or, if realized, the timing of their realization may be uncertain.

Because of these and other risks, our acquisitions of Jiobit and Tile could fail to produce the revenue, earnings and business synergies that we anticipate, adversely affecting our business.

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

We regularly review metrics, including MAUs, Paying Circles, subscription fees paid by Paying Circles for Life360 Premium Memberships, ARPPC, Tile subscriptions and Jiobit subscriptions to evaluate growth trends, measure our performance, and make strategic decisions. Our member metrics are calculated using internal company data gathered on an analytics platform that we developed and operate, have not been validated by an independent third-party and may differ from estimates or similar metrics published by third parties due to differences in sources, methodologies, or the assumptions on which we rely. Our member metrics are also affected by technology on certain mobile devices that automatically runs in the background of our application when another phone function is used, and this activity can cause our system to miscount the member metrics associated with such an account. We continually seek to improve the accuracy of and our ability to track such data but, given the complexity of the systems involved and the rapidly changing nature of mobile devices and systems, we expect to continue to encounter challenges, particularly if we continue to expand in parts of the world where mobile data systems and connections are less stable. In addition, we may improve or change our methodologies for tracking these metrics over time, which could result in unexpected changes to our metrics, including the metrics we publicly disclose. As a result, while any future periods may benefit from such improvement or change, prior periods may not be as accurate or comparable, or we may need to adjust such prior periods. The methodologies used to measure these metrics require significant judgment and are also susceptible to algorithm or other technical errors. In addition, our methodologies for tracking these metrics may change over time, which could result in unexpected changes to our metrics, including the metrics we publicly disclose. If the internal systems and tools we use to track these metrics undercount or overcount performance or contain algorithmic or other technical errors, the data we report may not be accurate. While these numbers are based on what we believe to be reasonable estimates of our metrics for the applicable period of measurement, there are inherent challenges in measuring how our products and services are used across large populations globally.

Errors or inaccuracies in our metrics or data could also result in incorrect business decisions and inefficiencies. For instance, if a significant understatement or overstatement of active users were to occur, we may expend resources to implement unnecessary business measures or fail to take required actions to attract a sufficient number of users to satisfy our growth strategies. We continually seek to address technical issues in our ability to record such data and improve our accuracy but given the complexity of the systems involved and the rapidly changing nature of mobile devices and systems, we expect these issues to continue, particularly if we continue to expand in parts of the world where mobile data systems and connections are less stable. If our operational metrics are not accurate representations of our business, or if investors do not perceive these metrics to be accurate, or if we discover material inaccuracies with respect to these figures, our reputation may be significantly harmed, we may be subject to litigation, and our business, financial condition and results of operations could be materially adversely affected.

We have had operating losses each year since our inception and we may not achieve or maintain profitability in the future.

We have incurred operating losses each year since our inception and we may not achieve or maintain profitability in the future. Although Life360's revenue, excluding Tile and Jiobit revenue, has increased each quarter since 2016, there can be no assurances that it will continue to do so. Our operating expenses may continue to increase in the future as we increase our sales and marketing efforts and continue to invest in the development of products and services. These efforts may be costlier than we expect and we cannot guarantee that we will be able to increase our revenue to offset our operating expenses. Our revenue growth may slow or our revenue may decline for a number of other possible reasons, including reduced demand for our products or services, increased competition, a decrease in the growth or reduction in size of our overall market, or if we fail

for any reason to capitalize on our growth opportunities. If we do not achieve or maintain profitability in the future, it could materially adversely affect our business, financial condition and results of operations.

The limited operating history of our newer brands, products and services makes it difficult to evaluate our current business and future prospects.

We seek to tailor each of our brands, products and services to meet the preferences of specific communities of members. Building a given brand, product or service is generally an iterative process that occurs over a meaningful period of time and involves considerable resources and expenditures. Although certain of our newer brands, products and services may experience significant growth over relatively short periods of time, the historical growth rates of these brands and products and services may not be an indication of their future growth rates generally.

We have encountered, and may continue to encounter, risks and difficulties as we build our newer brands and products. The failure to successfully scale these brands, products and services and address these risks and difficulties could adversely affect our business, financial condition and results of operations.

We have grown rapidly in recent years and have limited operating experience at our current scale of operations. If we are unable to manage our growth effectively, our brands, company culture and financial performance may suffer and place significant demands on our operational, risk management, sales and marketing, technology, compliance and finance and accounting resources.

We have experienced rapid growth and demand for our products and services since inception. We have expanded our operations rapidly, including as a result of organic growth and our acquisitions of Jiobit and Tile, and have limited operating experience at our current size. As we have grown, we have increased our employee headcount and we expect headcount growth to continue for the foreseeable future. Further, as we grow, our business becomes increasingly complex and subject to increased demands on our operational, administrative and financial resources. To effectively manage and capitalize on our growth, we must continue to scale our technology infrastructure and systems to support new products and market expansion, expand our sales and marketing, focus on innovative product and services development and upgrade our management information systems and other processes. Our future growth will depend, among other things, on our ability to maintain an operating platform and management system sufficient to address our growth. Our continued growth could strain our existing resources, and we could experience ongoing operating difficulties in managing our business across numerous jurisdictions, including difficulties in hiring, training, and managing a diffuse and growing employee base. If our management team and other key personnel do not effectively scale with our growth, we may experience erosion to our brands, the quality of our products and services may suffer, and our company culture may be harmed. Moreover, we have been, and may in the future be, subject to legacy claims or liabilities arising from our systems and controls, content or workforce in earlier periods of our rapid development. We must continue to effectively manage challenges relating to maintaining the security of our platform and the privacy and security of the information (including personal information) that is provided and utilized across our platform and implement and maintain adequate financial, business, and risk controls.

Because we have a limited history operating our business at its current scale, it is difficult to evaluate our current business and future prospects, including our ability to plan for and model future growth. Our limited operating experience at this scale, combined with the rapidly evolving nature of the markets in which we operate, substantial uncertainty concerning how these markets may develop, and other economic factors beyond our control, reduces our ability to accurately forecast quarterly or annual revenue. Failure to manage our future growth effectively could have a material adverse effect on our business, financial condition and results of operations.

Our insurance coverage may be inadequate to cover future claims or losses.

We believe we are adequately covered by our current insurance policies and plan to maintain insurance as we consider appropriate for our needs. However, we will not be insured against all risks, either because the

appropriate coverage is not available or because we consider the applicable premiums to be excessive in relation to the perceived benefits that would accrue. Accordingly, we may not be fully insured against all losses and liabilities that may arise from our operations. If we incur uninsured losses or liabilities, the value of our assets may be at risk.

The COVID-19 pandemic or the outbreak of any infectious disease in the United States or worldwide has adversely affected, and could continue to adversely affect, our business.

If another pandemic, epidemic, or outbreak of an infectious disease occurs in the United States or worldwide or if there are new or unforeseen consequences or effects of COVID-19, our business may be harmed. The global spread of COVID-19 has caused general business disruption worldwide since January 2020, creating significant volatility, uncertainty, and economic disruption. We have experienced, and continue to experience, effects of the COVID-19 pandemic, which include switching to operating as a remote-first company with plans to continue as such indefinitely. The extent to which the COVID-19 pandemic, or the outbreak of another infectious disease, ultimately impacts our business cannot be predicted and depends on a number of factors that are constantly evolving, including the emergence of new variants and the availability of effective vaccines.

A public health epidemic or pandemic, including COVID-19, poses the risk that Life360 or its employees, contractors, vendors and other business partners may be prevented or impaired from conducting ordinary course business activities for an indefinite period of time, including due to shutdowns necessitated for the health and well-being of our employees, the employees of business partners, or shutdowns that may be requested or mandated by governmental authorities. In addition, in response to COVID-19, we have taken several precautions that may adversely impact employee productivity, such as temporarily imposing travel restrictions, and temporarily closing office locations.

Most of our employees are currently working remotely with the flexibility to work out of one of our offices. The health of our employees is of primary concern at this time and we may need to take additional precautionary measures to protect the health of our employees as the situation evolves. Our management team's focus on the ongoing planning for and mitigating the risks of COVID-19 may reduce their time for other initiatives. As the COVID-19 pandemic continues to evolve, it may lead to employee inefficiencies, operational and cybersecurity risks, logistics disruptions, and other circumstances which could have an adverse impact on our business and results of operations. Even after the COVID-19 pandemic has subsided, we may experience materially adverse impacts to our business as a result of its global economic impact, including any recession that may occur or continue as a result.

COVID-19 has also affected the global supply chain in terms of freight delays, component availability and related price increases. While we have taken measures to minimize the impact of supply chain disruption, if the situation continues or worsens, profit margins and availability of inventory could be negatively affected.

An economic downturn or economic uncertainty may adversely affect consumer discretionary spending and demand for our products and services.

Our products and services may be considered discretionary items for consumers. Factors affecting the level of consumer spending for discretionary items include general economic conditions, consumer confidence in future economic conditions, fears of recession, inflationary pressures, the availability and cost of consumer credit, levels of unemployment, and tax rates. As global economic conditions continue to be volatile or economic uncertainty remains, trends in consumer discretionary spending also remain unpredictable and subject to reductions. Unfavorable economic conditions may lead consumers to delay or reduce purchases of our products and services and consumer demand for our products and services may not grow as we expect. Our sensitivity to economic cycles and any related fluctuation in consumer demand for our products and services may have an adverse effect on our business, financial condition and results of operations.

We are affected by seasonality.

Life360 has historically experienced member and subscription growth seasonality in the third quarter of each calendar year, which includes the return to school for many of our members. Tile has historically experienced revenue seasonality in the fourth quarter of each calendar year, which includes the important selling periods in November (Black Friday and Cyber Monday) and December (Christmas and Hanukkah) in large part to seasonal holiday demand. For example, during the fiscal years ended March 31, 2021 and March 31, 2020, the third quarters accounted for 48% and 39% of Tile's total revenue, respectively. Accordingly, an unexpected decrease in sales over those traditionally high-volume selling periods may impact our revenue and could also result in surplus inventory and could have a disproportionate effect on our results of operations for the entire fiscal year. Seasonality in our business can also be affected by introductions of new or enhanced products and services, including the costs associated with such introductions.

We derive a portion of our revenues from lead generation offerings. If we are unable to continue to compete for these lead generation offerings, or if any events occur that negatively impact our relationships with potential advertising partners, our advertising revenues and results of operations will be negatively impacted.

We generate a portion of our revenue by delivering product offerings from partners to members in contextually relevant ways that do not feel like advertisements. Currently, lead generation at Life360 is limited to displaying auto insurance offers in the Life360 app after the member has indicated they are interested in receiving such offers by clicking on the advertisement within the app. These lead generation advertisements are broadly displayed to all members and our partners bid for advertisement placements by setting a budget for a driving score tier. Individual driving scores are not provided to advertisers. In the future, we may offer additional third-party solutions through lead generation.

We are developing additional functionality within the Life360 app to enable members to control the use of their data including to opt-out of lead generation offers. There is a risk that members may not engage with the lead generation offering at the scale necessary for potential advertising partners to spend any of their advertising budget on the lead generation offering. There is a risk that advertisers will not utilize the lead generation offering. A failure to grow the lead generation offering may have a material adverse impact on our business, financial condition and results of operations.

Our operating margins may decline as a result of increasing product costs and inflationary pressures.

Our business is subject to significant pressure on pricing and costs caused by many factors, including intense competition, the cost of components used in our products, labor costs, constrained sourcing capacity, inflationary pressure, pressure from subscribers to reduce the prices we charge for our products and services, and changes in consumer demand. Costs for the raw materials used in the manufacture of our products are affected by, among other things, energy prices, consumer demand, fluctuations in commodity prices and currency, and other factors that are generally unpredictable and beyond our control. Increases in the cost of raw materials used to manufacture our products or in the cost of labor and other costs of doing business in the United States and internationally could have an adverse effect on, among other things, the cost of our products, gross margins, results of operations, financial condition and cash flows. Moreover, if we are unable to offset any decreases in our average selling price by increasing our sales volumes or by adjusting our product mix, our business, financial condition and results of operations may be harmed.

The unaudited pro forma financial information included in this Registration Statement may not be representative of our future financial condition and results of operations.

The pro forma financial information contained in this Registration Statement is unaudited and is based, in part, on certain estimates and assumptions that we believe are reasonable. Our estimates and assumptions may

not prove to be accurate over time. For example, we have made a preliminary allocation of the estimated purchase price paid as compared to the net assets acquired in the Tile Acquisition, as if the Tile Acquisition had closed on the dates indicated in the applicable pro forma presentations. When the actual calculation and allocation of the purchase price to net assets acquired is performed, it will be based on the net assets assumed at the effective date of the Tile Acquisition and other information at that date to support the allocation of the fair values of Tile's assets and liabilities. Accordingly, the actual amounts of net assets will vary from the pro forma amounts, and the final valuation of Tile may be materially different than as reflected in the unaudited pro forma financial data contained herein. See our Unaudited Pro Forma Condensed Combined Financial Data and the notes thereto included in Item 13 of this Registration Statement. As a result of the foregoing, the unaudited pro forma financial information contained in this Registration Statement may not accurately reflect what our results of operations and financial condition would have been had we been a combined entity during the periods presented, or what our results of operations and financial condition will be in the future. The challenge of integrating previously independent businesses makes evaluating our business and our future financial prospects difficult.

We may require additional capital to support business growth and objectives, and this capital might not be available to us on reasonable terms, if at all, and may result in stockholder dilution.

We expect that our existing cash and cash equivalents provided by sales of our subscriptions will be sufficient to meet our anticipated cash needs and business objectives for at least the next 12 months. Our future capital requirements will depend on many factors, including our subscription growth rate, subscription renewal activity, the timing and the amount of cash received from subscribers, the timing and extent of spending to support development efforts, the expansion of sales and marketing activities, the introduction of new and enhanced product offerings, and the continuing market adoption of our platform. We may, in the future enter into arrangements to acquire or invest in complementary businesses, services, and technologies. However, we intend to continue to make investments to support our business growth and may require additional capital to fund our business and to respond to competitive challenges, including the need to promote our products and services, develop new products and services, enhance our existing products, services, and operating infrastructure, and potentially to acquire complementary businesses and technologies. Accordingly, we may need to engage in equity or debt financings to secure additional funds. Any such additional funding may not be available on terms attractive to us, or at all. Our inability to obtain additional funding when needed could have an adverse effect on our business, financial condition and results of operations. If additional funds are raised through the issuance of equity or convertible debt securities, holders of our common stock could suffer significant dilution, and any new shares we issue could have rights, preferences, and privileges superior to those of our common stock. Any debt financing secured by us in the future could involve restrictive covenants relating to our capital raising activities and other financial and operational matters, which may make it more difficult for us to obtain additional capital and to pursue business opportunities, including potential acquisitions.

The accounting method for our outstanding convertible notes, embedded derivatives and other similar financial instruments could have a material effect on our reported financial results.

Our outstanding convertible notes, embedded derivatives and other similar financial instruments, which require mark-to-market accounting treatment and could result in a gain or loss on a quarterly basis with regards to the mark-to-market value of that feature. Such accounting treatment could have a material impact on, and could potentially result in significant volatility in, our quarterly results of operations. In addition, we may be required to make cash payments upon the termination of any of these derivative contracts.

Risks Related to Privacy and Cybersecurity

We are subject to laws and regulations concerning data privacy, data security, consumer protection, advertising, tracking, targeting and the protection of minors and these laws and regulations are continually evolving. Our actual or perceived failure to comply with these laws and regulations could result in regulatory investigations, claims (including class action or similar lawsuits), monetary penalties, changes to our business practices, reputational damage, increased cost of operations, or declines in

member growth or engagement, or otherwise materially and adversely harm our business, financial condition and results of operations.

We collect, store, use, share and otherwise process data, some of which contain personal information about individuals including, among other things, the contact details, network details, payment information, biometric data, and precise geolocation data of individuals such as our members, employees and partners (and their devices), as well as information collected from children and minors under age 16 and their devices. We are therefore subject to U.S. (federal, state, local) and international laws and regulations regarding data privacy and security and the processing of personal information and other data from members, employees or business partners, and these laws and regulations are constantly evolving and being tested in courts and by regulators. The regulatory framework for privacy, data protection and information security, both nationally and worldwide and the interpretations of existing laws and regulations is likely to continue to be uncertain, and current or future legislation or regulations in the United States and other jurisdictions, or new interpretations of existing laws and regulations, could significantly restrict or impose conditions on our ability to process data and increase notice or consent requirements, including before we can utilize certain advertising technologies.

Our business involves the collection and processing of different categories of personal information, including precise geolocation data and children's data, which are considered to be particularly sensitive and high risk by regulators. In particular, the processing of precise location data and children's data is afforded special protections under U.S. and international privacy laws. In the EEA and the UK, for example, the collection and use of children's data and location data by companies are particular focus areas for enforcement by local data protection regulators. The processing of sensitive data categories could subject us to increased risk of regulatory investigations, litigation, media scrutiny and negative public relations. Given that we allow global access to our products and services, with the Life360 app and Tile app currently being available for download in over 170 countries through the Apple App Store and over 130 countries through the Google Play Store, which may result in local privacy laws applying and given the rapidly evolving privacy regulatory landscape and increasingly strict interpretation and enforcement of the same, our privacy governance, internal controls, disclosures, member interfaces and other compliance measures may not be deemed adequate for the sensitivity of our data processing and sharing activities in all jurisdictions in which our services are available. We are in the process of strengthening our enterprise-wide privacy program, instituting reforms and adding additional controls around privacy by extending policies and practices followed at Tile and Jiobit to group level, but our compliance program now, or in the future, may not be sufficient to fully mitigate compliance risk or ensure compliance with applicable global data privacy and data protection laws and regimes.

In the United States, we are subject to numerous federal, state and local data privacy and security laws and regulations governing the processing of information about individuals, including federal and state data privacy laws, marketing and communications laws, laws regarding credit reports, data breach notification laws, and consumer protection laws. For example, the Federal Trade Commission ("FTC") and many state attorneys general are interpreting federal and state consumer protection laws to impose standards for the online collection, use, dissemination, and security of personal information. Such standards require us to publish statements that describe how we handle personal information and choices individuals may have about the way we handle their personal information. Although we endeavor to ensure that our public statements are complete, accurate and fully implemented, we may at times fail to do so or be alleged to have failed to do so. If such information that we publish is, or is considered to be, untrue or inaccurate, we may be subject to government claims of unfair or deceptive trade practices, which could lead to potential regulatory or other legal action, significant liabilities and other consequences. Moreover, according to the FTC, violating consumers' privacy rights or failing to take appropriate steps to keep consumers' personal information secure may constitute unfair acts or practices in or affecting commerce in violation of Section 5(a) of the Federal Trade Commission Act. State consumer protection laws provide similar causes of action for unfair or deceptive practices. Moreover, some states, such as California and Massachusetts, have passed specific laws mandating reasonable security measures for the handling of consumer data. Further, privacy advocates and industry groups have regularly proposed and sometimes approved, and may propose and approve in the future, self-regulatory standards with which we must legally comply or that contractually apply to us.

Providers of online websites, applications and services, like us, are subject to various laws, regulations and other requirements relating to unfair and deceptive practices, the protection of minors, stalking and surveillance, and notice and consent obligations, for example in connection with subscriptions and autorenewal payment terms, communications and advertising through email, telephonic calls or text messages, children's privacy and protection, which if violated, could subject us to an increased risk of litigation and regulatory actions. We are subject to COPPA which applies to operators of commercial websites and online services directed to U.S. children under the age of 13 that collect personal information from children, and to operators of general audience websites with actual knowledge that they are collecting information from U.S. children under the age of 13. COPPA is subject to interpretation by courts and other governmental authorities, including the FTC, and the FTC is authorized to promulgate, and has promulgated, revisions to regulations implementing provisions of COPPA, and provides non-binding interpretive guidance regarding COPPA that changes periodically with little or no public notice. COPPA may be enforced by States Attorneys General or the FTC, which is empowered to impose statutory monetary penalties of up to $46,517 per violation as well as injunctive and equitable relief for violations. Although we strive to ensure that our business and mobile application are compliant with applicable COPPA provisions, these provisions may be modified, interpreted, or applied in new manners that we may be unable to anticipate or prepare for appropriately, and we may incur substantial costs or expenses in attempting to modify our systems, platform, applications, or other technology to address changes in COPPA or interpretations thereof. If we fail to accurately anticipate the application, interpretation or legislative expansion of COPPA we could be subject to governmental enforcement actions, litigation, fines and penalties, non-monetary obligations that may negatively affect our business. For example, the FTC has reached stipulated judgments or agreed decisions and orders as a result of enforcement actions against other companies, in which such stipulated judgments or orders mandate changes to the ways in which companies provide notice to or receive consents from members related to such companies' data practices, and/or require deletion or restrict usage of data, augmentation of privacy controls, and/or payment of fines and penalties in cases where financial remedies are legally available, such as matters involving violations of COPPA. Such FTC stipulated judgments and agreed decisions and orders typically involve costly consent decrees with a term of up to 20 years, which require strict adherence to these data processing requirements and restrictions, and periodic third-party auditing of the company's adherence to such standards. for up to 20 years. In addition, any such action could result in adverse publicity and we could be in breach of our client contracts and our clients could lose trust in us, which could harm our reputation and business.

Our communications with our members are subject to certain laws and regulations, including the Controlling the Assault of Non-Solicited Pornography and Marketing ("CAN-SPAM") Act of 2003, the Telephone Consumer Protection Act of 1991 (the "TCPA"), and the Telemarketing Sales Rule and analogous state laws, that could expose us to significant damages awards, fines and other penalties that could materially impact our business. For example, the TCPA imposes various consumer consent requirements and other restrictions in connection with certain telemarketing activity and other communication with consumers by phone, fax or text message. The CAN-SPAM Act and the Telemarketing Sales Rule and analogous state laws also impose various restrictions on marketing conducted use of email, telephone, fax or text message. As laws and regulations, including FTC enforcement, rapidly evolve to govern the use of these communications and marketing platforms, the failure by us, our employees or third parties acting at our direction to abide by applicable laws and regulations could adversely impact our business, financial condition and results of operations or subject us to fines or other penalties. In addition, many state legislatures have adopted legislation that regulates how businesses operate online, including measures relating to privacy, data security, and data breaches.

In addition, many state legislatures have adopted legislation that regulates how businesses operate online, including measures relating to privacy, data security, and data breaches. Such legislation includes the CCPA, which came into force in 2020, creates new data privacy rights for California consumers and imposes obligations on companies like us that process their personal information. Among other things, the CCPA gives California consumers the right to access and delete their personal information and receive detailed information about how their personal information is used and shared. The CCPA also provides California consumers the right to opt-out of certain sales of personal information and may restrict the use of cookies and similar technologies for advertising purposes. The law also prohibits covered businesses from discriminating against consumers (for example, by charging more for services) for exercising any of their CCPA rights. The CCPA imposes statutory

damages of up to $2,500 for each violation, which increases to $7,500 if the violation is deemed “intentional,” for certain violations of the law as well as a private right of action for certain data breaches that result in the loss of personal information. This private right of action is expected to increase the likelihood of, and risks associated with, data breach litigation. Additionally, California voters approved a new privacy law, the CPRA, creating obligations relating to consumer data beginning on January 1, 2022, with implementing regulations expected on or before July 1, 2022, and enforcement beginning July 1, 2023. The CPRA will significantly modify the CCPA, including by expanding consumers’ rights and establishing a new state agency that will be vested with authority to implement and enforce the CCPA and the CPRA. With CPRA regulations and enforcement actions still pending, the proper interpretation and implementation of aspects of the CCPA and CPRA remain unclear, resulting in further uncertainty and potentially requiring us to modify our data practices and policies and to incur substantial additional costs and expenses in an effort to comply.

The CCPA and CPRA have encouraged other states to pass or propose comparable legislation, with potentially greater penalties, and more rigorous compliance requirements relevant to our business. For example, the VCDPA and the CDPA, respectively, which will go into effect in 2023 and will impose obligations similar to or more stringent than those we may face under other data privacy and security laws. The CPRA, VCDPA, CDPA and UCAP introduce new and additional compliance obligations with respect to the collection and use of “sensitive” personal information, including precise geolocation data and information relating to children and minors under 16. Similar laws have been proposed in other states and at the federal level, reflecting a trend toward more stringent privacy legislation in the United States, and the enactment of such laws could have potentially conflicting requirements that would make compliance challenging and cost- and time-intensive, and may require us to modify our data processing practices and policies and to incur substantial costs and potential liability in an effort to comply with such legislation.

Moreover, in connection with our parental consent mechanism provided through a third-party vendor, we may be subject to certain U.S. state laws regarding the processing of biometric identifiers, including the Illinois Biometric Information Privacy Act (the “BIPA”), which applies to the collection and use of “biometric identifiers” and “biometric information,” which include finger and face prints. A business required to comply with the BIPA is not permitted to sell, lease, trade or otherwise profit from biometric identifiers or biometric information it collects, and is also under obligations to have a written policy with respect to the retention and destruction of all biometric identifiers and biometric information; ensure that it informs the subject of the collection and the purpose of the collection and obtains consent for such collection; and obtain consent for any disclosure of biometric identifiers or biometric information. Individuals are afforded a private right of action under the BIPA and may recover statutory damages equal to the greater of $1,000 or actual damages and reasonable attorneys’ fees and costs. Several class action lawsuits have been brought under the BIPA, as the statute is broad and still being interpreted by the courts.

In addition, some laws may require us to notify governmental authorities and/or affected individuals of data breaches involving certain personal information or other unauthorized or inadvertent access to or disclosure of such information. We may need to notify governmental authorities and affected individuals with respect to such incidents. For example, laws in all 50 U.S. states may require businesses to provide notice to consumers whose personal information has been disclosed as a result of a data breach. These laws are not consistent with each other, and compliance in the event of a widespread data breach may be difficult and costly. We also may be contractually required to notify consumers or other counterparties of a security incident, including a breach. Regardless of our contractual protections, any actual or perceived security incident or breach, or breach of our contractual obligations, could harm our reputation and brand, expose us to potential liability or require us to expend significant resources on data security and in responding to any such actual or perceived breach.

We are subject to the EU GDPR and applicable national supplementing laws and to the UK GDPR and the UK Data Protection Act 2018, in each case in relation to our collection, control, processing, sharing, disclosure and other use of data relating to an identifiable living individual (personal data). The EU GDPR and UK GDPR impose a strict data protection compliance regime including: maintaining a record of data processing; providing detailed disclosures about how personal data is collected and processed (in a concise, intelligible and easily accessible form); obtaining consent or relying on an alternative legal basis to justify data processing activities,

including, for example, with respect to processing geolocation data and children's data for marketing and other purposes; conducting data privacy impact assessments where processing is likely to result in a high risk to the rights and freedoms of individuals (including children); complying with specific obligations, including statutory codes of practice, regarding the collection and use of personal data relating to children such as regarding default privacy settings; ensuring appropriate safeguards are in place where personal data is transferred out of the EEA and the UK; complying with rights for data subjects in regard to their personal data (including data access, erasure and portability); notifying data protection regulators, and in certain cases, affected individuals, of significant data breaches; and complying with the principle of accountability and the obligation to demonstrate compliance through policies, procedures, training and audit.

We are also subject to EU rules with respect to cross-border transfers of personal data from the EEA and the UK. Recent legal developments in Europe have created complexity and uncertainty regarding such transfers, including specifically to the United States. On July 16, 2020, the CJEU invalidated the EU-U.S. Privacy Shield Framework, or Privacy Shield, under which personal data could be transferred from the EEA 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 EU Commission as an adequate personal data transfer mechanism, and potential alternative to the Privacy Shield), it made clear that reliance on them alone may not necessarily be sufficient in all circumstances and transfers must be assessed on a case by case basis. U.S. and EU officials are actively seeking a solution to replace the personal data transfer mechanism struck down by the CJEU. On March 25, 2022, the U.S. and the European Commission committed to a new so-called Trans-Atlantic Data Privacy Framework to enable trans-Atlantic data flows and address the concerns raised by the CJEU in its July 2020 opinion. There is no clear timeline for the enactment of this new framework. Moreover, once enacted the new framework is likely to be subject to legal challenges and may be struck down by the CJEU. To safeguard our data transfers from the EEA and the UK to third parties in other jurisdictions, including the United States, we currently utilize standard contractual contracts approved by the EU Commission. Both the EU Commission and UK government have published revised standard contractual clauses for data transfers from the EEA and UK respectively, and we will need to implement the revised standard contractual clauses, in relation to relevant vendor/partner arrangements, within the relevant time frames.

Further, regulatory authorities are taking enforcement action with respect to data exports. For example, the Austrian and French regulators have found that the use of Google analytics is in breach of the GDPR's data transfer provisions (on the basis that sufficient safeguards are not in place to ensure that the transferred data to Google in the United States has a level of protection essentially equivalent to that in the EU), and the Irish regulator has issued a draft decision requiring Meta to suspend the transfer of personal data from the EU to the United States. As regulators issue further orders and guidance on personal data export mechanisms, including circumstances where the standard contractual clauses cannot be used, and continue taking enforcement action, we could suffer increased costs to ensure compliance as well as additional complaints and/or regulatory investigations or fines, and/or if we are otherwise unable to transfer personal data between and among countries and regions in which we make our apps available for download, it could affect the manner in which we provide our services, the geographical location or segregation of our relevant systems and operations, and could adversely affect our business, financial condition and results of operations.

Fines for certain breaches of the EU GDPR can result in fines of up to the greater of EUR 20 million or 4% of total global annual turnover, and fines for certain breaches of the UK GDPR can result in fines of the greater of GBP 17.5 million or 4% total global annual turnover. As we are under the supervision of local data protection authorities in both the UK and the EEA, we may be fined under both the EU GDPR and UK GDPR for the same breach. In addition to the foregoing, a breach of the EU GDPR or UK GDPR could result in regulatory investigations, reputational damage, orders to cease/ change our processing of our data, enforcement notices, assessment notices (for a compulsory audit) and/or litigation (including class actions).

We are also subject to evolving EU and UK privacy laws on cookies, tracking technologies and e-marketing. In the EU and the UK, regulators are increasingly focusing on compliance with current national laws that implement the ePrivacy Directive. Informed consent is required for the placement of certain cookies or similar tracking technologies that store information on, or access information stored on, an individual's device

for direct electronic marketing. Consent is tightly defined and includes prohibition on pre-checked consents and a requirement to obtain separate consents for each type of cookie or similar technology. The ePrivacy Directive may be replaced by an EU regulation known as the ePrivacy Regulation that will significantly increase fines for non-compliance. While the text of the ePrivacy Regulation is still under development, recent European court and regulator decisions are driving increased attention to cookies and similar tracking technologies. If the trend of increasing enforcement by regulators of the strict approach in recent decisions and guidance continues, 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, and any decline of cookies or similar online tracking technologies as a means to identify and potentially target members, may lead to broader restrictions and impairments on our marketing and personalization activities and may negatively impact our efforts to understand members.

We depend on a number of third parties in relation to the operation of our business, a number of which process personal information on our behalf. We have a policy in place to mitigate the associated risks of using third parties by entering into contractual arrangements directing providers to only process personal information according to our instructions, and to have appropriate technical and organizational security measures in place. There is no assurance that these contractual measures and our own privacy and security-related safeguards will protect us from the risks associated with the third-party processing, storage and transmission of such information. Any violation of data or security laws by our third-party processors could have a material adverse effect on our business and result in the fines and penalties outlined above.

Further, because we accept debit and credit cards for payment, we are subject to the Payment Card Industry Data Security Standard (the "PCI Standard"), issued by the Payment Card Industry Security Standards Council, with respect to payment card information. The PCI Standard contains compliance guidelines with regard to our and our payment processors' security surrounding the physical and electronic storage, processing and transmission of cardholder data. Compliance with the PCI Standard and implementing related procedures, technology and information security measures requires significant resources and ongoing attention. Costs and potential problems and interruptions associated with the implementation of new or upgraded systems and technology, such as those necessary to achieve compliance with the PCI Standard or with maintenance or adequate support of existing systems could also disrupt or reduce the efficiency of our and our payment processors' operations. Any material interruptions or failures in our payment related systems could have a material adverse effect on our business, results of operations and financial condition. If there are amendments to the PCI Standard, the cost of recompliance could also be substantial and we may suffer loss of critical data and interruptions or delays in our and our payment processors' operations as a result. If we are unable to comply with the security standards established by banks and the payment card industry, we may be subject to fines, restrictions and expulsion from card acceptance programs, which could materially and adversely affect our business.

Given that we allow global access to our products and services, the evolving privacy law landscape and uncertain interpretation and enforcement of such laws, we may not comply with the rapidly changing data privacy and data security laws, regulations, policies and legal obligations discussed above, and any current compliance is subject to change based on this shifting landscape. We are in the process of strengthening and documenting our data privacy and security compliance program and therefore may not be in compliance with all data governance and other requirements under applicable data privacy and data security laws, regulations, policies and legal obligations. Moreover, it is possible that these obligations may be interpreted and applied in a manner that is inconsistent from one jurisdiction to another and may conflict with other rules or our practices. It is also possible that new laws, policies, legal obligations, or industry codes of conduct may be passed, or existing laws, policies, legal obligations, or industry codes of conduct may be interpreted in such a way that could prevent us from being able to offer services to individuals located in a certain jurisdiction or may make it costlier or more difficult for us to do so. It is also possible that certain governments may seek to block or limit our products or otherwise impose other restrictions that may affect the accessibility or usability of any or all our products for an extended period of time or indefinitely. The costs of complying with these laws and regulations, which in some

cases can be enforced by private parties in addition to government entities, are high and likely to increase in the future, particularly as the degree of regulation increases, our business grows and our geographic scope and member base expands. The impact of these laws and regulations may disproportionately affect our business in comparison to our peers in the technology sector that have greater resources.

Any failure or perceived failure by us to comply with our posted privacy policies, our privacy-related obligations to members or other third parties, or any laws or regulations concerning data privacy, data security, consumer protection, and protection of minors; or any compromise of security that results in the unauthorized release or transfer of personal information or other member data, may result in governmental investigations or enforcement actions, monetary penalties or fines, litigation, claims (including class actions), public statements against us by consumer advocacy groups or others, or negative media coverage and could result in significant liability, cause our members 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, and policies that are applicable to us are high and likely to increase in the future, particularly as the degree of regulation increases, our business grows and our geographic scope expands. Additionally, if third parties we work with, such as our service providers or data sharing partners, violate applicable laws, regulations, or our contractual agreements, such violations may put our members' and/or employees' data at risk, which could result in governmental investigations or enforcement actions, fines, litigation, claims (including class action claims) or public statements against us by consumer advocacy groups or others or negative media coverage and could result in significant liability, cause our members to lose trust in us, and otherwise materially and adversely affect our reputation and business. The impact of these laws and regulations could disproportionately affect our business in comparison to our peers in the technology sector that have greater resources. Further, public scrutiny of, or complaints about, technology companies or their data handling or data privacy and security 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.

Providers of online websites, applications and services are subject to various laws, regulations and other requirements relating to unfair and deceptive practices, the protection of minors, stalking and surveillance, and notice and consent obligations (for example in connection with subscriptions and autorenewal payment terms, communications and advertising through email, telephonic calls or text messages) which if violated, could subject us to an increased risk of litigation and regulatory actions.

Children's privacy has been a regular focus of regulatory enforcement activity and subjects our business to potential liability that could adversely affect our business, financial condition and results of operations. The FTC and state attorneys general in the United States have in recent years increased enforcement of COPPA. In addition, the GDPR prohibits certain processing of personal information of children under the age of 13 to 16 (depending on jurisdiction) without parental consent. The CCPA requires companies to obtain the consent of children in California under the age of 16 (or parental consent for children under the age of 13) before selling their personal information. In addition, several jurisdictions have issued enforceable codes for designing online services that will be used by children. Our services include the collection of data, including personal information and precise geolocation data, directly from devices associated with children, which fall within the scope of these child privacy laws, regulations and requirements.

We are at present, and have been in the past, subject to regulatory inquiries relating to our business practices, including those related to data processing activities, and we expect to continue to be subject to such proceedings in the future, which could cause us to incur substantial costs or require us to change our business practices in a manner materially adverse to our business, financial condition and results of operations.

From time to time, we receive inquiries from regulatory authorities regarding our compliance with laws and regulations, including those related to data privacy, consumer rights and compliance with privacy laws. We are presently the subject of multiple inquiries or investigations by regulatory authorities related to our data processing practices and compliance with laws and regulations.

Given the increased regulatory scrutiny by regulatory authorities such as the FTC, U.S. state Attorneys General, data protection authorities and supervisory authorities with respect to the processing of consumer personal information (and especially regarding geolocation-based information and information about children and minors), we expect to continue to be the subject of regulatory inquiries in the future by regulators domestically and internationally. Any such inquiry could result in further investigations or proceedings and adverse publicity alleging misconduct and may lead to increased scrutiny or actions taken by regulatory authorities into alleged but unproven conduct which could harm our reputation and business. We cannot predict the outcome of any particular inquiry at this time. If, as a result of any such regulatory investigation or inquiry, our data processing practices are found to have violated existing law or regulation, we could be liable for substantial monetary fines, in addition to a potential injunction, court costs and fees. If, as a result of a regulatory investigation or inquiry, we are found to have failed to comply with a privacy or consumer protection law or regulation, we could be subject to adverse publicity and our members could lose trust in us, which could harm our reputation and business.

In addition, it is possible that any future order issued by, or settlement entered into with, a regulatory authority could cause us to incur substantial costs, reputational harms, or require us to change our business practices in a manner materially adverse to our business, financial condition or results of operations.

Security breaches of our networks, systems or applications, improper unauthorized access to or disclosure of our proprietary data or member data, including personal information, other hacking and phishing attacks on our systems or service, or other cyber incidents could disrupt our services or compromise sensitive information related to our business and/or personal information processed by us or on our behalf and expose us to liability, which could harm our reputation and materially adversely affect our business, financial condition and results of operations.

Our products and services, and the operation of our business, involve the collection, storage, processing, and transmission of data, including personal information, such as precise geolocation data and information relating to children and minors under 16 and their devices. The information systems that store and process such data are susceptible to increasing threats of continually evolving cybersecurity risks that become more complex over time and generally are not recognized until launched against a target. As a result, we and our third-party service providers may be unable to anticipate these techniques or implement adequate preventative measures in a timely enough manner to prevent either an electronic intrusion into our systems or services or a compromise of customer data or other confidential information, and we and they may face difficulties or delays in identifying or otherwise responding to any potential security breach or incident. In particular, our industry is prone to cyber-attacks by third parties seeking unauthorized access to confidential or sensitive data, including member personal information, or to disrupt our ability to provide services. We and companies in our industry face an ever-increasing number of threats to our information systems from a broad range of threat actors, including foreign governments, criminals, competitors, computer hackers, cyber terrorists and politically motivated groups or individuals, and we have previously experienced various attempts to access our information systems. These threats include physical or electronic break-ins, security breaches from inadvertent or intentional actions by our employees, contractors, consultants, and/or other third parties with otherwise legitimate access to our systems, website or facilities, or from cyber-attacks by malicious third parties which could breach our data security and disrupt our systems. The motivations of such actors may vary, but breaches that compromise our information technology systems or the personal information processed on such systems can cause interruptions, delays or operational malfunctions, which in turn could have a material adverse effect on our business, financial condition and results of operations and prospects. The security measures we have integrated into our internal systems and platform, which are designed to detect unauthorized intrusions or activity and prevent or minimize security breaches, may not function as expected or may not be sufficient to protect our internal networks and platform against certain attacks and other security incidents and attacks of varying degrees from time to time. For example, we were one of many of Codecov’s customers that were impacted by a supply-chain attack on Codecov’s servers. This attack resulted in unauthorized access to, and copying of, certain of our source code repositories. Based on the contents of those repositories, we do not believe such unauthorized access and copying resulted in the exposure of our material intellectual property or any customer data, or had any impact on our own products or services. Such breach does highlight, along with other recent supply-chain attacks against other companies such as Solar Winds, the growing risk of compromise of owned

and third-party software. In the future, we could experience a similar style attack or could become the subject of one through a supply chain compromise.

In addition, the risks related to a security breach or disruption, including through, a distributed denial-of-service attack, computer malware, viruses, social engineering (predominantly spear phishing attacks), and general hacking, have become more prevalent in our industry and have generally increased as the number, intensity, and sophistication of attempted attacks and intrusions from around the world have increased. In particular, ransomware attacks, including those from organized criminal threat actors, nation-states, and nation-state supported actors, are becoming increasingly prevalent and severe, and can lead to significant interruptions in our operations, loss of data and income, reputational loss, diversion of funds, and may result in fines, litigation and unwanted media attention. Extortion payments may alleviate the negative impact of a ransomware attack, but we may be unwilling or unable to make such payments due to, for example, applicable laws or regulations prohibiting payments.

Such security incidents and disruptions may occur on our systems in the future. We also regularly encounter attempts to create false or undesirable member accounts or take other actions on our platform for objectionable ends. We cannot guarantee that we will not experience material or adverse effects from any future incident. As a result of our prominence, the size of our member base, the volume of personal information on our systems, and the evolving nature of our products and services (including our efforts involving new and emerging technologies), we may be a particularly attractive target for such attacks, including from highly sophisticated, state-sponsored, or otherwise well-funded criminal actors.

Our efforts to address undesirable activity on our platform also increase the risk of retaliatory attacks. Such breaches and attacks on us or our third-party service providers may cause interruptions to the services we provide, degrade the member experience, cause members or marketers to lose confidence and trust in our products and decrease the use of our products or stop using our products in their entirety, impair our internal systems, or result in financial harm to us. Any failure to prevent or mitigate security breaches and unauthorized access to or disclosure of our data or member data, including personal information, content, or payment information from members, or information from marketers, could result in the loss, modification, disclosure, destruction, or other misuse of such data, which could subject us to legal liability and penalties, harm our business and reputation and diminish our competitive position. We may incur significant costs in protecting against or remediating such incidents and as cybersecurity incidents continue to evolve, we may be required to expend significant additional resources to continue to modify or enhance our protective measures or to investigate and remediate any information security vulnerabilities. Our efforts to protect our confidential and sensitive data, the data of our members or other personal information we receive, and to prevent or disable undesirable activities on our platform, may also be unsuccessful due to software bugs or other technical malfunctions; employee, contractor, or vendor error or malfeasance, including defects or vulnerabilities in our service providers' information technology systems or offerings; government surveillance; breaches of physical security of our facilities or technical infrastructure; or other threats that may surface or evolve.

In addition, third parties may attempt to fraudulently induce employees or members to disclose information in order to gain access to our data or our members' data, including account credentials, such as member names, passwords, or other information that could compromise the security of our internal networks, electronic systems, or physical facilities in order to gain access to our systems, services, data or our members' data, which could result in significant legal and financial exposure, a loss of confidence in the security of our platform, interruptions, or malfunctions in our operations, account lock outs, and, ultimately, harm to our business, financial condition and results of operations. Cyber-attacks continue to evolve in sophistication and volume and may be difficult to detect for long periods of time. Although we have developed systems and processes that are designed to protect our data and member data, to prevent data loss, to disable undesirable accounts and activities on our platform, these measures may not be successful, anticipate or detect all cyber-attacks or other breaches, or that we will be able to react to cyber-attacks or other breaches in a timely manner, or that our remediation efforts will be successful. We may incur significant costs in connection with such remediation efforts, including the costs of notifying applicable regulators and affected members, or offering credit monitoring services. We may also incur significant legal and financial exposure, including legal claims, higher transaction fees and insurance policy rates, and regulatory fines and penalties as a result of any compromise or breach of our systems or data

security, or the systems and data security of our third-party providers. Any of the foregoing could have a material adverse effect on our business, financial condition, results of operations and prospects.

In addition, some of our partners may receive or store information provided by us or by our members through mobile or web applications integrated with our applications and we use third-party service providers to store, transmit and otherwise process certain confidential, sensitive or personal information, including precise geolocation data and information relating to children and minors under 16 and their devices, on our behalf. If these third parties fail to adopt or adhere to adequate data security practices, or in the event of a breach of their networks, our data or our members' data may be improperly accessed, used, or disclosed, which could subject us to legal liability. We cannot control such third parties and cannot guarantee that a security breach will not occur on their systems. Although we may have contractual protections with our third-party service providers, contractors and consultants, any actual or perceived security breach could harm our reputation and brands, expose us to potential liability or require us to expend significant resources on data security and in responding to any such actual or perceived breach. Any contractual protections we may have from our third-party service providers, contractors or consultants may not be sufficient to adequately protect us from any such liabilities and losses, and we may be unable to enforce any such contractual protections.

While our insurance policies include liability coverage for certain of these matters, subject to retention amounts that could be substantial, if we experience a significant security incident, we could be subject to liability or other damages that exceed our insurance coverage and we cannot be certain that such insurance policies will continue to be available to us on economically reasonable terms, or at all, or that any insurer will not deny coverage as to any future claim. The successful assertion of one or more large claims against us that exceed available insurance coverage, or the occurrence of changes in our insurance policies, including premium increases or the imposition of large deductible or co-insurance requirements, could have a material adverse effect on our business, financial condition and results of operations and cash flows.

We are subject to a number of risks related to data security breaches and fraud that third parties experience or additional regulation, any of which could materially adversely affect our business, financial condition and results of operations.

In addition to purchases through the Apple App Store and the Google Play Store, we accept payment from our subscribers through credit card transactions processed through a third-party as well as third-party online payment service providers and mobile payment platforms. The ability to access credit card information on a real-time basis without having to proactively reach out to the consumer each time we process an auto-renewal payment or a payment for the purchase of a premium feature on any of our products is critical to our success and a seamless experience for our subscribers.

When a third party experiences a data security breach involving credit card information, affected cardholders will often cancel their credit cards. In the case of a breach experienced by a third-party, the more sizable the third-party's customer base and the greater the number of credit card accounts impacted, the more likely it is that our subscribers would be impacted by such a breach. To the extent our subscribers are ever affected by such a breach experienced by a third-party, affected subscribers would need to be contacted to obtain new credit card information and process any pending transactions. It is likely that we would not be able to reach all affected subscribers, and even if we could, some subscribers' new credit card information may not be obtained and some pending transactions may not be processed, which could materially adversely affect our business, financial condition and results of operations.

Even if our subscribers are not directly impacted by a given data security breach, they may lose confidence in the ability of service providers to protect their personal information generally, which could cause them to stop using their credit cards online and choose alternative payment methods that are not as convenient for us or restrict our ability to process payments without significant cost or member effort. Any data security breach or fraud experienced by third parties we partner with may cause us reputational harm which may materially adversely affect our business, financial condition and results of operations.

Finally, the passage or adoption of any legislation or regulation affecting the ability of service providers to periodically charge consumers for, among other things, recurring subscription payments may materially adversely affect our business, financial condition and results of operations. Legislation or regulation regarding the foregoing, or changes to existing legislation or regulation governing subscription payments, are being considered in many states in the United States. While we monitor and attempt to comply with these legal developments, we have been in the past, and may be in the future, subject to claims under such legislation or regulation.

Risks Related to Our Technology and Intellectual Property

Our success depends, in part, on the integrity of third-party systems and infrastructures and on continued and unimpeded access to our products and services on the internet.

We rely on third parties to maintain and support our information technology infrastructure, obtain mapping services and collect, process and analyze certain data. If an agreement with a key supplier is terminated or disrupted Life360's operations and financial performance could be adversely impacted. In particular, we rely on contracts with AWS for the provision of our computing, network, database, software development platforms and software infrastructure. We procure mapping services from Google and Apple. Additionally, Jiobit uses GCP for some of its functionality. We have designed our software and computer systems to utilize data processing, storage capabilities, and other services provided by AWS and GCP, and currently rely on such providers for the vast majority of our primary data storage and computing. If the AWS contract, GCP contract, or contracts with other key suppliers in the future are terminated or suffer a disruption for any reason, our business, financial condition and results of operations could be materially adversely impacted.

We have entered into an agreement to license from Arity 875, LLC ("Arity") its technology platform, which we integrate into our website, Life360 app and other systems to enable members to collect, process and analyze certain driving behavior data. Pursuant to the Arity Agreement, we are required to exclusively obtain such services from Arity and, except for certain third-party co-branded integrated services, we are prohibited from providing equivalent or substantially similar services as Arity to third parties.

We have also entered into an emergency roadside assistance servicing agreement under which Signature Motor Club, Inc. provides Roadside Assistance on our behalf. If Signature Motor Club were to terminate the agreement, we would be required to engage another third party to provide roadside assistance services and an alternative service by another third party may not be available on reasonable terms, or at all, and such change to an alternative third-party may be costly and disruptive, and may have an adverse impact on our business, financial condition and results of operations.

We have also partnered with AvantGuard Monitoring Centers LLC ("AvantGuard") to provide access to AvantGuard's emergency alert response services to our Life360 Gold and Life360 Platinum subscribers. In the event Life360 detects a crash, Life360 will trigger an alert to AvantGuard, who will call the subscriber and/or dispatch emergency services to the subscriber's location. If AvantGuard were to terminate the agreement, we would be required to engage another third party to provide emergency alert response services and an alternative service by another third party may not be available on reasonable terms, or at all, and such change to an alternative third party may be costly and disruptive, and may have an adverse impact on our business, financial condition and results of operations.

Similarly, under our warranty program agreement with Cover Genius Warranty Services, LLC ("Cover Genius"), Cover Genius administers warranties and service contracts on behalf of Tile. If the Cover Genius contract was terminated or not renewed, Tile would be required to enter into a new warranty program agreement and such agreement may not be available on reasonable terms, or at all, and could be disruptive and costly, and may have an adverse impact on Tile's business, financial condition and results of operations.

We also rely on data center service providers (such as colocation providers), as well as third-party payment processors, computer systems, internet transit providers and other communications systems and service providers, in connection with the provision of our products generally, as well as to facilitate and process certain transactions with

our subscribers. We do not control these third-party providers, and we cannot guarantee that such third-party providers will not experience system interruptions, outages or delays, or deterioration in the performance. While we typically control and have access to the servers we operate in co-location facilities and the components of our custom-built infrastructure that are located in those co-location facilities, we control neither the operation of these facilities nor our third-party service providers. Furthermore, we have no physical access or control over the services provided by AWS or GCP. Data center leases and agreements with the providers of data center services expire at various times. The owners of these data centers and providers of these data center services may have no obligation to renew their agreements with us on commercially reasonable terms, or at all.

Problems or insolvency experienced by third-party service providers upon whom we rely, the telecommunications network providers with whom we or they contract or with the systems through which telecommunications providers allocate capacity among their customers could also materially adversely affect us. Any changes in service levels at our data centers, any third-party "cloud" computing services, or payment processors or any interruptions, outages or delays in our systems or those of our third-party providers, or deterioration in the performance of these systems, could impair our ability to provide our products or process transactions with our subscribers, which could materially adversely impact our business, financial condition, results of operations and prospects. Further, if the data centers and third-party service providers that we use are unable to keep up with our growing needs for capacity, or if we are unable to renew our agreements with data centers, and service providers on commercially reasonable terms, we may be required to transfer servers or content to new data centers or engage new service providers, and we may incur significant costs, and possible service interruption in connection with doing so. Additionally, if we need to migrate our business to different third-party data center service providers or payment aggregators as a result of any such problems or insolvency, it could delay our ability to process transactions with our subscribers. Any changes in third-party service levels at data centers or any real or perceived errors, defects, disruptions, or other performance problems with our platform could harm our reputation and may result in damage to, or loss or compromise of, our members' content. See "—Security breaches of our networks, systems or applications, improper unauthorized access to or disclosure of our proprietary data or member-related data, including personal information, other hacking and phishing attacks on our systems or service, or other cyber incidents could disrupt our services or compromise sensitive information related to our business and/or personal information processed by us or on our behalf and expose us to liability, which could harm our reputation and materially adversely affect our business, financial condition and results of operations."

In addition, we depend on the ability of our members to access the internet with high-bandwidth data capabilities. Currently, this access is provided by companies that have significant market power in the broadband and internet access marketplace, including incumbent telephone companies, cable companies, mobile communications companies, government-owned service providers, device manufacturers and operating system providers, any of whom could take actions that degrade, disrupt or increase the cost of member access to our products or services, which would, in turn, negatively impact our business. The adoption or repeal of any laws or regulations that adversely affect the growth, popularity or use of the internet, including laws or practices limiting internet neutrality, could decrease the demand for, or the usage of, our products and services, increase our cost of doing business and adversely affect our financial condition and results of operations.

Our success depends, in part, on the integrity of our information technology systems and infrastructures and on our ability to enhance, expand and adapt these systems and infrastructures in a timely and cost-effective manner.

In order for us to succeed, our information technology systems and infrastructures must perform well on a consistent basis. Our products and systems rely on software and hardware that are highly technical and complex and depend on the ability of such software and hardware to store, retrieve, process and manage immense amounts of data. We may in the future experience, system interruptions that make some or all of our systems or data temporarily unavailable and prevent our products from functioning properly for our members; any such interruption could arise for any number of reasons, including software bugs and human errors. Further, our systems and infrastructures are vulnerable to damage from fire, power loss, hardware and operating software errors, cyber-attacks, technical limitations, telecommunications failures, acts of God, the financial insolvency of third parties that we work with, global pandemics and other public health crises, such as the COVID-19

pandemic, and other unanticipated problems or events. While we have backup systems in place for certain aspects of our operations, not all of our systems and infrastructures are fully redundant. Disaster recovery planning can never account for all possible eventualities and even if we anticipate an incident, our incident response, business continuity and disaster recovery plans may not be sufficient to timely and effectively address the issue, and our property and business interruption insurance coverage may not be adequate to compensate us fully for any losses that we may suffer. Any interruptions or outages, regardless of the cause, could negatively impact our members' experiences with our products, tarnish our brand reputations and decrease demand for our products, any or all of which could materially adversely affect our business, financial condition and results of operations. Moreover, even if detected, the resolution of such interruptions may take a long time, during which customers may not be able to access, or may have limited access to, the service. See "—Security breaches of our networks, systems or applications, improper unauthorized access to or disclosure of our proprietary data or member-related data, including personal information, other hacking and phishing attacks on our systems or service, or other cyber incidents could disrupt our services or compromise sensitive information related to our business and/or personal information processed by us or on our behalf and expose us to liability, which could harm our reputation and materially adversely affect our business, financial condition and results of operations."

We also continually work to expand and enhance the efficiency and scalability of our technology and network systems to improve the experience of our members, accommodate substantial increases in the volume of traffic to our various products, ensure acceptable load times for our products and keep up with changes in technology and member preferences. Any failure to do so in a timely and cost-effective manner could materially adversely affect our members' experience with our various products and thereby negatively impact the demand for our products, and could increase our costs, either of which could materially adversely affect our business, financial condition and results of operations.

We may fail to adequately obtain, protect and maintain our intellectual property rights or prevent third parties from making unauthorized use of such rights.

Our intellectual property is a material asset of our business and our success depends in part on our ability to protect our proprietary rights and intellectual property. For example, we rely on a combination of intellectual property rights, including patents, trademarks, designs, copyrights, related domain names, social media handles and logos to market our brands and to build and maintain brand loyalty and recognition. We also rely upon proprietary technologies and trade secrets, as well as a combination of laws, and contractual restrictions, including confidentiality agreements with employees, customers, suppliers, affiliates and others, to establish, protect and enforce our various intellectual property rights.

We have in the past sought to register and we expect to continue to apply to register and renew, or secure by contract where appropriate, material trademarks and service marks as they are introduced and used, and reserve, register and renew domain names and social media handles as we deem appropriate. We rely on our trademarks and trade names to identify our platform and to differentiate our platform and services from those of our competitors, and if our trademarks and trade names are not adequately protected, then third parties may use trade names or trademarks similar to ours in a manner that may cause confusion in the market and we may not be able to build and maintain sufficient brand recognition in our markets of interest, which could decrease the value of our brand and adversely affect our business, financial condition and results of operations. Effective trademark protection may not be available or may not be sought in every country in which our products and services are made available, or in every class of goods and services in which we operate, and contractual disputes may affect the use of marks governed by private contract. Our trademarks, tradenames or other intellectual property rights may be challenged, infringed, circumvented or declared generic or determined to be infringing on other marks. Further, at times, competitors may have already registered or otherwise adopted trade names or trademarks similar to ours, thereby impeding our ability to build brand identity and possibly leading to market confusion. Similarly, not every variation of a domain name or social media handle may be available or be registered by us, even if available. The occurrence of any of these events could result in the erosion of our brands and limit our ability to market our brands using our various domain names and social media handles, as well as impede our ability to effectively compete against competitors with similar technologies or products, any of which could materially adversely affect our business, financial condition and results of operations.

We have received patents and have filed patent applications with respect to certain aspects of our technology; however, there can be no assurances that the steps taken by us would be adequate to exclude or prevent our competitors from implementing technology, methods, and processes similar to our own. We cannot be certain that our pending patent applications will result in issued patents or that any of our issued patents will afford protection against a competitor or provide a competitive advantage. The issuance of a patent involves complex legal and factual questions, and the breadth of claims allowed is uncertain. As a result, we cannot be certain that the patent applications that we file will result in patents being issued, or that our patents and any patents that may be issued to us in the future will afford protection against competitors with similar technology. In addition, patent applications filed in foreign countries are subject to laws, rules and procedures that differ from those of the U.S., and thus we cannot be certain that foreign patent applications, whether or not related to issued U.S. patents, will be issued in other regions. Furthermore, even if these patent applications are accepted and the associated patents issued, some foreign countries provide significantly less effective patent enforcement than in the United States. Further, we may not timely or successfully apply for a patent to secure rights in our intellectual property.

Various courts, including the United States Supreme Court (the “Supreme Court”) have rendered decisions that affect the scope of patentability of certain inventions or discoveries relating to software. These decisions state, among other things, that a patent claim that recites an abstract idea, natural phenomenon or law of nature are not themselves patentable. Precisely what constitutes a law of nature or abstract idea is uncertain, and it is possible that certain aspects of our technology could be considered abstract ideas. Accordingly, the evolving case law in the United States may adversely affect our ability to obtain patents and may facilitate third-party challenges to any owned or licensed patents.

In addition, patents issued to us may be infringed upon or designed around by others and others may obtain patents that we need to license or design around, either of which would increase costs and may adversely affect our business, financial condition and results of operations. The issuance of a patent is not conclusive as to its inventorship, scope, validity or enforceability. Litigation or proceedings before the U.S. Patent and Trademark Office (“USPTO”) or other governmental authorities and administrative bodies in the United States and abroad may be necessary in the future to enforce our intellectual property rights and to determine the validity and scope of our rights and the proprietary rights of others. Some of our patents or patent applications (including licensed patents) may be challenged at a future point in time in opposition, derivation, reexamination, inter partes review, post-grant review or interference. Any successful third-party challenge to our patents in this or any other proceeding could result in the unenforceability or invalidity of such patents, which may lead to increased competition to our business, which could harm our business, financial condition and results of operations. In addition, in patent litigation in the United States, defendant counterclaims alleging invalidity or unenforceability are commonplace. The outcome following legal assertions of invalidity and unenforceability during patent litigation is unpredictable. If a defendant were to prevail on a legal assertion of invalidity or unenforceability, we would lose at least part, and perhaps all, of the patent protection on certain aspects of our platform technologies. In addition, if the breadth or strength of protection provided by our patents and patent applications is threatened, regardless of the outcome, it could dissuade companies from collaborating with us to license, develop or commercialize current or future products. We expect to continue to expand internationally and, in some foreign countries, the mechanisms to establish and enforce intellectual property rights may be inadequate to protect our technology, which could harm our business, financial condition and results of operations.

We also rely upon trade secret laws to protect intellectual property that may not be patentable, or for which we believe patent protection is too expensive or otherwise undesirable. While it is our policy to enter into confidentiality agreements with employees and third parties to protect our proprietary expertise and other trade secrets, we cannot guarantee that we have entered into such agreements with each party that has developed intellectual property on or behalf, or that has or may have had access to our proprietary information or trade secrets. Even if entered into, these agreements may otherwise fail to effectively prevent disclosure of proprietary information, may be limited as to their term and may not provide an adequate remedy in the event of unauthorized disclosure or use of proprietary information. Monitoring unauthorized uses and disclosures is

difficult, and we do not know whether the steps we have taken to protect our proprietary technologies will be effective. Enforcing a claim that a party illegally disclosed or misappropriated a trade secret can be difficult, expensive and time-consuming, and the outcome is unpredictable. Some courts inside and outside the United States may be less willing or unwilling to protect trade secrets. In addition, technology that we protect as a trade secret may still be independently developed by others, and trade secret laws do not protect against the use and disclosure of such independently developed technologies. If any of our confidential or proprietary information, such as our trade secrets, were to be disclosed or misappropriated, or if any such information was independently developed by a competitor, our competitive position would be materially adversely harmed.

Further, while it is our policy to require our employees and contractors who may be involved in the conception or development of intellectual property to execute agreements assigning such intellectual property to us, we may be unsuccessful in executing such an agreement with each party who, in fact, conceives or develops intellectual property that we regard as our own. Additionally, no assurance can be given that these agreements will be effective in controlling access to or potential misuse of our proprietary information and trade secrets, any such assignment of intellectual property rights may not be self-executing, or the assignment agreements may be breached, and we may be forced to bring claims against third parties, or defend claims that they may bring against us, to determine the ownership of what we regard as our intellectual property.

Policing unauthorized use of our intellectual property and misappropriation of our technology and trade secrets is difficult and we may not always be aware of such unauthorized use or misappropriation. We may be forced to bring claims against third parties to determine the ownership of what we regard as our intellectual property or to enforce our intellectual property rights against infringement, misappropriation or other violations by third parties. However, the measures we take to protect our intellectual property from unauthorized use by others may not be effective and there can be no assurance that our intellectual property rights will be sufficient to protect against others offering products or services that are substantially similar or superior to ours or that compete with our business. We may not prevail in any intellectual property-related proceedings that we initiate against third parties. Further, in such proceedings or in proceedings before patent, trademark and copyright agencies, our asserted intellectual property could be narrowed or found to be invalid or unenforceable, in which case we could lose valuable intellectual property rights. In addition, even if we are successful in enforcing our intellectual property against third parties, the damages or other remedies awarded, if any, may not be commercially meaningful. Regardless of whether any such proceedings are resolved in our favor, such proceedings could cause us to incur significant expenses and could distract our personnel from their normal responsibilities. Accordingly, our efforts to enforce our intellectual property rights around the world may be inadequate to obtain a significant commercial advantage. Additionally, enforcing our intellectual property rights in litigation can be costly, can divert our management's attention and resources, and the success of any such litigation is not assured. Our inability to protect our intellectual property and proprietary technology against unauthorized copying and use could delay further sales or the implementation of our solutions, impair the functionality of our platform, prevent or delay introductions of new or enhanced solutions, or injure our reputation. Furthermore, many of our current and potential competitors may have the ability to dedicate substantially greater resources to developing and protecting their technology or intellectual property rights than we do. As a result, we may be aware of infringement by our competitors but may choose not to bring litigation to protect our intellectual property rights due to the cost, time, and distraction of bringing such litigation.

Despite the measures we take to protect our intellectual property rights, our intellectual property rights may still not be adequate and protected in a meaningful manner, challenges to contractual rights could arise, third parties could copy or otherwise obtain and use our intellectual property without authorization, or laws and interpretations of laws regarding the enforceability of existing intellectual property rights may change over time in a manner that provides less protection. The occurrence of any of these events could impede our ability to effectively compete against competitors with similar technologies, any of which could materially adversely affect our business, financial condition and results of operations. Our intellectual property rights and the enforcement or defense of such rights may also be affected by developments or uncertainty in laws and regulations relating to intellectual property rights. Moreover, many companies have encountered significant problems in protecting and

defending intellectual property rights in foreign jurisdictions. The legal systems of certain countries, particularly certain developing countries, may not favor the enforcement of patents, trademarks, copyrights, trade secrets and other intellectual property protection, which could make it difficult for us to stop the infringement, misappropriation or other violation of our intellectual property or marketing of competing products in violation of our intellectual property rights generally.

Our patent applications may not result in issued patents, and our issued patents may not provide adequate protection, which may have a material adverse effect on our ability to prevent others from commercially exploiting products similar to ours.

We have received patents and have filed patent applications with respect to certain aspects of our technology, and we generally rely on patent protection with respect to our proprietary technology; however, there can be no assurances that the steps taken by us would be adequate to exclude or prevent our competitors from implementing technology, methods, and processes similar to our own. We cannot be certain that our pending patent applications will result in issued patents or that any of our issued patents will afford protection against a competitor, or provide a competitive advantage. The issuance of a patent involves complex legal and factual questions, and the breadth of claims allowed is uncertain. As a result, we cannot be certain that the patent applications that we file will result in patents being issued, or that our patents and any patents that may be issued to us in the future will afford protection against competitors with similar technology. In addition, patent applications filed in foreign countries are subject to laws, rules and procedures that differ from those of the United States, and thus we cannot be certain that foreign patent applications, whether or not related to issued U.S. patents, will be issued in other regions. Furthermore, even if these patent applications are accepted and the associated patents issued, some foreign countries provide significantly less effective patent enforcement than in the United States. Further, we may not timely or successfully apply for a patent to secure rights in our intellectual property.

Various courts, including the United States Supreme Court have rendered decisions that affect the scope of patentability of certain inventions or discoveries relating to software. These decisions state, among other things, that a patent claim that recites an abstract idea, natural phenomenon or law of nature are not themselves patentable. Precisely what constitutes a law of nature or abstract idea is uncertain, and it is possible that certain aspects of our technology could be considered abstract ideas. Accordingly, the evolving case law in the United States may adversely affect our ability to obtain patents and may facilitate third-party challenges to any owned or licensed patents.

In addition, patents issued to us may be infringed upon or designed around by others and others may obtain patents that we need to license or design around, either of which would increase costs and may adversely affect our business, financial condition and results of operations. The issuance of a patent is not conclusive as to its inventorship, scope, validity or enforceability. Litigation or proceedings before the USPTO or other governmental authorities and administrative bodies in the United States and abroad may be necessary in the future to enforce our intellectual property rights and to determine the validity and scope of our rights and the proprietary rights of others. Some of our patents or patent applications (including licensed patents) may be challenged at a future point in time in opposition, derivation, reexamination, inter partes review, post-grant review or interference. Any successful third-party challenge to our patents in this or any other proceeding could result in the unenforceability or invalidity of such patents, which may lead to increased competition to our business, which could harm our business, financial condition and results of operations. In addition, in patent litigation in the United States, defendant counterclaims alleging invalidity or unenforceability are commonplace. The outcome following legal assertions of invalidity and unenforceability during patent litigation is unpredictable. If a defendant were to prevail on a legal assertion of invalidity or unenforceability, we would lose at least part, and perhaps all, of the patent protection on certain aspects of our platform technologies. In addition, if the breadth or strength of protection provided by our patents and patent applications is threatened, regardless of the outcome, it could dissuade companies from collaborating with us to license, develop or commercialize current or future products. We expect to continue to expand internationally and, in some foreign countries, the mechanisms to establish and enforce intellectual property rights may be inadequate to protect our technology, which could harm our business, financial condition and results of operations.

From time to time, we have been and may be party to intellectual property-related litigations and proceedings that are expensive and time consuming to defend, and, if resolved adversely, could materially adversely impact our business, financial condition and results of operations.

Our commercial success depends in part on avoiding infringement, misappropriation or other violations of the intellectual property rights of third parties. From time to time, however, we have received and may in the future receive claims from third parties which allege that we have infringed upon their intellectual property rights, and we may not prevail in these disputes. For example, patent applications in the United States and some foreign countries are generally not publicly disclosed until the patent is issued or published and we may not be aware of currently filed patent applications that relate to our products or services. If patents later issue on these applications, we may be found liable for subsequent infringement. Companies in the internet and technology industries are subject to frequent litigation based on allegations of infringement, misappropriation or other violations of intellectual property rights. Many companies in these industries, including many of our competitors, have substantially larger intellectual property portfolios than we do, which could make us a target for litigation as we may not be able to assert counterclaims against parties that sue us for infringement, misappropriation or other violations of patent or other intellectual property rights. Furthermore, various “non-practicing entities” that own patents and other intellectual property rights often attempt to assert claims in order to extract value from technology companies and, given that these non-practicing entities typically have no relevant product revenue, our own issued or pending patents and other intellectual property rights may provide little or no deterrence to their bringing infringement claims against us. Further, from time to time we may introduce new products, product features and services, including in areas where we currently do not have an offering, which could increase our exposure to patent and other intellectual property claims from competitors and non-practicing entities. In addition, some of our agreements with third-party partners require us to indemnify them for certain intellectual property claims against them, which could require us to incur considerable costs in defending such claims and may require us to pay significant damages in the event of an adverse ruling. Such third-party partners may also discontinue their relationships with us as a result of injunctions or otherwise, which could result in loss of revenue and adversely impact our business, financial condition and results of operations.

Although we try to ensure that our employees and consultants do not use the proprietary information or know-how of others in their work for us, we may be subject to claims that we or our employees or consultants have inadvertently or otherwise used or disclosed intellectual property, including trade secrets, software code or other proprietary information, of a former employer or other third parties. Litigation may be necessary to defend against these claims and if we fail in defending any such claims, in addition to paying monetary damages, we may lose valuable intellectual property rights or personnel.

As we gain greater public recognition, face increasing competition and develop new products, we expect the number of patent and other intellectual property claims against us may grow. There may be intellectual property or other rights held by others, including issued or pending patents, that cover significant aspects of our products and services, and we cannot be sure that we are not infringing or violating, and have not infringed or violated, any third-party intellectual property rights or that we will not be held to have done so or be accused of doing so in the future. Companies in the technology industry, and other patent, copyright, and trademark holders seeking to profit from royalties in connection with grants of licenses, own large numbers of patents, copyrights, trademarks, domain names, and trade secrets and frequently commence litigation based on allegations of infringement, misappropriation, or other violations of intellectual property or other rights.

Any claim or litigation alleging that we have infringed or otherwise violated intellectual property or other rights of third parties, with or without merit, and whether or not settled out of court or determined in our favor, could be time-consuming and costly to address and resolve, and could divert the time and attention of our management and technical personnel. Some of our competitors have substantially greater resources than we do and are able to sustain the costs of complex intellectual property litigation to a greater degree and for longer periods of time than we could. The outcome of any litigation is inherently uncertain, and there can be no assurances that favorable final outcomes will be obtained in all cases. In addition, third parties may seek, and we may become

subject to, preliminary or provisional rulings in the course of any such litigation, including potential preliminary injunctions requiring us to cease some or all of our operations. During the course of such litigation matters, there may be announcements of the results of hearings and motions, and other interim developments related to the litigation matters. If securities analysts or investors regard these announcements as material and negative, the market price of our common stock may decline. We may decide to settle such lawsuits and disputes on terms that are unfavorable to us. Similarly, if any litigation to which we are a party is resolved adversely, we may be subject to an unfavorable judgment. The terms of such a settlement or judgment may require us to cease some or all of our operations, pay substantial amounts to the other party including treble damages and attorneys' fees, if we are found to have willfully infringed a party's intellectual property rights. Moreover, as part of any settlement or other compromise to avoid complex, protracted litigation, we may agree not to pursue future claims against a third-party, including for claims related to alleged infringement of our intellectual property rights. Part of any settlement or other compromise with another party may resolve a potentially costly dispute but may also have future repercussions on our ability to defend and protect our intellectual property rights, which in turn could adversely affect our business, financial conditions, and results of operations. In addition, we may have to seek a license to continue practices found to be in violation of a third-party's rights. However, such arrangements may not be available on reasonable or exclusive terms, or at all, and may significantly increase our operating costs and expenses. As a result, we may be forced to develop or procure alternative non-infringing technology, which could require significant effort, time and expense or discontinue use of the technology. There also can be no assurance that we would be able to develop or license suitable alternative technology to permit us to continue offering the affected products or services as currently offered. If we cannot develop or license alternative technology for any allegedly infringing aspect of our business, we would be forced to limit our products and services and may be unable to compete effectively. Furthermore, because of the substantial amount of discovery required in connection with intellectual property litigation, there is a risk that some of our confidential information could be compromised by disclosure during this type of litigation. Any of the foregoing, and any unfavorable resolution of such disputes and litigation, would materially and adversely impact our business, financial condition and results of operations.

Our use of "open source" software could subject our proprietary software to general release, adversely affect our ability to sell our products and services and subject us to possible litigation.

Our products incorporate open-source software in connection with a portion of our proprietary software and we expect to continue to use open-source software in the future. Under certain circumstances, some open source licenses require users of the licensed code to provide the user's own proprietary source code to third parties upon request, to license at no cost the user's own proprietary source code or other materials for the purpose of making derivative works, require the relicensing of the open source software and derivatives thereof under the terms of the applicable license, or prohibit users from charging a fee to third parties in connection with the use of the user's proprietary code. While we try to insulate our proprietary code from the effects of such open-source license provisions and employ practices designed to monitor our compliance with the licenses of third-party open-source software, we cannot guarantee that we will be successful. Accordingly, we may face claims from others challenging our use of open-source software, claiming ownership of, or seeking to enforce the license terms applicable to such open-source software, including by demanding release of the open-source software, derivative works or our proprietary source code that was developed or distributed in connection with such software. Such claims could also require us to purchase a commercial license or require us to devote additional research and development resources to change our software, any of which would have a negative effect on our business, financial condition and results of operations. In addition, if the license terms for the open-source code change, we may be forced to re-engineer our software or incur additional costs. Additionally, the terms of many open-source licenses to which we are subject have not been interpreted by U.S. or foreign courts, resulting in a dearth of guidance regarding the proper legal interpretation of such licenses. There is a risk that open-source software licenses could be construed in a manner that imposes unanticipated conditions or restrictions on our ability to market or provide our products and services.

In addition, the use of open-source software may entail greater risks than the use of third-party commercial software, as open-source licensors generally do not provide warranties, support, indemnities for infringement or

controls on the functionality or origin of the software. Further, the use of open-source software may also present additional security risks because the public availability of the source code of such software may make it easier for hackers and other third parties to exploit vulnerabilities in the software. To the extent that our platform depends upon the successful operation of the open-source software we use, any undetected errors or defects in this open-source software could prevent the deployment or impair the functionality of our platform, delay the introduction of new solutions, result in a failure of our platform, and injure our reputation. For example, undetected errors or defects in open-source software could render it vulnerable to breaches or security attacks and make our systems more vulnerable to data breaches.

Our exposure to these risks may be increased as a result of evolving our core source code base, introducing new content and offerings, integrating acquired-company technologies, or making other business changes, including in areas where we do not currently compete. Any of the foregoing could adversely impact the value or enforceability of our intellectual property, and materially adversely affect our business, financial condition and results of operations.

Risks Related to Legal Matters and Our Regulatory Environment

Our business is subject to complex and evolving U.S. and international laws and regulations. Many of these laws and regulations are subject to change and uncertain interpretation, and failure to comply with such laws and regulations could result in claims, changes to our business practices, monetary penalties, increased cost of operations, reputational damage, or declines in member growth or engagement, or otherwise harm our business, financial condition and results of operations.

We are subject to a variety of laws and regulations in the United States and abroad that involve matters that are important to or may otherwise impact our business, including, among others, broadband internet access, online commerce, advertising, data privacy, data security, intermediary liability, protection of minors, consumer protection, accessibility, taxation and securities law compliance. The introduction of new products, expansion of our activities in certain jurisdictions, or other actions that we may take may subject us to additional laws, regulations or other government scrutiny. In addition, foreign laws and regulations can impose different obligations or be more restrictive than those in the United States.

These U.S. federal, state, and municipal and foreign laws and regulations, which in some cases can be enforced by private parties in addition to government entities, are constantly evolving and can be subject to significant change. In addition, the introduction of new brands and products, or changes to our existing brands and products, may result in new or enhanced governmental or regulatory scrutiny. As a result, the application, interpretation, and enforcement of these laws and regulations are often uncertain, particularly in the new and rapidly evolving industry in which we operate, and may be interpreted and applied inconsistently from state to state and country to country and inconsistently with our current policies and practices. These laws and regulations, as well as any associated inquiries or investigations or any other government actions, may be costly to comply with and may delay or impede the development of new products, require that we change or cease certain business practices, result in negative publicity, increase our operating costs, require significant management time and attention, and subject us to remedies that may harm our business, including fines, demands or orders that require us to modify or cease existing business practices. We have in the past and may in the future be subject to claims, inquiries or regulatory investigations, relating to such laws and regulations. It is possible that a regulatory inquiry might result in changes to our policies or practices. In addition, it is possible that future orders issued by, or enforcement actions initiated by, regulatory authorities could cause us to incur substantial costs or require us to change our business practices in a manner that could materially adversely affect our business, financial condition and results of operations.

The promulgation of new laws or regulations, or the new interpretation of existing laws and regulations, in each case, that restrict or otherwise unfavorably impact our business, or our ability to provide or the manner in which we provide our services, could require us to change certain aspects of our business and operations to

ensure compliance, which could decrease demand for services, reduce revenues, increase costs and subject us to additional liabilities. For example, U.S. courts have increasingly interpreted Title III of the Americans with Disabilities Act (the "ADA") to require websites and web-based applications to be made fully accessible to individuals with disabilities. As a result, we may become subject to claims that our apps are not compliant with the ADA, which may require us to make modifications to our products to provide enhanced or accessible services to, or make reasonable accommodations for, individuals, and failure to comply could result in litigation, including class action lawsuits.

The adoption of any laws or regulations that adversely affect the popularity or growth in use of the internet or our services, including laws or regulations that undermine open and neutrally administered internet access, could decrease member demand for our service offerings and increase our cost of doing business. For example, in December 2017, the Federal Communications Commission adopted an order reversing net neutrality protections in the United States, including the repeal of specific rules against blocking, throttling or "paid prioritization" of content or services by internet service providers. To the extent internet service providers engage in such blocking, throttling or "paid prioritization" of content or similar actions as a result of this order and the adoption of similar laws or regulations, our business, financial condition and results of operations could be materially adversely affected.

We rely on a variety of statutory and common-law frameworks and defenses relevant to the content available on the Life360 Platform, including the Digital Millennium Copyright Act, the Communications Decency Act ("CDA") and the fair-use doctrine in the United States, and the Electronic Commerce Directive in the European Union. However, each of these statutes is subject to uncertain or evolving judicial interpretation and regulatory and legislative amendments. For example, in the United States, laws such as the CDA, which have previously been interpreted to provide substantial protection to interactive computer service providers, may change and become less predictable or unfavorable by legislative action or juridical interpretation. There have been various federal and state legislative efforts to restrict the scope of the protections available to online platforms under the CDA, in particular with regards to Section 230 of the CDA, and current protections from liability for third-party content in the United States could decrease or change. We could incur significant costs investigating and defending such claims and, if we are found liable, significant damages.

The European Union is also reviewing the regulation of digital services, and has introduced the Digital Services Act, a package of legislation intended to update the liability and safety rules for digital platforms, products, and services, which could negatively impact the scope of the limited immunity provided by the E-Commerce Directive. Some European jurisdictions and the UK have also proposed or intend to pass legislation that imposes new obligations and liabilities on platforms with respect to certain types of harmful content. While the scope and timing of these proposals are currently uncertain, if the rules, doctrines or currently available defenses change, if international jurisdictions refuse to apply similar protections that are currently available in the United States, or the European Union or if a court were to disagree with our application of those rules to our service, we could be required to expend significant resources to try to comply with the new rules or incur liability, and our business, financial condition and results of operations could be harmed.

We may fail to comply with laws regulating subscriptions and auto-payment renewals, which could have a material adverse effect on our business, reputation, financial condition and results of operations.

We are subject to certain federal and state laws that govern the ability of users to cancel subscriptions and auto-payment renewals. Our subscriptions automatically renew unless the subscriber cancels the subscription before the end of the current period. The Federal Restore Online Shoppers' Confidence Act ("ROSCA"), and state law analogues require companies to adhere to enhanced disclosure and cancellation requirements when entering into automatically renewing contracts with subscription customers. Regulators and private plaintiffs have brought enforcement and litigation actions against companies, challenging automatic renewal and subscription programs. If we fail to comply with ROSCA or its state law analogues, we could incur substantial legal fees and costs and reputational harm. In addition, compliance and remediation efforts can be costly.

Adverse litigation judgments or settlements resulting from legal proceedings in which we may be involved could have a material adverse effect on our business, financial condition and results of operations.

We are, or may in the future become, subject to litigation and various legal proceedings, including litigation and proceedings related to intellectual property matters, data privacy, data security, and consumer protection laws, as well as stockholder derivative suits, class action lawsuits, actions from former employees and other matters, that involve claims for substantial amounts of money or for other relief or that might necessitate changes to our business or operations. We have received, and may in the future continue to receive, inquiries from regulators regarding our compliance with law and regulations, including those related to data protection and consumer rights, and due to the nature of our business and the rapidly evolving landscape of laws relating to data privacy, cybersecurity, consumer protection and data use, we expect to continue to be the subject of regulatory investigations and inquiries in the future. The defense of these legal proceedings could be time consuming and expensive and could distract our personnel from their normal responsibilities. The results of any such litigation, investigations and legal proceedings are inherently unpredictable and expensive. We evaluate these litigation claims and legal proceedings to assess the likelihood of unfavorable outcomes and to estimate, if possible, the amount of potential losses. Based on these assessments and estimates, we may establish reserves or disclose the relevant litigation claims or legal proceedings, as and when required or appropriate. These assessments and estimates are based on information available to management at the time of such assessment or estimation and involve a significant amount of judgment. As a result, actual outcomes or losses could differ materially from those envisioned by our current assessments and estimates. If any of these legal proceedings were to be determined adversely to us, or we were to enter into a settlement arrangement, we could be forced to change the way in which we operate our business or be exposed to monetary damages that, to the extent not covered by our insurance, could have a material adverse effect on our business, financial condition and results of operations. See “Item 8. Legal Proceedings”.

Taxing authorities may successfully assert that we should have collected or in the future should collect sales and use, value added or similar taxes, and any such assessments could adversely affect our business, financial condition and results of operations.

Sales and use, value added and similar tax laws and rates vary greatly by jurisdiction. Certain jurisdictions in which we do not collect such taxes may assert that such taxes are applicable or that our presence in such jurisdictions is sufficient to require us to collect taxes, which could result in tax assessments, penalties and interest, and we may be required to collect such taxes in the future. Such tax assessments, penalties and interest or future requirements may adversely affect our business, financial condition and results of operations. Further, in June 2018, the Supreme Court held in *South Dakota v. Wayfair, Inc.* that states could impose sales tax collection obligations on out-of-state sellers even if those sellers lack any physical presence within the states imposing the sales taxes. Under the *Wayfair* decision, a person requires only a “substantial nexus” with the taxing state before the state may subject the person to sales tax collection obligations therein. An increasing number of states (both before and after the publication of the *Wayfair* decision) have considered or adopted laws that attempt to impose sales tax collection obligations on out-of-state sellers. The Supreme Court’s *Wayfair* decision has removed a significant impediment to the enactment and enforcement of these laws, and it is possible that states may seek to tax out-of-state sellers on sales that occurred in prior tax years, which could create additional administrative burdens for us, put us at a competitive disadvantage if such states do not impose similar obligations on our competitors, and decrease our future sales, which could adversely affect our business, financial condition and results of operations.

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

In general, under Section 382 of the U.S. Internal Revenue Code of 1986, as amended, or (the “Code”), a corporation that undergoes an ‘‘ownership change’’ is subject to limitations on its ability to utilize its pre-change net operating losses, or (“NOLs”), to offset future taxable income. A Section 382 ‘‘ownership change’’ generally occurs

if one or more stockholders or groups of stockholders who own at least 5% of our stock increase their ownership by more than 50 percentage points over their lowest ownership percentage within a rolling three-year period. Similar rules may apply under state tax laws. As of December 31, 2021, we have approximately $158 million and $54 million of federal and state net operating loss carryforwards, respectively, available to offset future taxable income which, if not utilized, will begin to expire in varying amounts in 2031. Our ability to utilize NOLs may be currently subject to limitations due to a prior ownership change. In addition, future changes in our stock ownership, some of which are outside of our control, could result in an ownership change under Section 382 of the Code, further limiting our ability to utilize NOLs arising prior to such ownership change in the future. There is also a risk that due to regulatory changes, such as suspensions on the use of NOLs, or other unforeseen reasons, our existing NOLs could expire or otherwise be unavailable to offset future income tax liabilities. We have recorded a full valuation allowance against the net deferred tax assets attributable to our NOLs.

We are subject to taxation related risks in multiple jurisdictions.

We are a U.S.-based multinational company subject to tax in multiple U.S. and foreign tax jurisdictions. Significant judgment is required in determining our global provision for income taxes, deferred tax assets or liabilities and in evaluating our tax positions on a worldwide basis. While we believe our tax positions are consistent with the tax laws in the jurisdictions in which we conduct our business, it is possible that these positions may be challenged by jurisdictional tax authorities, which may have a significant impact on our global provision for income taxes.

Tax laws are being re-examined and evaluated globally. New laws and interpretations of the law are taken into account for financial statement purposes in the quarter or year that they become applicable. Tax authorities are increasingly scrutinizing the tax positions of companies. Many countries in the European Union, as well as a number of other countries and organizations, such as the Organization for Economic Cooperation and Development and the European Commission, are actively considering changes to existing tax laws that, if enacted, could increase our tax obligations in countries where we do business. These proposals include changes to the existing framework to calculate income tax, as well as proposals to change or impose new types of non-income taxes, including taxes based on a percentage of revenue. For example, several countries in the European Union have proposed or enacted taxes applicable to digital services, which includes business activities on social media platforms and online marketplaces, and would likely apply to our business. Many questions remain about the enactment, form and application of these digital services taxes. The interpretation and implementation of the various digital services taxes (especially if there is inconsistency in the application of these taxes across tax jurisdictions) could have a materially adverse impact on our business, financial condition, results of operations and cash flows. Moreover, the U.S. government may enact significant changes to the taxation of business entities including, among others, the imposition of minimum taxes or surtaxes on certain types of income. Furthermore, if the U.S. or other foreign tax authorities change applicable tax laws, our overall taxes could increase, and our business, financial condition and results of operations may be adversely impacted.

Actions by governments to restrict access to Life360 in their countries, or that otherwise impair our ability to sell advertising in their countries, could substantially harm our business, financial condition and results of operations.

Governments may seek to censor content available on the Life360 Service, restrict access to the platform from their country entirely, or impose other restrictions that may affect the accessibility of the platform in their country for an extended period of time or indefinitely. In addition, government authorities in other countries may seek to restrict member access to the platform if they consider us to be in violation of their laws or a threat to public safety or for other reasons. It is possible that the government authorities could take action that impairs our ability to sell advertising, including in countries where access to our consumer-facing platform may be blocked or restricted. In the event that content shown on the Life360 Service or our other products is subject to censorship, access to our products is restricted, in whole or in part, in one or more countries, we are required to or elect to make changes to our operations, or other restrictions are imposed on our products, or our competitors

are able to successfully penetrate new geographic markets or capture a greater share of existing geographic markets that we cannot access or where we face other restrictions, our ability to retain or increase our member base, member engagement, or the level of advertising by marketers may be adversely affected, we may not be able to maintain or grow our revenue as anticipated, and our financial results could be materially adversely affected.

If additional tariffs on Chinese-origin goods are imposed, related countermeasures are taken by the People's Republic of China, or we experience supply chain transformation setbacks, it could have an adverse impact on our business, financial condition and results of operations.

Tile's products are manufactured in the People's Republic of China, making the pricing and availability of our products susceptible to international trade risks. In 2018, the United States imposed additional duties under Section 301 of the U.S. Trade Act of 1974, ranging from 10% to 25%, on a variety of goods imported from the People's Republic of China. While these tariffs initially did not affect our products, in May 2019, the United States proposed to place tariffs on essentially all remaining Chinese-origin imports. Subsequently, the Trump Administration announced that 15% tariffs would be imposed on a subset of these goods, including wearable devices, which went into effect September 1, 2019. These tariffs were reduced to 7.5% on February 14, 2020.

These elevated tariffs have resulted in higher costs for Tile. There is uncertainty as to when the tariffs will ease. However, if additional tariffs are imposed, related countermeasures are taken by the People's Republic of China, or we experience setbacks in our supply chain transformation efforts, our revenue, gross margins, financial condition and results of operations may be adversely affected.

We are subject to governmental export and import controls and economic sanction laws that could subject us to liability and impair our ability to compete in international markets.

The United States and various foreign governments have imposed controls, export license requirements, prohibitions and restrictions on the import, export, reexport and other transfers of certain goods, software, services and technologies. Compliance with applicable regulatory requirements regarding the export or other transfer of our products and services and other items may create delays in the introduction of our products and services in international markets, prevent our international members from accessing our products and services, and, in some cases, prevent the supply of our products and services to some countries altogether.

Furthermore, U.S. export control laws and economic sanctions prohibit the provision of products and services to countries, regions, governments, organizations and persons targeted by U.S. sanctions. Even though we take precautions to prevent our products from being provided to targets of U.S. sanctions, our products and services, including our firmware updates, could be provided to those targets. Any such unauthorized provision could have negative consequences, including government investigations, penalties, reputational harm. Our failure to obtain required import, export or other transfer approval for our products could harm our international and domestic sales and adversely affect our revenue.

We could be subject to future enforcement action with respect to compliance with governmental export and import controls and economic sanctions laws that result in penalties, costs, and restrictions on export and reexport eligibility that could have an adverse effect on our business, financial condition and results of operations.

Risks Related to Our Common Stock and CDIs

Our common stock may never be listed on a major U.S. stock exchange.

While we may seek the listing of our common stock on a U.S. securities exchange at some time in the future, we cannot ensure when, if ever we will do so, that we will be able to satisfy such listing standards or that our common stock will be accepted for listing on any such exchange. Should we fail to satisfy the initial listing

standards of such exchange, or our common stock is otherwise rejected for listing, the trading price of our common stock could suffer, the trading market for our common stock may be less liquid, and our common stock price may be subject to increased volatility.

The market price of our CDIs and common stock may be volatile, which could cause the value of our common stock to decline.

The trading price of our CDIs on the ASX has been volatile, and even if a trading market for our common stock develops, the market price of our common stock may be highly volatile and could be subject to wide fluctuations. In addition, the trading volume in our CDIs and common stock if a market develops may fluctuate and cause significant price variations to occur. Securities markets worldwide experience significant price and volume fluctuations as a result of a variety of factors, many of which are beyond our control but may nonetheless decrease the market price of our CDIs and common stock if a market develops, regardless of our actual operating performance, including:

- public reaction to our press releases, announcements and filings with the SEC and ASX;
- our operating and financial performance;
- fluctuations in market prices and trading volumes of technology;
- changes in market valuations of similar companies;
- departures of key personnel;
- commencement of or involvement in litigation;
- changes in economic and political conditions, financial markets, and/or the technology industry;
- interest rate fluctuations;
- changes in accounting standards, policies, guidance, interpretations, or principles;
- actions by our stockholders;
- the failure of securities analysts to cover our common stock and/or changes in their recommendations and estimates of our financial performance;
- future sales of our common stock;
- trading prices and trading volumes of our CDIs on the ASX; and
- the other factors described in these “Risk Factors”.

The stock market has in the past experienced extreme price and volume fluctuations, and, following periods of such volatility in the overall market and the market price of a company’s securities, securities class action litigation has often been instituted against these companies. Such litigation, if instituted against us, could result in substantial costs and a diversion of our management’s attention and resources.

Additionally, our securities may in the future trade on more than one stock exchange and this may result in price variations between the markets and volatility in our stock price. Our CDIs are currently listed on the ASX and we may list our common stock on a U.S. securities exchange in the future. Trading in our common stock and CDIs therefore may take place in different currencies (U.S. dollars on the U.S. securities exchange and Australian dollars on the ASX), and at different times (resulting from different time zones, different trading days and different public holidays in the United States and Australia). The trading prices of our CDIs and our common stock on two markets may differ as a result of these, or other, factors. Any decrease in the price of our CDIs or common stock on either market could cause a decrease in the trading prices of our CDIs or our common stock on the other market. In addition, investors may seek to profit by exploiting the difference, if any, between the price of our CDIs on the ASX and the price of shares of our common stock on a U.S. securities exchange. Such arbitrage activities could cause our stock price in the market with the higher value to decrease to the price set by the market with the lower value and could also lead to significant volatility in the price of our common stock or CDIs.

If securities and industry analysts do not publish research or publish inaccurate or unfavorable research about our business, our stock price and trading volume could decline.

The trading market for our CDIs on the ASX is influenced by the research and reports that industry or securities analysts publish about us or our business. If one or more of the analysts currently covering our securities ceases coverage, the trading price for our CDIs on the ASX would be negatively impacted. If any of the analysts who cover us issue an adverse or misleading opinion regarding us, our business model, our intellectual property or our CDI performance, or if our results of operations fail to meet the expectations of analysts, our CDIs and common stock price would likely decline. If one or more of these analysts cease coverage of us or fail to publish reports on us regularly, we could lose visibility in the financial markets, which in turn could cause our common stock price or trading volume to decline.

Investors may have difficulty in reselling their shares due to the lack of market or state Blue Sky laws.

Our common stock is not currently traded on any U.S. securities exchange. No market may ever develop for our common stock, or if developed, may not be sustained in the future. The holders of our shares of common stock and persons who desire to purchase them in any trading market that might develop in the future should be aware that there might be significant state law restrictions upon the ability of investors to resell our shares. Accordingly, even if we are successful in having the shares available for trading on the over-the-counter markets, investors should consider any secondary market for our common shares to be a limited one. We may seek coverage and publication of information regarding our Company in an accepted publication, which permits a “manual exemption.” This manual exemption permits a security to be distributed in a particular state without being registered if the company issuing the security has a listing for that security in a securities manual recognized by the state. However, it is not enough for the security to be listed in a recognized manual. The listing entry must contain (1) the names of issuers, officers, and directors, (2) an issuer’s balance sheet, and (3) a profit and loss statement for either the fiscal year preceding the balance sheet or for the most recent fiscal year of operations. We may not be able to secure a listing containing all of this information. Furthermore, the manual exemption is a non-issuer exemption restricted to secondary trading transactions, making it unavailable for issuers selling newly issued securities. Most of the accepted manuals are those published in Standard and Poor’s, Moody’s Investor Service, Fitch’s Investment Service, and Best’s Insurance Reports, and many states expressly recognize these manuals. A smaller number of states declare that they “recognize securities manuals” but do not specify the recognized manuals. Accordingly, our common shares should be considered totally illiquid, which inhibits investors’ ability to resell their shares

Our financial condition and results of operations are subject to foreign currency fluctuation risks.

A portion of our revenue is denominated in non-U.S. dollars. Accordingly, our revenue will be affected by fluctuations in the rates by which the U.S. dollar is exchanged with non-U.S. dollars. For example, a weakening in the value of the U.S. dollar as compared to the Australian dollar would have the effect of reducing the U.S. dollar value of Australian dollar revenue. Alternatively, a weakening of the Australian dollar as compared to the U.S. dollar would have an effect of increasing the U.S. dollar value of Australian dollar revenue. Although steps may be undertaken to manage currency risk (for example via hedging strategies), adverse movements in the U.S. dollar against the non-U.S. dollar revenue may have an adverse impact on our business, financial condition and results of operations. We have not historically used foreign exchange contracts to help manage foreign exchange rate exposures.

If we are not able to maintain sufficient cash funds, we may cease trading on the ASX.

If we are not able to maintain sufficient funds to fund our activities or if ASX considers that our financial position is not adequate to warrant the continued quotation of our CDIs on ASX, ASX may suspend our CDIs from quotation. This would limit our liquidity and, in particular, could harm the ability of CDI holders to liquidate their position in our company. In addition, the value of our company could decline if we are not able to maintain our listing on ASX.

The different characteristics of the capital markets in Australia and the United States may negatively affect the trading prices of our CDIs and common stock, and may limit our ability to take certain actions typically performed by a U.S. company.

We are subject to ASX listing and associated Australian regulatory requirements, and may in the future determine to concurrently list our shares on a U.S. securities exchange as well, which will have its own listing and regulatory requirements. Such exchanges will have different trading hours, trading characteristics (including trading volume and liquidity), trading and listing rules, and investor bases (including different levels of retail and institutional participation). As a result of these differences, the trading prices of our CDIs and our common stock may not be the same, even allowing for currency differences. Fluctuations in the price of our common stock due to circumstances unusual to the U.S. capital markets could materially and adversely affect the price of the CDIs, or vice versa. Certain events having significant negative impact specifically on the Australian capital markets may result in a decline in the trading price of our CDIs notwithstanding that such event may not impact the trading prices of securities listed in Australia generally or to the same extent, or vice versa.

In addition, the listing and regulatory requirements of the ASX may limit our ability to take certain actions typically performed by a U.S. company. For example, the ASX Listing Rules limit the amount of equity securities that a listed company can issue without the approval of its stockholders over any 12 month period to 15% of the outstanding share capital on issue at the start of the period, unless an exception applies. Failure to obtain this approval may make it more difficult for us to issue equity securities in the future at a time and at a price that we deem appropriate. ASX rules also require stockholder approval for the granting of options and restricted stock units to our directors, even when the underlying equity incentive plan has already been approved. This creates a risk that, if stockholders do not approve the grants, our directors will not receive their expected amount of equity compensation. This may make it more difficult for us to attract and retain directors, which could have a material adverse effect on our business, results of operations, financial condition, and prospects.

Further, ASX Listing Rules prohibit us from buying back CDIs on-market at a price which is 5% or more above the volume weighted average market price of our CDIs, calculated over the last five days on which sales of CDIs were recorded before the day on which the purchase under the buy-back was made, which, as a result, may make it more difficult to repurchase our CDIs on-market. In addition, should we wish to undertake an on-market buy-back, the ASX may impose further requirements on us as if we were subject to the Corporations Act 2001 (Cth) of Australia, which may include the need to obtain stockholder approval to do so.

Lastly, the ASX Listing Rules prohibit the issuance of equity securities by a company without stockholder approval during the three-month period after it learns that a person is making, or proposes to make, a takeover for its securities, unless an exception applies. As a result, if a hostile takeover bid is made in respect of our CDIs or common stock, the ASX Listing Rules may limit our ability to issue equity securities, either as a counter-measure to the takeover bid or to fund operations.

Provisions of our charter documents and Delaware law may inhibit a takeover, which could limit the price investors might be willing to pay in the future for our common stock.

Some provisions of our charter documents could make it more difficult for a third-party to acquire control of us, even if the change of control would be beneficial to our stockholders, including: (i) limitations on the ability of our stockholders to act by written consent or call a special meeting; (ii) establishing advance notice provisions for nominations for elections to the Board; and (iii) establishing that our Board is divided into three classes, with each class serving three-year, staggered terms. These provisions could discourage an acquisition of us or other change in control transactions, thereby negatively affecting the price that investors might be willing to pay in the future for our common stock.

We have not yet tested our internal controls in accordance with Section 404 of the Sarbanes-Oxley Act of 2002 (the "Sarbanes-Oxley Act"). Tile identified a material weakness in Tile's internal control over financial reporting in its audited consolidated financial statements for the year ended March 31, 2021. If we are unable to remediate this material weakness, or if we identify additional material weaknesses in the future or otherwise fail to maintain effective internal control over financial reporting, we may not be able to accurately or timely report our financial condition or results of operations, which may adversely affect our business and the price of our common stock and CDIs.

We have not previously been required to comply with the rules of the SEC implementing Section 404 of the Sarbanes-Oxley Act and therefore are not required to make a formal assessment of the effectiveness of our internal control over financial reporting for that purpose. Upon becoming a registrant, we will be required to comply with the SEC's rules implementing Section 302 and 404 of the Sarbanes-Oxley Act, which will require management to certify financial and other information in our quarterly and annual reports and provide an annual management report on the effectiveness of controls over financial reporting. Though we will be required to disclose changes made in 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 2023, the year following our first annual report required to be filed with the SEC. Pursuant to the Jumpstart our Business Startups Act of 2012 (the "JOBS Act"), our independent registered public accounting firm will not be required to attest to the effectiveness of our internal control over financial reporting until the later of the year following our first annual report required to be filed with the SEC or the date we are no longer an emerging growth company, which may be up to five full fiscal years following the effectiveness of this Form 10. Accordingly, our internal controls over financial reporting does not currently meet all of the standards contemplated by Section 404 of the Sarbanes-Oxley Act that we will eventually be required to meet. We will establish formal procedures, policies, processes and practices related to financial reporting and to the identification of key financial reporting risks, assessment of their potential impact and linkage of those risks to specific areas and activities within our organization.

In connection with the preparation and audit of Tile's consolidated financial statement for the year ended March 31, 2021, a material weakness was identified in Tile's 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 Tile's consolidated financial statements will not be prevented or detected on a timely basis. Tile's material weakness related to the following control deficiency: it did not design and maintain effective controls related to Tile's processes, procedures and internal controls, including review and approval procedures with respect to financial information generated to prepare the annual consolidated financial statements. Specifically, Tile has a design deficiency with respect to (i) its controller's ability to create and post its own journal entries, (ii) segregation of duties and (iii) adequate controls related to the preparation and review of journal entries.

Life360 is currently in the process of integrating Tile, including its enterprise resource planning systems and other operating systems, following Life360's acquisition of Tile in January 2022. Among other things, Life360 will review the various user and role permissions, and as part of our integration and remediation plan expects to adopt entity-level controls, including properly segregating duties among appropriate personnel and ensuring that no preparer can approve its own journal entries. While these actions and planned actions are subject to ongoing management evaluation and will require validation and testing of the design and operating effectiveness of internal controls over a sustained period, we are committed to continuous improvement and will continue to diligently review our internal control over financial reporting.

While we believe these efforts will remediate the material weakness, we may not be able to complete our evaluation, testing or any required remediation in a timely fashion, or at all. Because we do not currently have comprehensive documentation of our internal control and have not yet tested our internal controls in accordance with Section 404 of the Sarbanes-Oxley Act, we cannot conclude, as required by Section 404, that we do not have a material weakness in our internal controls or a combination of significant deficiencies that could result in

the conclusion that we have a material weakness in our internal controls. We cannot assure you that the measures we have taken to date and may take in the future, will be sufficient to remediate the control deficiencies that led to Tile's material weakness in internal control over financial reporting or that we will prevent or avoid potential future material weaknesses. The effectiveness of our internal control over financial reporting is subject to various inherent limitations, including cost limitations, judgments used in decision making, assumptions about the likelihood of future events, the possibility of human error and the risk of fraud. To comply with Section 404, we expect to incur substantial cost, expend significant management time on compliance-related issues and hire additional accounting, financial, and internal audit staff with appropriate public company financial reporting experience and technical accounting knowledge. If we are unable to remediate the material weakness or identify additional material weaknesses in the future, our ability to record, process and report financial information accurately, and to prepare financial statements within the time periods specified by the forms of the SEC, could be adversely affected which, in turn, may adversely affect our reputation and business and the market price of our common stock and CDIs. In addition, any such failures could result in litigation or regulatory actions by the SEC, the ASX or other regulatory authorities, loss of investor confidence, deregistration of our securities and harm to our reputation and financial condition, or diversion of financial and management resources from the operation of our business.

Our Certificate of Incorporation provides, subject to certain exceptions, that the Court of Chancery of the State of Delaware is the exclusive forum for certain stockholder litigation matters, which could limit our stockholders' ability to bring a claim in a judicial forum that they find more favorable for disputes with us or our directors, officers, employees or stockholders.

Pursuant to our Certificate of Incorporation unless we consent in writing to the selection of an alternative forum, the Court of Chancery of the State of Delaware will be the exclusive forum for (1) any derivative action or proceeding brought on our behalf, (2) any action asserting a claim of breach of a fiduciary duty or other wrongdoing by any of our directors, officers or employees to us or our stockholders, (3) any action asserting a claim against us or our stockholders arising pursuant to any provision of the DGCL or our certificate of incorporation or bylaws, (4) any action to interpret, apply, enforce, or determine the validity of our certificate of incorporation or bylaws, (5) any action as to which the DGCL confers jurisdiction to the Court of Chancery of the State of Delaware, or (6) any other action asserting a claim against us that is governed by the internal affairs doctrine. The forum selection clause in our amended and restated certificate of incorporation may have the effect of discouraging lawsuits against us or our directors and officers and may limit our stockholders' ability to bring a claim in a judicial forum that they find more favorable for disputes with us or any of our directors, officers, other employees, or stockholders. The exclusive forum provision does not apply to any actions under United States federal securities laws. However, to prevent having to litigate claims in multiple jurisdictions and the threat of inconsistent or contrary rulings by different courts, among other considerations, our amended and restated certificate of incorporation will provide that the federal district courts of the United States of America will be the exclusive forum for resolving any complaint asserting a cause of action arising under the Securities Act.

Alternatively, if a court were to find the choice of forum provision contained in our 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.

General Risk Factors

We are an "emerging growth company," as defined under the federal securities laws.

We are an "emerging growth company," as defined in the JOBS Act, and we intend to take advantage of certain exemptions from various reporting requirements that are applicable to other public companies that are not emerging growth companies, including, among other things, not being required to comply with the auditor attestation requirements of Section 404(b) of the Sarbanes-Oxley Act ("Section 404(b)"), an extended transition

period provided in the Securities Act of 1933, as amended (the "Securities Act") for complying with new or revised accounting standards, and reduced disclosure obligations regarding executive compensation. As a result, our stockholders may not have access to certain information that they may deem important.

We will remain an emerging growth company until the earliest of (i) the last day of the fiscal year following the fifth anniversary of the completion of an initial public offering of our common stock, (ii) the last day of the fiscal year in which we have total annual gross revenues of at least $1.07 billion, (iii) the date on which we have issued more than $1.0 billion in non-convertible debt during the prior three-year period, and (iv) the date on which we are deemed to be a large accelerated filer, which means the market value of our common stock that is held by non-affiliates exceeds $700 million as of the prior December 31st.

In addition, Section 107 of the JOBS Act also provides that an emerging growth company can delay adopting new or revised accounting standards until those standards apply to private companies. We have elected to use the extended transition period under the JOBS Act. Accordingly, our consolidated financial statements may not be comparable to the financial statements of reporting companies that comply with such new or revised accounting standards.

If we fail to maintain effective internal controls over financial reporting, our ability to produce timely and accurate financial information or comply with Section 404(b) could be impaired, which could have a material adverse effect on our business and stock price. Upon becoming a reporting company, we will be required to comply with Section 404(b), which will require management to certify financial and other information in our quarterly and annual reports and provide an annual management report on the effectiveness of our internal control over financial reporting commencing with our second annual report after the effectiveness this Registration Statement. In addition, under Section 404(b) our independent registered public accounting firm will also need to attest to the effectiveness of our internal control over financial reporting in the future to the extent that we are no longer an emerging growth company or a smaller reporting company. To achieve compliance with Section 404(b) within the prescribed period, we will need to continue to dedicate internal resources, engage outside consultants and continue to execute on a detailed work plan to assess and document the adequacy of our internal control over financial reporting, continue taking steps to improve control processes, as appropriate, validate through testing that controls are functioning as documented and implement a continuous reporting and improvement process for internal control over financial reporting. Despite our efforts, there is a risk that we will not be able to conclude, within the prescribed timeframe or at all, that our internal control over financial reporting is effective as required by Section 404.

The failure to achieve and maintain an effective internal control environment could have a material adverse effect on our business, financial condition and results of operations. In the event that we are not able to demonstrate compliance with Section 404, or if our internal control over financial reporting is perceived as inadequate or it is perceived that we are unable to produce timely or accurate consolidated financial statements, we could become subject to investigations by the SEC or other regulatory agencies, which could require addition financial and management resources.

As a reporting company, we will be subject to additional reporting requirements of the Exchange Act, the Sarbanes-Oxley Act.

We will incur increased costs and become subject to additional regulations and requirements as a result of becoming a U.S. reporting company, and our management will be required to devote substantial time to complying with Delaware laws, Australian laws, and reporting requirements pursuant to U.S. securities laws, which could lower profits and make it more difficult to run our business.

As a U.S. reporting company, we expect to incur significant legal, accounting, reporting, and other expenses that we have not previously incurred, including costs associated with the SEC reporting company requirements. We also have incurred, and will continue to incur, costs associated with compliance with the rules and

regulations of the SEC, the Sarbanes-Oxley Act, and the Dodd-Frank Wall Street Reform and Consumer Protection Act, and various other costs of a reporting company. Registration under the Exchange Act will involve our filing of an initial registration statement with the SEC and the filing of ongoing annual, quarterly, and current reports on Forms 10-K, 10-Q and 8-K, respectively. In the absence of a waiver from the ASX Listing Rules, which we may or may not receive, these SEC periodic reports will be in addition to the periodic filings required by the ASX Listing Rules.

As a Delaware corporation, we must also ensure continued compliance with the Delaware law and, as we will be listed on the ASX and registered as a foreign company in Australia, we will also need to ensure continuous compliance with relevant Australian laws and regulations, including the ASX Listing Rules and Australia's Corporations Act 2001 (Cth) of Australia. To the extent of any inconsistency between Delaware law and Australian law and regulations, we may need to make changes to our business operations, structure or policies to resolve such inconsistency. If we are required to make such changes, this is likely to result in additional demands on management and extra costs.

We expect these rules and regulations to increase our legal and financial compliance costs and to make some activities more time-consuming and costly, although we are currently unable to estimate these costs with any degree of certainty. Our management will need to devote a substantial amount of time to ensure that we comply with all of these requirements. These laws and regulations also could make it more difficult and costly for us to obtain certain types of insurance, including director and officer liability insurance, and we may be forced to accept reduced policy limits and coverage or incur substantially higher costs to obtain the same or similar coverage. These laws and regulations could also make it more difficult to attract and retain qualified persons to serve on our Board and board committees and serve as executive officers. Furthermore, if we are unable to satisfy our obligations as a reporting company, we could be subject to fines, sanctions, and other regulatory action and potentially civil litigation and we could be subject to delisting of our CDIs on the ASX or other exchange on which our securities may be traded.

We may be required to delay recognition of some of our revenue, which may harm our financial results in any given period.

Due to specific revenue recognition requirements under GAAP, we must have very precise terms in our contracts to recognize revenue when we initially provide our products and services. Although we strive to enter into agreements that meet the criteria under GAAP for current revenue recognition on delivered performance obligations, our agreements are often subject to negotiation and revision based on the demands of our customers. The final terms of our agreements sometimes result in deferred revenue recognition, which may adversely affect our financial results in any given period. In addition, more customers may require extended payment terms, shorter term contracts or alternative arrangements that could reduce the amount of revenue we recognize upon delivery of our other products and services, and could adversely affect our short-term financial results.

Furthermore, the presentation of our financial results requires us to make estimates and assumptions that may affect revenue recognition. In some instances, we could reasonably use different estimates and assumptions, and changes in estimates are likely to occur from period to period. Accordingly, actual results could differ significantly from our estimates.

Severe weather, natural disasters, global pandemics, acts of war or terrorism, theft, civil unrest, government expropriation or other external events could have significant effects on our business.

Severe weather and natural disasters, including hurricanes, tornados, earthquakes, fires, droughts and floods, acts of war or terrorism (such as the recent escalation in regional conflicts exemplified by Russia's invasion of Ukraine), epidemics and global pandemics (such as the outbreak of COVID-19), theft, civil unrest, government expropriation, condemnation or other external events in the markets where our apps are available for download or where our customers live could have a significant effect on our ability to conduct business. Such events could

affect the stability of our deposit base, cause significant property damage, impair employee productivity, result in loss of revenue and/or cause us to incur additional expenses. The occurrence of any such event could have a material adverse effect on our business, which, in turn, could have a material adverse effect on our financial condition and results of operations.

ITEM 2. FINANCIAL INFORMATION.

The discussion of our financial condition and operating results should be read together with our accompanying audited consolidated financial statements included in this Registration Statement.

Life360 Management's Discussion and Analysis of Financial Condition and Results of Operations

You should read the following discussion of our financial condition and results of operations together with our audited consolidated financial statements and notes to such financial statements included elsewhere in this Registration Statement.

The following discussion contains forward-looking statements that involve risks and uncertainties regarding, among other things, (a) our projected sales, profitability, and cash flows, (b) our growth strategy, (c) anticipated trends in our industry, (d) our future financing plans, and (e) our anticipated needs for, and use of, working capital. They are generally identifiable by use of the words "may," "will," "should," "anticipate," "estimate," "plan," "potential," "project," "continuing," "ongoing," "expects," "management believes," "we believe," "we intend," or the negative of these words or other variations on these words or comparable terminology. In light of these risks and uncertainties, there can be no assurance that the forward-looking statements contained in this filing will in fact occur. You should not place undue reliance on these forward-looking statements.

The forward-looking statements are not historical facts, but rather are based on current expectations, estimates, assumptions and projections about our industry, business and future financial results. The forward-looking statements speak only as of the date on which they are made, and, except to the extent required by federal securities laws, we undertake no obligation to update any forward-looking statements to reflect events or circumstances after the date on which the statements are made or to reflect the occurrence of unanticipated events. Our actual results could differ materially from the results contemplated by these forward-looking statements due to a number of factors, including those discussed under "Item 1A. Risk Factors" and other sections in this Registration Statement. See "Forward-Looking Statements."

Overview

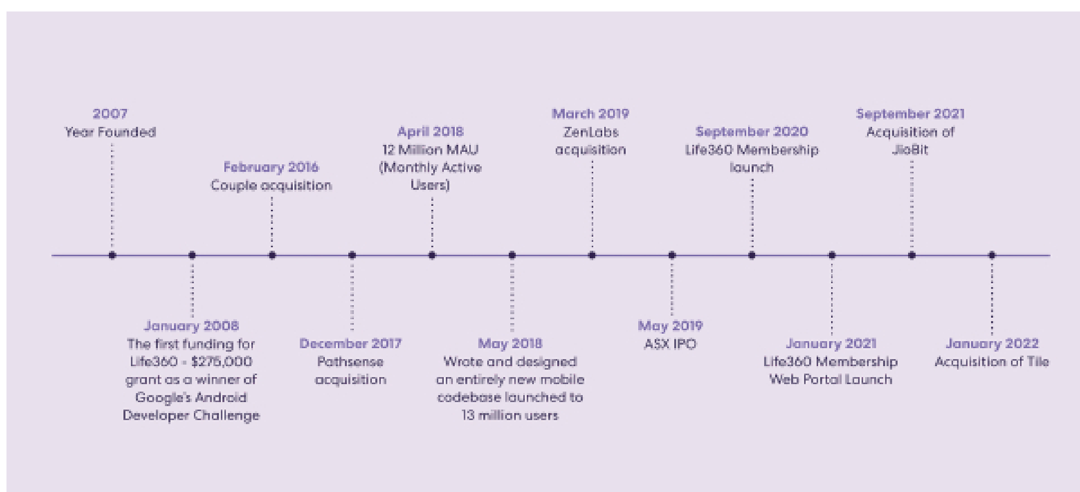
Life360 is the leading technology platform, according to market share of the family safety and location sharing app market based on revenue, to locate the people, pets and things that matter most to families. See "Market and Industry Data" for more information on how we calculate market share. Life360 is creating a new category at the intersection of family, technology, and safety to help keep families connected and safe. We provide safety services delivered through a mobile-native, subscription-based offering built around location-sharing, mobility, driving, and coordination. In 2021, we estimated one in 10 families in the United States used the Life360 Platform and, on average, our U.S. active users and members who have enabled push notifications used the service over 15 times a day to coordinate and communicate. We also provide coverage for the "what ifs" that families worry about most, ranging from driving safety, personal SOS, identity theft protection and more. Nothing is more important than family, and we help provide peace of mind in life's unpredictable moments for families around the world.

We started Life360 in 2007 with the vision that families would need a dedicated safety membership that incorporates a suite of safety services that span every life stage of the family. We set out to become the most

trusted family safety brand globally. We started by creating one of the first smartphone-based location apps on the Google Android platform, and since then we have consistently expanded our offering and evolved from an app into a much broader platform. As a result of our innovation, we are the category leader within apps that target the family safety and location sharing app market. We have averaged a top seven ranking in the U.S. Apple App Store for downloads in the social networking category for the last three years.

The Life360 Platform was built on a pre-launch version of the Android operating system. This early bet on the proliferation of connected devices allowed us to leapfrog legacy incumbents that were still building products suited to a pre-mobile era, such as expensive dedicated GPS devices to share location. For over a decade, we have leveraged our core competency in mobile product, technology, research and development, with approximately 200 U.S. patents issued or pending, to form a dedicated and engaged member base, reaching over 35 million members on the Life360 Platform as of December 31, 2021.

As our platform has continued to gain scale and traction, we have focused on the monetization and bundling of services to accelerate our financial growth profile. The past few years have proven the effectiveness of our launched services as the business has consistently reached significant milestones.



Our platform recently entered a new era of location tracking services with the successful acquisitions of Jiobit and Tile. By offering devices and integrated software to members, we have expanded our addressable market to provide members of all ages with a vertically integrated, cross-platform solution of scale. Our core competencies in engineering, data analytics, product design, personalization and assessment are applicable not only to location sharing but also other adjacent verticals and use cases. Life360 has a unique opportunity to further entrench its service by expanding offerings across our core and complementary verticals, such as location sharing, item tracking, crash and roadside assistance, identity theft protection, pet and children location sharing devices, and many more.

For the years ended December 31, 2021 and 2020, Life360 generated:

- Total revenues of $112.6 million and $80.7 million, respectively, representing year-over-year growth of 40%;
- Subscription revenues of $86.6 million and $58.5 million, respectively, representing year-over-year growth of 48%;
- Other revenues of $26.1 million and $22.2 million, respectively, representing year-over-year growth of 18%;

- Gross profit of $89.9 million and $65.3 million, respectively, representing year-over-year growth of 38%;
- Net loss of $33.6 million and $16.3 million, respectively; and
- Adjusted EBITDA loss of $13.1 million and $7.0 million, respectively. For a reconciliation of Adjusted EBITDA to net loss, the most directly comparable GAAP measure, see "—Non-GAAP Financial Measures."

Our Business Model

For Life360, we use a freemium business model that relies on a premium subscription offering to produce revenue. We believe the following key attributes of our freemium subscription business model are core to our success:

- ***Freemium Offering.*** None of our core location or safety offerings are behind a paywall. Anyone can download the Life360 app, use it for as long as they like, and gain access to our valuable, real-time features free of charge. Freemium members provide two benefits to our business model:
  - They become advocates for Life360 and provide word-of-mouth publicity for our platform, which enables our growth, and has allowed us to expand our member base efficiently with limited marketing spend. From 2016 through the end of 2021, we spent a cumulative $43.1 million on user acquisition marketing, even as Life360 was downloaded millions of times.
  - Our U.S. active users and members who have enabled push notifications are highly engaged with the Life360 Platform, on average checking their family's safety over 15 times per day in 2021. This provides us a wealth of insight into member behavior and opportunities to monetize by marketing premium features within the app. Life360's freemium offering generates a consistent pipeline of leads with opportunities to monetize the subsequent member base by upselling offers to members for other services. This strategy has been strengthened with our recent acquisitions of Tile and Jiobit and we expect to realize further benefits as we integrate these businesses.
- ***High Value Proposition.*** On average, each Paying Circle in the United States generates approximately $7.36 per month with subscription options available from $4.99 per month. Not only does this offer an attractive value to other digital consumer subscription businesses (which can be meaningfully higher), it also paves the path for long-term profitability through the lifetime value of Paying Circles. Our affordable family and safety-focused services provide the foundation for long-term growth as digitally native members remain engaged with, and increase their use of, the platform over the course of their lives.
- ***Wallet Share Expansion.*** Our recent acquisitions of Tile and Jiobit bring a significant potential opportunity to gain greater wallet share for digital spend on essential services. In the same way consumers often hold multiple subscriptions for digital entertainment, the Life360 Service is poised to provide integrated digital services connecting subscribers to a range of important family and safety needs from locating a pet to monitoring the health of elderly family members or friends. We believe that these increased upselling opportunities will generate greater revenue by converting existing and new subscribers to a bundle of services across our platform.

Our offerings under the Tile and Jiobit brands provide access to our subscription services via the purchase of hardware devices. While we generate revenue from the sale of these devices, the strategic value of our hardware is aimed at subscription enablement and we expect that over time, although sales volumes will increase, the percentage of revenue from hardware sales will decline.

Furthermore, as shown by the acquisition of Jiobit, Life360 can continue to expand its serviceable market with complementary services for a broad network of potential members. This was achieved with Jiobit by opening up a new segment of younger, tech savvy parents with pre-teen kids, independent home living seniors, and pets. Life360 expects continued impact of bundling Jiobit's high value, low-cost physical device into Life360's top membership tiers, to boost both conversion and retention.

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Subscription Revenue

Over 77% of our revenue is generated by our Premium Memberships, which offer our members access to a platform that helps them on the go with safety and peace of mind. When we invest in features of our Premium Memberships, we are investing across the spectrum of benefits from generic services for the broader audience of families, including travel benefits, to more customized offerings that leverage our insights about families to support identity protection, personal safety and wearables tracking.

As of March 31, 2022, Life360 had three Premium Memberships options in the United States and Canada. Outside of these two markets, Life360 offers the free membership and Life360 Premium. Members can sign up for one of our subscription tiers depending on their needs, selecting either a monthly or annual subscription plan, which enables them to acquire the access rights for their Circle of members.

SILVER MEMBERSHIP	GOLD MEMBERSHIP (MOST POPULAR)	PLATINUM MEMBERSHIP
$4.99/mo	$9.99/mo	$19.99/mo
Try 7 days free	Try 7 days free	Try 7 days free
Location Safety	**Location Safety**	**Location Safety**
✓ **7 days** of Location History	✓ **30 days** of Location History	✓ **30 days** of Location History
✓ **5** Place Alerts	✓ **Unlimited** Place Alerts	✓ **Unlimited** Place Alerts
✓ Crime Reports	✓ Crime Reports	✓ Crime Reports
✓ SOS Help Alert	✓ SOS Help Alert	✓ SOS Help Alert
Driving Safety	**Driving Safety**	**Driving Safety**
✓ Crash Detection	✓ Crash Detection	✓ Crash Detection
✓ Family Driving Summary	✓ Family Driving Summary	✓ Family Driving Summary
× Individual Driver Reports	✓ Individual Driver Reports	✓ Individual Driver Reports
× Roadside Assistance	✓ Roadside Assistance	✓ Roadside Assistance
× Free towing	✓ **5 miles** free towing	✓ **50 miles** free towing
× Emergency Dispatch	✓ Emergency Dispatch	✓ Emergency Dispatch
Digital Safety	**Digital Safety**	**Digital Safety**
✓ Data Breach Alerts	✓ Data Breach Alerts	✓ Data Breach Alerts
× ID Theft Protection	✓ ID Theft Protection	✓ ID Theft Protection
× Stolen Funds Reimbursement	✓ **$25k** Stolen Funds Reimbursement	✓ **$1M** Stolen Funds Reimbursement
× Credit Monitoring	× Credit Monitoring	✓ Credit Monitoring
Emergency Assistance	**Emergency Assistance**	**Emergency Assistance**
✓ **$100** in Stolen Phone Protection	✓ **$250** in Stolen Phone Protection	✓ **$500** in Stolen Phone Protection
× Disaster Response	× Disaster Response	✓ Disaster Response
× Medical Assistance	× Medical Assistance	✓ Medical Assistance
× Travel Support	× Travel Support	✓ Travel Support
Get Silver	Get Gold	Get Platinum

Other Revenue

Approximately 23% of our revenue for the year ended December 31, 2021 was generated indirectly. Indirect revenue includes the sale of data insights from our member base and the sale of third-party products and services, including through targeted ads within our platform. For example, we generate revenue through the display of auto insurance products within the Life360 Platform.

The privacy of our members' data remains at the core of our business. In 2022 we agreed to a new data partnership with Placer to commercialize solely aggregated data insights. We are in the process of winding down our legacy data sales partnerships and transitioning to a solely aggregated data sales model in the future, in order to enhance privacy protections for our members and reduce compliance risks to the business.

Recent Developments

Tile Acquisition

In January 2022, we acquired Tile. Founded in 2012, Tile uses Bluetooth technology to help people find the things that matter to them the most, locating millions of unique items every day. In addition to offering a range of devices, Tile works with over 30 partners and is embedded in over 50 partner products across audio, travel, wearables and personal computer categories. Tile's products come in various shapes, sizes and price points for different use cases. As of December 31, 2021, Tile has sold over 40 million Tile devices and has over 478,400 subscribers to the premium Tile offering, which offers additional services.

In connection with the Tile Acquisition, we entered into an agreement and plan of merger with total consideration comprised of: (i) $158.0 million in cash; (ii) 780,593 shares of common stock issued to the securityholders of Tile, of which 1,561 shares were granted to a key employee and vest based on continued employment; and (iii) 534,465 shares of common stock contingent upon achieving certain financial conditions of which 4,784 shares of contingent consideration were granted to a key employee and vest based on continued employment. In addition, we granted 1,499,349 restricted stock units in retention awards for Tile employees, subject to performance requirements and/or continued employment. We paid the purchase price for the acquisition using the proceeds from the 2021 Private Placement (as defined below).

The following discussion and analysis of Life360's financial condition and results of operations does not include the effects of the Tile Acquisition, which closed on January 5, 2022. Life360 will be treated as the acquiror in the Tile Acquisition for accounting purposes. The acquisition method of accounting is dependent upon certain valuations and other studies that have yet to commence or progress to a stage where there is sufficient information for a definitive measurement. As a result, our historical results are not necessarily indicative of the results that may be expected for any period in the future and the discussion and analysis included herein may be subject to change in future periods. For additional information related to Tile, see the sections entitled "Tile Management's Discussion and Analysis of Financial Condition and Results of Operations" and "Unaudited pro forma condensed combined financial data for the year ended December 31, 2021," included elsewhere herein.

December 2021 Equity Raise

In December 2021, the Company closed an underwritten offering of 7,779,014 shares of its common stock (equivalent to 23,337,042 CDIs) (the "2021 Private Placement"). The price of the shares sold in the offering was A$36.00 per share (A$12.00 per CDI). The total gross proceeds from the offering to the Company were $198.7 million. After deducting underwriting discounts and commissions and offering expenses payable by the Company, the aggregate net proceeds received by the Company totaled approximately $193.1 million.

Jiobit Acquisition

In September 2021, we acquired Jiobit (the "Jiobit Acquisition"). Founded in 2015, Jiobit is a leading location sharing platform for families. The Jiobit is a small, lightweight device that can be attached to items kids

wear or carry, like belt loops, shoelaces and school backpacks, and in particular, allows families to track younger children who don't yet have their own mobile device.

The Jiobit Acquisition was consummated for total consideration of $43.2 million, comprised of; (i) $7.3 million in cash; (ii) an additional $5.9 million of consideration contingent upon reaching certain operational goals for 2021 and 2022; (iii) $11.6 million in fair value of convertible notes issued to stockholders; (iv) the forgiveness of $4.0 million of Jiobit's convertible debt held by Life360; (v) $0.6 million of Life360 vested common stock options for 25,245 shares issued to Jiobit employees; and (vi) $13.8 million of 674,516 shares of the Company's common stock on the date of acquisition. We paid the purchase price for the acquisition using cash generated from operations. In April 2022, the Jiobit Acquisition agreement was amended and the Company issued an additional 376,576 shares to Jiobit stockholders as contingent consideration in exchange for a release by Jiobit stockholders of future claims to any additional contingent consideration.

Impact of COVID-19

The COVID-19 pandemic had an initial impact on our operations and financial performance, as we saw decreased engagement and member growth in the early phase of the pandemic. To adapt to the COVID-19 impact, the Company paused the majority of paid user acquisition spend and implemented other expense management initiatives. Once past the immediate early phase of COVID-19, we saw a resumption of rapid growth and we experienced two successive quarters of record Paying Circle additions in the second half of 2021. The extent of the impact of the COVID-19 pandemic on our operational and financial performance going forward will depend on future developments, including the duration and spread of the outbreak, new information about additional variants, the availability and efficacy of vaccine distributions, additional or renewed actions by government authorities and private businesses to contain the pandemic or respond to its impact and altered consumer behavior, the pace of reopening, impact on our customers and our sales cycles, impact on our business operations, impact on our customer, employee or industry events, and effect on our vendors and other business partners, all of which are uncertain and cannot be predicted. Any such developments may have adverse impacts on global economic conditions, including disruptions of the supply chain globally, labor shortages and consumer confidence and spending, and could materially adversely affect demand, or subscribers' ability to pay, for our products and services. We considered the impact of COVID-19 on the assumptions and estimates used and determined that there were no material adverse impacts on our consolidated financial statements for the year ended December 31, 2021. As events related to COVID-19 continue to evolve, our assumptions and estimates may change materially in future periods. For additional information, see "Risk Factors—Risks Related to our Business—The COVID-19 pandemic or the outbreak of any infectious disease in the United States or worldwide has adversely affected, and could continue to adversely affect, our business."

Key Factors Affecting our Performance

As we focus on growing our customers and revenue, and achieving profitability while investing for the future and managing risk, expenses and capital, the following factors and others identified in the section of this Registration Statement titled "Risk Factors" have been important to our business and we expect them to impact our operations in future periods:

Ability to Retain Trusted Brand. We strongly believe in our vision to become the indispensable safety membership for families, with a suite of safety services that span every life stage of the family. Our business model and future success are dependent on the value and reputation of the Life360 and Tile brands. Our brand is trusted by over 35 million members and because we know the value of trust is immeasurable, we will continue to work tirelessly to ensure that we provide useful, reliable, trustworthy and innovative products and services.

Attract, Retain and Convert Members. Our business model is based on attracting new members to our platform, converting free members to subscribers, and retaining and expanding subscriptions over time. Our continued success depends in part on our ability to offer compelling new products and features to our members,

and to continue providing a quality user experience to retain paying subscribers. We will also seek to increase brand awareness and customer adoption of our platform through various programs and digital and broad-scale advertising.

Maintaining Efficient Member Acquisition. Our investment in developing effective services and devices creates an efficient member acquisition model which drives strong unit economics. The organic member acquisition is complemented with our word-of-mouth and freemium model. We accelerate our organic member acquisition with strategic and targeted paid marketing spend. We expect to continue to invest in product and marketing, while balancing growth with strong unit economics. As we continue to expand internationally, we may increase our targeted marketing investments.

Growth in ARPPC. Our business model is dependent upon our ability to grow and maintain a large member base, including growing the number of Paying Circles. We have a sophisticated understanding of our members, and as a result, the services we provide are core to families and hard to switch out of. We continue to develop new monetization features leveraging our core technologies to offer additional services, expand into more stages of families and enter new verticals to increase adoption. Many factors will affect the ARPPC including the number of Paying Circles, mix of monetization offerings on our platform, as well as demographic shifts and geographic differences across these variables.

Expanding the Offerings on Our Platform. We are continually evaluating new product offerings that are aligned with our core competencies and the needs of families across the life stage continuum. For example, our acquisition of Tile gives our members the ability to seamlessly leverage Bluetooth-enabled smart trackers, which can equip nearly any item—such as wallets, keys or remotes—with location-based finding technology. Likewise, our acquisition of Jiobit will allow our subscribers to track family members and pets wearing Jiobit devices via a single unified family map. We will continue to invest in and launch products where we see opportunities to grow our platform.

Attracting and Retaining Talent. We compete for talent in the technology industry. Our business relies on the ability to attract and retain talent, including engineers, data scientists, designers and software developers. As of December 31, 2021, we had approximately 400 employees and contractors. Our core values are aimed at simplifying safety for families and we believe there are people who want to work at a values-driven company like Life360. We believe that our ability to recruit talent is aided by our reputation.

Seasonality. We experience seasonality in our user growth, engagement, Paying Circles growth and monetization on our platform. Life360 has historically experienced member and subscription growth seasonality in the third quarter of each calendar year, which includes the return to school for many of our members. Tile has historically experienced revenue seasonality in the fourth quarter of each calendar year, which includes the important selling periods in November (Black Friday and Cyber Monday) and December (Christmas and Hanukkah) in large part due to seasonal holiday demand. For example, in the fourth quarter of the fiscal years ended December 31, 2021 and 2020, we generated approximately 31%, and 28%, respectively, of our fiscal year total revenue. Accordingly, an unexpected decrease in sales over those traditionally high-volume selling periods may impact our revenue, result in surplus inventory and could have a disproportionate effect on our operating results for the entire fiscal year. Seasonality in our business can also be affected by introductions of new or enhanced products and services, including the costs associated with such introductions.

Continued Investment in Growth. We expect expenses to increase as we intend to continue to make focused investments to increase revenue and scale operations to support the growth of our business. We plan to further invest in research and development as we hire employees in engineering, product, and design to enhance our platform and support the needs of our growing member base. We also plan to invest in sales and marketing activities to drive our subscriptions and increase our brand awareness. We expect to incur additional general and administrative expenses to support our growth and our transition to being a reporting company. Further, we continue to make investments in our technical infrastructure to support user and employee growth which will

increase expenses and capital expenditures. As cost of revenue, operating expenses, and capital expenditures fluctuate over time, we may experience short-term, negative impacts to our results of operations and cash flows, but we are undertaking such investments in the belief that they will contribute to long-term growth.

International Expansion. During the year ended December 31, 2021, our international active member base of 11.8 million increased 24% for the year ended December 31, 2021 compared to the year ended December 31, 2020. We believe our global opportunity is significant, and to address this opportunity, we intend to continue to invest in sales and marketing efforts and infrastructure and personnel to support our international expansion, including undertaking initiatives such as the first international launch of our subscription offering in Canada during the fourth quarter of 2021. Our growth will depend in part on the adoption and sales of our products and services in international markets.

Key Performance Indicators

We review several operating metrics, including the following key performance indicators, to evaluate our business, measure our performance, identify trends affecting our business, formulate financial projections and make strategic decisions. We believe these key performance indicators are useful to investors because they allow for greater transparency with respect to key metrics used by management in its financial and operational decision-making, and they may be used by investors to help analyze the health of our business.

Key Operating Metrics

	As of December 31,	
	2021	2020
	(*in millions, except ARPPC*)	
Members	35.5	26.7
Paying Circles	1.2	0.9
ARPPC	$ 80.22	$ 69.14

Members

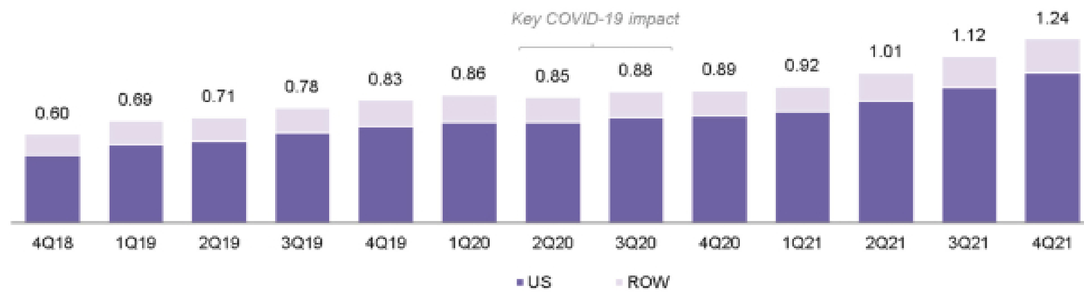
We have a large and growing member base located in over 170 countries based on downloads through the Apple App Store and more than 130 countries based on downloads through the Google Play Store, comprised primarily of safety-conscious families who have a high propensity to pay for premium offerings. A Life360 MAU is defined as a unique user who engages with our Life360 branded services each month, which includes both paying and non-paying members. As of December 31, 2021 and 2020, we had over 35 million and over 26 million MAUs on the Life360 Platform, respectively, representing a year-over-year increase of 33% and a CAGR of over 23% from 2018 to 2021. This has been driven by continued strong organic member growth and the introduction of paid member acquisition.

Paying Circles

Each subscription covers all members in the payor's Circle so that everyone in the Circle can utilize the benefits of a Life360 Premium Membership, including access to premium location, driving, digital and emergency safety insights and services.

As of December 31, 2021 and 2020, we had approximately 1.2 million and 0.9 million paid subscribers to services under our Life360 brand, respectively, representing an increase of 39% year over-year and a CAGR of 28% from 2018 to 2021.

We grow the number of Paying Circles by growing our free member base, converting a greater number of members to subscribers, and retaining them over time with the provision of high-quality family and safety services. We have experienced strong recent growth in the number of paying subscribers, benefiting from a full year of the new family membership offering which was launched during the third quarter of the year ended December 31, 2020.



Retention by member cohorts

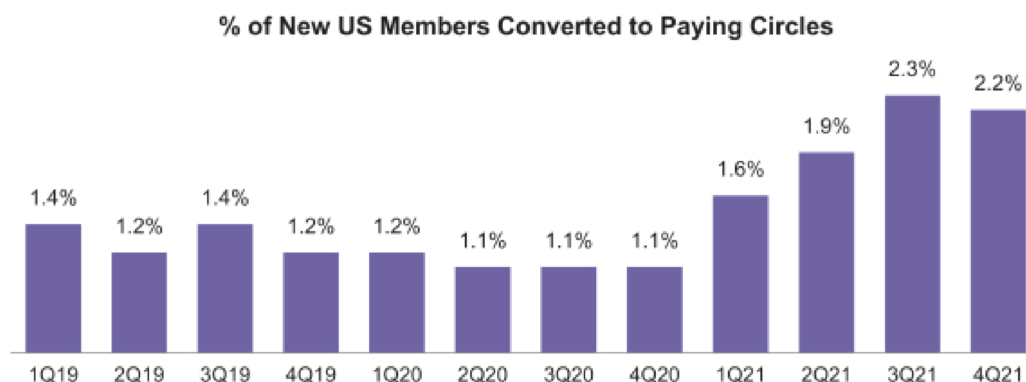
Due to the essential service provided by the Life360 Platform, we retain over 50% of U.S. organic members after three months, on average.

Following an expected initial churn of members post-download, the remaining member cohorts illustrates high retention with the churn rate significantly decreasing and largely stabilizing after six months. Ultimately, the strong retention of our member cohorts presents a constant opportunity to monetize and generate revenue growth from existing and new members, with approximately 30% of U.S. organic members remaining on the platform after three years.

* Member cohort retention calculated as of March of each year indicated.

Conversion

New Paying Circles are primarily sourced from the conversion of existing free members, which typically occurs when they are seeking greater utility or features from the Life360 Platform, beyond our free offering. This characteristic of Life360 member behavior highlights how members are "pulled" rather than "pushed" towards the Life360 Paying Circle. Net growth in Paying Circles is also affected by our ability to retain existing Paying Circles. We have maintained high retention over time while also increasing our conversion rates as a result of new features and functionality, a theme we believe will only strengthen over time as the Life360 Service expands its product suite for Paying Circles. Our paid conversion reflects subscribers converting to paid subscriptions within the first month following their initial registration with the Life360 Platform.

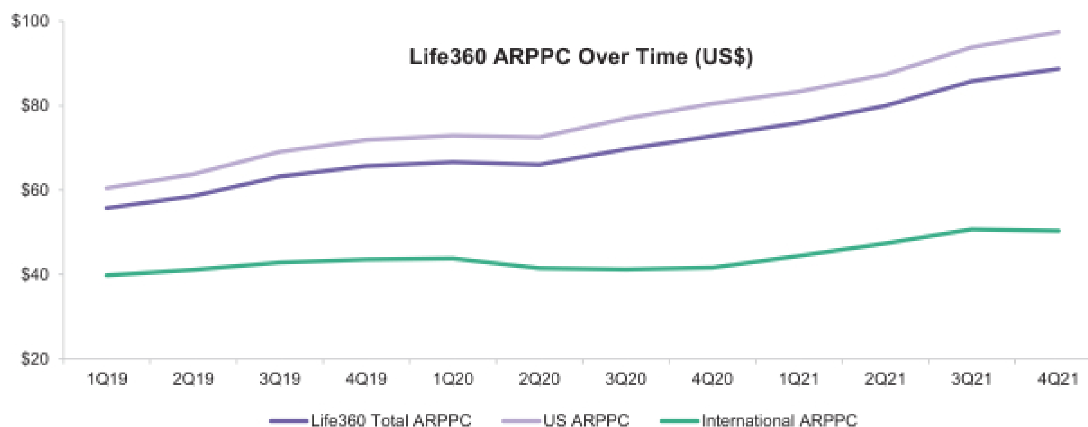


Total Average Revenue per Paying Circle

We define ARPPC as our revenue for the period presented divided by the Average Paying Circles during the same period. Average Paying Circles are calculated based on adding the number of Paying Circles as of the beginning of the period to the number of Paying Circles as of the end of the period, and then dividing by two.

As a result of an increase in Paying Circles combined with an increased mix of sales towards higher-priced subscription plans, we experienced an increase in our ARPPC for the year ended December 31, 2021, compared to the year ended December 31, 2020.

ARPPC is a key indicator utilized by Life360 to determine the effective penetration of our tiered product offering for Paying Circles. The implementation of various tiers of paying account offerings (i.e., Silver, Gold and Platinum in 2020) is evident as Life360's share of wallet has consistently expanded. We believe these dynamics illustrate the potential upside in our key strategic focus of expanding the offering to international Paying Circles.

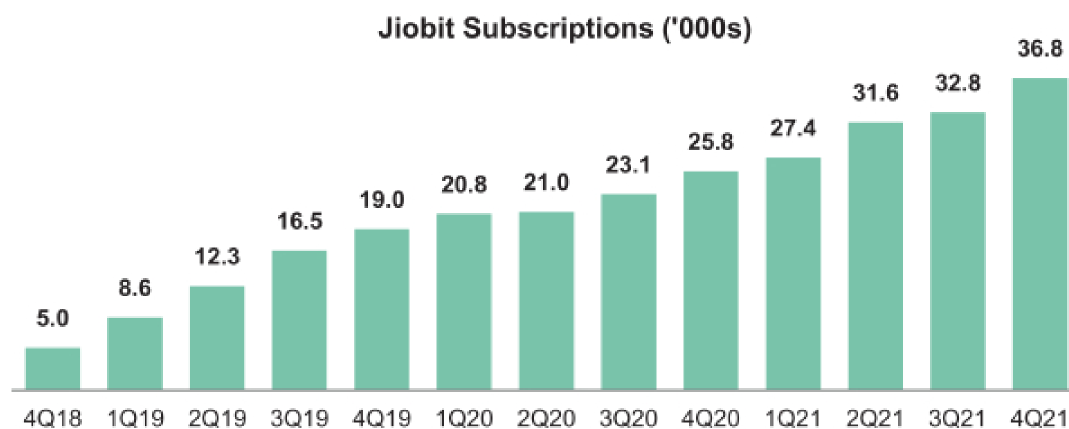


Key Performance Indicators: Jiobit

Subscribers

For Jiobit, we have active subscriptions per period which we define as the number of subscribers that actively engaged with our services in the period. As of December 31, 2021 and 2020, we had approximately 37,000 and 26,000 total subscriptions, respectively, representing a year-over-year increase of 43% and a CAGR of over 94% from 2018 to 2021.

This represents a strong indicator of Jiobit susbcriber engagement, with subscribers remaining active following the initial purchase of a Jiobit device and subscription. We have a further opportunity to cross-sell Life360 and Jiobit core services among both subscriber bases, expanding wallet share of both existing and new Jiobit subscribers.



Subscriber Retention

We see significant upside potential in hardware devices forming part of our subscriber growth strategy. Following our acquisitions of Jiobit and Tile, Life360 is the only vertically integrated, cross-platform solution of scale that connects the things that are closest to our subscribers' hearts and minds every day (people, pets and things).

With both digital and physical distribution channels, hardware device sales expand Life360's acquisition funnel, allowing broader consumer reach and brand awareness and ultimately driving adoption of our core platform. We expect our planned integration to increase the "stickiness" of Life360's platform with higher subscriber retention from our "one-stop-shop" offering for all family and safety needs. Ultimately, through increased pricing, conversion and retention, we expect hardware device sales to result in significantly higher customer lifetime value.

Our Jiobit cohorts illustrate strong retention following the first purchase of the device. There is a higher retention rate with over 65% of subscribers remaining active after the first 12 months and over 50% after two years. We believe these dynamics can be reflected across member cohorts as a broader suite of offerings is made available and particularly as safety features become more prominent in our offering.

Non-GAAP Financial Measures

Adjusted EBITDA

We collect and analyze operating and financial data to evaluate the health of our business, allocate our resources and assess our performance. In addition to total revenue, net loss and other results under GAAP, we utilize non-GAAP calculations of adjusted earnings before interest, taxes, depreciation and amortization ("Adjusted EBITDA"). Adjusted EBITDA is defined as net loss, excluding (i) convertible notes and derivative liability fair value adjustment, (ii) benefit from income taxes, (iii) depreciation and amortization, (iv) other (income)/expense, (v) stock-based compensation expenses, and (vi) certain transactions costs, one-time litigation costs, reserves and expenses.

The above items are excluded from Adjusted EBITDA because these items are non-cash in nature, or because the amount and timing of these items is unpredictable, is not driven by core results of operations and renders comparisons with prior periods and competitors less meaningful. We believe Adjusted EBITDA provides useful information to investors and others in understanding and evaluating our results of operations, as well as providing a useful measure for period-to-period comparisons of our business performance. Moreover, we have included Adjusted EBITDA in this Registration Statement because it is a key measurement used by our management internally to make operating decisions, including those related to operating expenses, evaluate performance, and perform strategic planning and annual budgeting. However, this non-GAAP financial measure is presented for supplemental informational purposes only, should not be considered a substitute for or superior to financial information presented in accordance with GAAP, and may be different from similarly titled non-GAAP financial measures used by other companies. As such, you should consider this non-GAAP financial measure in addition to other financial performance measures presented in accordance with GAAP, including various cash flow metrics, net loss and our other GAAP results.

The following table presents a reconciliation of net loss, the most directly comparable GAAP measure, to Adjusted EBITDA.

	Year Ended December 31,	
	2021	2020
	(in thousands)	
Adjusted EBITDA		
Net loss and Comprehensive Loss	$ (33,557)	$ (16,334)
Add (deduct):		
Convertible notes fair value adjustment	511	—
Derivative liability fair value adjustment(1)	733	—
Benefit from income taxes	(127)	—
Depreciation and Amortization(2)	876	656
Other (income)/expense, net	178	(317)
Adjusted EBITDA (non-GAAP)	$ (31,386)	$ (15,995)

(1) To reflect the change in value of the contingent consideration issued in connection with the Jiobit Acquisition.
(2) Includes depreciation on fixed assets and amortization of acquired intangible asset.

Key Components of Our Results of Operations

The following discussion describes certain line items in our Consolidated Statements of Operations and Comprehensive Loss.

Revenue

Subscription Revenue

We generate revenue from sales of subscriptions on our platform. Revenue is recognized ratably over the related contractual term generally beginning on the date that our platform is made available to a customer. Our subscription agreements typically have monthly or annual contractual terms. Our agreements are generally non-cancellable. We typically bill in advance for monthly and annual contracts. Amounts that have been billed are initially recorded as deferred revenue until the revenue is recognized.

Other Revenue

We also generate revenue through data monetization arrangements with certain third parties through data acquisition and license agreements for data collected from our member base for purposes of targeted advertising, research, analytics, attribution, and other commercial purposes. In January 2022, Life360 began to exit the traditional data sales business and transition to solely sales of aggregated data insights. In order to accomplish this, we executed a new partnership agreement with Placer, a prominent provider of aggregated analytics for the retail ecosystem. As part of this partnership, Placer will provide valuable data processing and analytics data to Life360 and will have the right to commercialize aggregated data related to place visits during the term of the agreement. We have begun terminating existing data sales relationships with certain existing data partners. The Placer agreement includes a minimum revenue guarantee based on the size of the Life360's active member base for the duration of the three-year agreement. Other revenue also includes partnership revenue and sales of Jiobit hardware devices.

Cost of Revenue and Gross Margin

Cost of Subscription

Cost of subscription primarily consists of expenses related to hosting our services and providing support. These expenses include employee-related costs associated with our cloud-based infrastructure and our customer support organization, third-party hosting fees, software, and maintenance costs, outside services associated with the delivery of our subscription services, personnel-related expenses, travel-related costs, amortization of acquired intangibles and allocated overhead, such as facilities, including rent, utilities, depreciation on equipment shared by all departments, credit card and transaction processing fees, and shared information technology costs. Personnel-related expenses include salaries, bonuses, benefits, and stock-based compensation for operations personnel.

We plan to continue increasing the capacity and enhancing the capability and reliability of our infrastructure to support user growth and increased use of our platform. We expect that cost of revenue will increase in absolute dollars in future periods.

Cost of Other Revenue

Cost of other revenue includes cloud-based hosting costs, as well as costs of product operations functions and employee-related costs associated with our data platform. Cost of other revenue also consists of product

costs associated with the Jiobit hardware devices, including costs of raw materials, contract manufacturers for production, shipping and handling, warranty replacement, packaging, fulfillment, personnel-related expenses, manufacturing and equipment depreciation, warehousing, hosting, amortization of acquired intangibles, and write-downs of excess and obsolete inventory. Personnel-related expenses include salaries, bonuses, benefits, and stock-based compensation for operations personnel.

Gross Profit and Gross Profit Margin

Our gross profit has been, and may in the future be, influenced by several factors, including geographical revenue mix, timing of capital expenditures and related depreciation expense, increases in infrastructure costs, component costs, contract manufacturing and supplier pricing, and foreign currency exchange rates. Gross profit and gross profit margin may fluctuate over time based on the factors described above.

Operating Expenses

Our operating expenses consist of research and development, selling and marketing, and general and administrative expenses.

Research and Development

Our research and development expenses consist primarily of employee-related costs for our engineering, product, and design teams, and allocated overhead. We believe that continued investment in our platform is important for our growth. We expect our research and development expenses will increase in absolute dollars as our business grows.

Sales and Marketing

Our sales and marketing expenses consist primarily of employee-related costs, brand marketing costs, lead generation costs, sponsorships and amortization of acquired intangibles. Revenue-share payments to third parties in connection with annual subscription sales of the Company’s mobile application on third-party store platforms are considered to be incremental and recoverable costs of obtaining a contract with a customer and are deferred and typically amortized over an estimated period of benefit of two years.

We plan to continue to invest in sales and marketing to grow our member base and increase our brand awareness, including marketing efforts to continue to drive our business model. We expect that sales and marketing expenses will increase in absolute dollars in future periods and will fluctuate as a percentage of revenue. The trend and timing of sales and marketing expenses will depend in part on the timing of marketing campaigns.

General and Administrative

Our general and administrative expenses consist primarily of employee-related costs for our legal, finance, human resources, and other administrative teams, as well as certain executives. In addition, general and administrative expenses include allocated overhead, outside legal, accounting and other professional fees, change in fair value of contingent consideration for business combinations, and non-income-based taxes. We expect our general and administrative expenses will increase in absolute dollars as our business grows.

Convertible Notes Fair Value Adjustment

Convertible notes fair value adjustment relates to the change in the fair value of the convertible notes issued to investors in July 2021 with an underlying principal amount of $2.1 million (the “July 2021 Convertible Notes”).

Derivative Liability Fair Value Adjustment

Derivative liability fair value adjustment relates to the change in the fair value of the embedded conversion and redemption features associated with the July 2021 Convertible Notes.

Other Income (Expense), Net

Other income (expense), net primarily consists of interest income earned on cash and cash equivalent balances, net of interest expense primarily related to the Convertible Notes.

Benefit from Income Taxes

Benefit from income taxes consists of U.S. federal and state income taxes in jurisdictions in which we conduct business. We maintain a full valuation allowance on our federal and state deferred tax assets as we have concluded that it is not more likely than not that the deferred tax assets will be realized.

Results of Operations

The following tables set forth our consolidated statement of operations and comprehensive loss for the years ended December 31, 2021 and 2020. We have derived this data from our consolidated financial statements included elsewhere in this Registration Statement. This information should be read in conjunction with our consolidated financial statements and related notes included elsewhere in this Registration Statement. The results of historical periods are not necessarily indicative of the results of operations for any future period.

	Year Ended December 31,		
	2021	2020	% Change
	(in thousands)		
Revenue			
Subscription revenue	$ 86,551	$ 58,472	48%
Other revenue	26,092	22,183	18%
Total revenue	112,643	80,655	40%
Cost of revenue(1)			
Subscription costs	17,807	13,582	31%
Other costs	4,961	1,813	174%
Total cost of revenue	22,768	15,395	48%
Gross profit	89,875	65,260	38%
Operating expenses(1)			
Research and development	50,994	39,643	29%
Sales and marketing	47,473	30,190	57%
General and administrative	23,670	12,078	96%
Total operating expenses	122,137	81,911	49%
Loss from operations	(32,262)	(16,651)	94%
Convertible notes fair value adjustment	511	—	100%
Derivative liability fair value adjustment	733	—	100%
Other (income) expense, net	178	(317)	(156)%
Total other (income) expense	1,422	(317)	(549)%
Loss before benefit from income taxes	(33,684)	(16,334)	106%
Benefit from income taxes	127	—	100%
Net loss and Comprehensive Loss	$ (33,557)	$ (16,334)	105%

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(1) Includes stock-based compensation as follows:

	Year Ended December 31, 2021	Year Ended December 31, 2020	% Change
	(in thousands)		
Cost of revenue			
Subscription costs	$ 444	$ 340	31%
Other costs	78	31	152%
Research and development	7,457	5,504	35%
Sales and marketing	752	424	77%
General and administrative	3,207	1,792	79%
Total stock-based compensation expense	$ 11,938	$ 8,091	48%

The following table sets forth our results of operations for each of the periods presented as a percentage of revenue:

	Year Ended December 31, 2021	Year Ended December 31, 2020
Revenue		
Subscription revenue	77%	72%
Other revenue	23%	28%
Total revenue	100%	100%
Cost of revenue		
Subscription costs	16%	17%
Other costs	4%	2%
Total cost of revenue	20%	19%
Gross profit	80%	81%
Operating expenses		
Research and development	45%	49%
Sales and marketing	42%	37%
General and administrative	21%	15%
Total operating expenses	108%	102%
Loss from operations	(29)%	(21)%
Convertible notes fair value adjustment	0%	— %
Derivative liability fair value adjustment	1%	— %
Other (income) expense, net	0%	(1)%
Total other (income) expense	1%	(1)%
Loss before benefit from income taxes	(30)%	(20)%
Benefit from income taxes	0%	— %
Net loss and Comprehensive Loss	(30)%	(20)%

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Comparison of the Years ended December 31, 2021 and 2020

Revenue

	Year Ended December 31,		Change	
	2021	2020	$	%
	(in thousands)			
Revenue				
Subscription revenue	$ 86,551	$ 58,472	$28,079	48%
Other revenue	26,092	22,183	3,909	18%
Total revenue	$ 112,643	$ 80,655	$31,988	40%

Total revenue increased $32.0 million, or 40%, during the year ended December 31, 2021, as compared to the year ended December 31, 2020.

Subscription revenue increased $28.1 million, or 48%, during the year ended December 31, 2021, as compared to the year ended December 31, 2020 primarily due to growth in Paying Circles and ARPPC. During the year ended December 31, 2021, we took the first step in the international rollout of our subscription model with the launch of the complete membership experience in Canada. We continue to invest in a variety of customer programs and initiatives, which, along with expanded customer use cases, have helped increase our subscription revenue over time.

Other revenue increased $3.9 million, or 18%, during the year ended December 31, 2021, as compared to the year ended December 31, 2020, due to increased volume as a result of continued demand for data products, as well as the inclusion of hardware sales of approximately $1.0 million related to Jiobit hardware devices.

Cost of Revenue, Gross Profit, and Gross Margin

	Year Ended December 31,		Change	
	2021	2020	$	%
	(in thousands)			
Cost of revenue				
Subscription costs	$17,807	$13,582	$ 4,225	31%
Other costs	4,961	1,813	3,148	174%
Total cost of revenue	$22,768	$15,395	$ 7,373	48%
Gross profit	$89,875	$65,260	$24,615	38%
Gross margin:				
Subscription	79%	77%		
Other	81%	92%		

Cost of subscription revenue increased by $4.2 million, or 31%, during the year ended December 31, 2021, as compared to the year ended December 31, 2020, primarily due to an increase of $2.5 million in technology expenses due to higher costs related to cloud infrastructure, and an increase of $1.7 million in subscription offerings due to an increase in direct costs related to new product offerings.

Subscription margin increased to 79% during the year ended December 31, 2021 from 77% during the year ended December 31, 2020, primarily due to an increased volume of higher margin offerings.

Other cost of revenue increased by $3.1 million, or 174%, during the year ended December 31, 2021, as compared to the year ended December 31, 2020, primarily due to an increase of $1.7 million in technology expenses due to higher costs related to cloud infrastructure and an increase of $1.2 million related to the sales of

Jiobit hardware devices, resulting from the Jiobit Acquisition which closed during the third quarter of 2021, and an increase of $0.1 million in depreciation and amortization expense, primarily due to the amortization of acquired intangibles.

Other margin decreased to 81% during the year ended December 31, 2021 from 92% during the year ended December 31, 2020, primarily due to higher costs related to infrastructure in proportion to revenue growth, as well as costs associated with the sale of Jiobit hardware devices from the Jiobit Acquisition, which have a lower gross margin than other revenue.

Research and Development

	Year Ended December 31,		Change	
	2021	2020	$	%
	(in thousands)			
Research and development	$50,994	$39,643	$11,351	29%

Research and development expenses increased $11.4 million, or 29%, during the year ended December 31, 2021, as compared to the year ended December 31, 2020 as we continued to invest in the development of new and existing offerings. Personnel and related costs and stock-based compensation each increased by $7.8 million due to headcount growth. Professional and outside services increased by $3.7 million due to higher contractor spend as a result of increased scaling of the business.

Sales and Marketing

	Year Ended December 31,		Change	
	2021	2020	$	%
	(in thousands)			
Sales and marketing	$47,473	$30,190	$17,283	57%

Sales and marketing expenses increased $17.3 million, or 57%, during the year ended December 31, 2021, as compared to the year ended December 31, 2020. This increase was primarily due to an increase of $15.2 million related to an increase in overall marketing spend, investment in new user acquisition channels, promotional initiatives as the Company returned to marketing spend after pausing when COVID-19 appeared, and launching new brand marketing campaigns. The increase was also related to an increase of $0.8 million in personnel and related costs and stock-based compensation due to increased headcount, and an increase of $1.0 million in other sales and marketing expenses including professional and outside services and technology expenses.

General and Administrative

	Year Ended December 31,		Change	
	2021	2020	$	%
	(in thousands)			
General and administrative	$23,670	$12,078	$11,592	96%

General and administrative expense increased $11.6 million, or 96%, during the year ended December 31, 2021, as compared to the year ended December 31, 2020. As a result of our continued investment in headcount, personnel and related costs and stock-based compensation increased by $4.1 million. The Company incurred incremental expenses of $3.6 million due to an increase in the fair value of contingent consideration issued in connection with the Jiobit Acquisition. Professional and outside services increased by $3.2 million due to increased legal spend related to the Jiobit Acquisition and the Tile Acquisition. The increase also relates to $0.6 million in other general and administrative expenses, including facilities and insurance expenses.

Convertible Notes Fair Value Adjustment

Convertible notes fair value adjustment increased by $0.5 million during the year ended December 31, 2021, as compared to the year ended December 31, 2020, due to the issuance of the convertible notes representing part of the purchase consideration related to the acquisition of Jiobit (the "September 2021 Convertible Notes" and together with the July 2021 Convertible Notes, the "Convertible Notes"). The September 2021 Convertible Notes are recorded at fair value and are revalued at each reporting period. The incremental expense is due to the increase in the fair value of the September 2021 Convertible Notes.

Derivative Liability Fair Value Adjustment

Derivative liability fair value adjustment increased by $0.7 million during the year ended December 31, 2021, as compared to the year ended December 31, 2020, due to the embedded redemption features bifurcated from the July 2021 Convertible Notes issued to investors. The derivative liability is recorded at fair value and is revalued at each reporting period. The incremental expense is due to the increase in the fair value of the derivative liability.

Other Income (Expense), Net

Other expense was $0.2 million in 2021, representing a $0.5 million decrease from 2020. This decrease was primarily due to a decrease in interest income earned on cash and cash equivalent balances offset by an increase in interest expense primarily due to accretion of the debt discount associated with the Convertible Notes.

Benefit from Income Taxes

Benefit from income taxes increased $0.1 million, or 100%, during the year ended December 31, 2021, as compared to the year ended December 31, 2020 due primarily to the tax effects related to the Jiobit Acquisition.

Liquidity and Capital Resources

Since our inception, we have financed our operations primarily through equity issuances and cash generated from operations. Since 2011, we have raised a total of $401.5 million in capital financings, less issuance costs of $18.3 million. As of December 31, 2021, our principal sources of liquidity were cash and cash equivalents totaling $231.0 million. In May 2019, in connection with our initial public offering on the ASX, we received net proceeds of $75.5 million, after deducting issuance costs of $5.1 million. Upon completion of our initial public offering on the ASX, interests in a total of 38.2 million shares were issued, equivalent to 114.6 million CDIs.

The July 2021 Convertible Notes accrue simple interest at an annual rate of 4% and mature on July 1, 2026. The July 2021 Convertible Notes may be settled under the following scenarios at the option of the holder of the 2021 Notes: (i) into shares of our common stock equal to the conversion amount of outstanding principal and any accrued but unpaid interest divided by the conversion price of $11.96; (ii) at the option of the holder upon a liquidation event (a) paid in cash equal to the outstanding principal and any accrued but unpaid interest or (b) into common shares equal to the conversion amount of outstanding principal and any accrued but unpaid interest divided by the conversion price of $11.96; or (iii) upon maturity of the July 2021 Convertible Notes, settlement in cash at the outstanding accrued interest and principal amount.

In September 2021, we issued the September 2021 Convertible Notes for an aggregate principal amount of $11.6 million in connection with the Jiobit Acquisition. The September 2021 Convertible Notes bear interest at the U.S. Prime rate plus 25 basis points. The September 2021 Convertible Notes can be converted to shares of our common stock at any time subsequent to the acquisition at a fixed conversion price of $22.50 per share. On each of the first three annual anniversaries of the issuance date of the September 2021 Convertible Notes, the Company will repay one-third of the unconverted principal plus accrued interest to the holders of such notes. Upon a change of control, the holder may elect to either convert at the fixed conversion price of $22.50 per share or be repaid in full.

In December 2021, we closed the 2021 Private Placement of 7,779,014 shares of our common stock (equivalent to 23,337,042 CDIs). The price of the shares sold in the 2021 Private Placement was A$36.00 per share (A$12.00 per CDI). The total gross proceeds from the 2021 Private Placement to the Company were $198.7 million. After deducting underwriting discounts and commissions and offering expenses payable by the Company, the aggregate net proceeds received by the Company totaled approximately $193.1 million.

We believe that our existing cash and cash equivalents and cash provided by sales of our subscriptions will be sufficient to support working capital and capital expenditure requirements for at least the next 12 months. Our future capital requirements will depend on many factors and as a result, we may be required to seek additional capital. If we are unable to raise additional capital on terms acceptable to us or at all or generate cash flows necessary to expand our operations and invest in continued innovation, we may not be able to compete successfully, which would harm our business, financial condition and results of operations.

A number of our users pay in advance for annual subscriptions while a majority pay in advance for monthly subscriptions. Deferred revenue consists of the unearned portion of customer billings, which is recognized as revenue in accordance with our revenue recognition policy. As of December 31, 2021 and 2020, we had deferred revenue of $13.9 million and $11.9 million, respectively, which is expected to be recorded as revenue in the next 12 months, respectively, provided all other revenue recognition criteria have been met.

Our cash flow activities were as follows for the periods presented:

	Year Ended December 31,	
	2021	2020
	(in thousands)	
Net cash used in operating activities	$ (12,153)	$(7,250)
Net cash used in investing activities	(7,064)	(653)
Net cash provided by financing activities	193,951	445
Net (decrease) increase in cash and cash equivalents	$174,734	$(7,458)

Operating Activities

Our largest source of operating cash is cash collections from our paying users for subscriptions to our platform. Our primary uses of cash from operating activities are for employee-related expenditures, infrastructure-related costs, and marketing expenses. Net cash used in operating activities is impacted by our net loss adjusted for certain non-cash items, including depreciation and amortization expenses, amortization of costs capitalized to obtain a contract, and stock-based compensation, as well as the effect of changes in operating assets and liabilities.

For the year ended December 31, 2021, net cash used in operating activities was $12.2 million. The primary factors affecting our operating cash flows during this period were our net loss of $33.6 million, impacted by $21.8 million non-cash charges, and $0.4 million of cash used by changes in our operating assets and liabilities. The non-cash charges primarily consisted of $11.9 million in stock-based compensation, $4.0 million in amortization of costs capitalized to obtain contracts, $3.6 million in loss on revaluation of contingent consideration, and $0.9 million of depreciation and amortization. The cash used by changes in our operating assets and liabilities was primarily due to a $2.7 million increase in accounts receivable, a $1.7 million increase in costs capitalized to obtain contracts, a $0.9 million increase in inventories, and a $1.2 million decrease in noncurrent liabilities. These amounts were partially offset by a $4.7 million increase in accrued expenses and a $1.7 million increase in deferred revenue.

For the year ended December 31, 2020, net cash used in operating activities was $7.3 million. The primary factors affecting our operating cash flows during this period were our net loss of $16.3 million, impacted by $15.7 million non-cash charges, and $6.7 million of cash used by changes in our operating assets and liabilities. The non-cash charges primarily consisted of $8.1 million in stock-based compensation, $0.7 million of depreciation and amortization, and $7.0 million in amortization of costs capitalized to obtain contracts. The cash

used by changes in our operating assets and liabilities was primarily due to a $5.2 million increase in costs capitalized to obtain contracts, $4.7 million increase in prepaid expenses and other current assets, and a $1.1 million increase in accounts receivable. These amounts were partially offset by a $2.5 million increase in other noncurrent assets and a $1.9 million increase in accounts payable.

Investing Activities

Net cash used in investing activities is primarily impacted by purchases of infrastructure equipment.

For the year ended December 31, 2021, net cash used in investing activities was $7.1 million, which primarily related to $4.0 million in cash advanced on a convertible note receivable, and $3.0 million in cash paid, net of cash acquired, associated with the Jiobit Acquisition.

For the year ended December 31, 2020, net cash used in investing activities was $0.7 million, which related to cash paid for capital expenditures during the period.

Financing Activities

For the year ended December 31, 2021, net cash provided by financing activities was $194 million, which primarily related to $193.1 million in net proceeds from capital, and $2.1 million in proceeds from the issuance of Convertible Notes. Cash provided by financing activities was reduced by cash used in the net settlement of the exercise of equity awards of $1.2 million.

For the year ended December 31, 2020, net cash provided by financing activities was $0.4 million, which primarily related to $0.4 million in proceeds from the exercise of stock options net of taxes paid related to net settlement of equity awards.

Off-Balance Sheet Arrangements

For the years ended December 31, 2021 and 2020, there were no off-balance sheet arrangements.

Debt Obligations

Paycheck Protection Program

The Company determined that the original eligibility requirements per the guidelines originally established by the U.S. federal government as part of the CARES Act for the Paycheck Protection Program (“PPP”) were met. As such, in April 2020, the Company received $3.1 million in loans from the PPP. Because the U.S. government subsequently changed its position and guidelines related to the PPP and publicly traded companies, the Company repaid the loans in May 2020.

Obligations and Other Commitments

Our principal commitments consist of obligations under our convertible notes, operating leases for office space, and other purchase commitments. Our obligations under our convertible notes are described in the “Liquidity and Capital Resources” section and in Notes 7 and 10 to our consolidated financial statements. Information regarding our non-cancellable lease and other purchase commitments as of December 31, 2021, can be found in Notes 9 and 12 to our consolidated financial statements.

Qualitative and Quantitative Disclosures about Market Risk

We are exposed to market risk in the ordinary course of our business. Market risk represents the risk of loss that may impact our financial position due to adverse changes in financial market prices and rates. Our market risk exposure is primarily the result of fluctuations in interest rates and foreign currency exchange rates.

Interest Rate Risk

As of December 31, 2021, we had $231 million of cash equivalents invested in cash and cash equivalents and money market funds. Our cash and cash equivalents are held for working capital purposes.

As of December 31, 2021, a hypothetical 10% relative change in interest rates would not have a material impact on our consolidated financial statements.

Foreign Currency Exchange Risk

Our reporting currency and functional currency is the U.S. dollar. All of our sales are denominated in U.S. dollars, and therefore our revenue is not currently subject to significant foreign currency risk. Our operating expenses are denominated in the currencies of the countries in which our operations are located, which is primarily in the United States. Our consolidated results of operations and cash flows are, therefore, subject to fluctuations due to changes in foreign currency exchange rates and may be adversely affected in the future due to changes in foreign exchange rates. To date, we have not entered into any hedging arrangements with respect to foreign currency risk or other derivative financial instruments, although we may choose to do so in the future. We do not believe that a hypothetical 1,000 basis-point increase or decrease in the relative value of the U.S. dollar to other currencies would have a material effect on our operating results.

Inflation Risk

We do not believe that inflation has had a material effect on our business, results of operations, or financial condition. Nonetheless, if our costs were to become subject to significant inflationary pressures, we may not be able to fully offset such higher costs. Our inability or failure to do so could harm our business, results of operations, or financial condition.

Fair Value Risk

As of December 31, 2021, we had $23.2 million of liabilities that is measured at fair value. Fair value measurements includes significant assumptions that are driven by market conditions and macroeconomic factors at measurement dates. Our consolidated results of operations are therefore subject to market fluctuations and may be affected in the future as a result of these fair value changes.

Critical Accounting Policies and Significant Management Estimates

We prepare our consolidated financial statements in accordance with GAAP. The preparation of consolidated financial statements also requires us to make estimates and assumptions that affect the reported amounts of assets, liabilities, revenues, costs and expenses and related disclosures. We base our estimates on historical experience and on various other assumptions that we believe to be reasonable under the circumstances. Actual results could differ significantly from the estimates made by our management. To the extent that there are differences between our estimates and actual results, our future financial statement presentation, financial condition, results of operations and cash flows will be affected. We believe that the accounting policies discussed below are critical to understanding our historical and future performance, as these policies relate to the more significant areas involving management's judgments and estimates. Critical accounting policies and estimates are those that we consider the most important to the portrayal of our financial condition and results of operations because they require our most difficult, subjective or complex judgments, often as a result of the need to make estimates about the effects of matters that are inherently uncertain. The critical accounting estimates, assumptions, and judgments that we believe to have the most significant impact on our consolidated financial statements are described below. This discussion is provided to supplement the descriptions of our accounting policies contained in Note 2, "Summary of Significant Accounting Policies" to our consolidated financial statements included elsewhere in this Registration Statement.

Revenue Recognition

We derive revenue from subscription fees (which include support fees) and other revenue. We sell subscriptions to our platform through arrangements that are generally monthly to annual in length. Our arrangements are generally non-cancellable and non-refundable. Our subscription arrangements do not provide customers with the right to take possession of the software supporting the platform and, as a result, are accounted for as service arrangements.

We determine revenue recognition through the following steps:

- Identification of the contract, or contracts, with a customer;
- Identification of the performance obligations in the contract;
- Determination of the transaction price;
- Allocation of the transaction price to the performance obligations in the contract; and
- Recognition of revenue when, or as, we satisfy a performance obligation.

Subscription Revenue

Subscription revenue, which includes support, is recognized on a straight-line basis over the non-cancellable contractual term of the arrangement, generally beginning on the date that our service is made available to the customer.

Other Revenue

Other revenue includes agreements with third parties to provide access to and use of Life360 data as well as advertising on the Company's mobile platform. Data revenue is recognized based on the Company's estimate of the total amount of variable consideration without constraint using the expected value method. However, that variable consideration is measured and settled on a monthly basis. Other revenue also includes sales of Jiobit hardware devices. We consider delivery of our products to have occurred once control has transferred and delivery of services to have occurred as control is transferred. We recognize revenue, net of estimated sales returns, sales incentives, discounts, and sales tax.

Costs Capitalized to Obtain Contracts

Revenue-share payments to third parties in connection with initial annual subscription sales of the Company's mobile application on third-party store platforms, are considered to be incremental and recoverable costs of obtaining a contract with a customer. These costs are recognized and amortized over 2 years. The Company determines the period of benefit by taking into consideration the average customer life based on past experience with customers, historical data, and other available information.

Stock-Based Compensation Expense

The Company has an equity incentive plan under which various types of equity-based awards including, but not limited to, incentive stock options, non-qualified stock options, and RSUs may be granted to employees, non-employee directors, and non-employee consultants. Compensation expense is measured and recognized in the consolidated financial statements based on fair value. The fair value of each option award is estimated on the grant date using the Black-Scholes option pricing model. The fair value of stock options that are expected to vest is recognized as compensation expense on a straight-line basis over the requisite service period. The fair value of RSUs is based on the fair value of the common stock on the date of grant. The stock-based compensation expense is based on awards ultimately expected to vest. Forfeitures are recorded as they occur.

Our use of the Black-Scholes option pricing model requires the input of highly subjective assumptions, including the fair value of the underlying shares of our common stock, the expected term of the option, the

expected volatility of the price of our common stock, risk-free interest rates and the expected dividend yield of our common stock. The assumptions used to determine the fair value of the awards represent management's best estimates. These estimates involve inherent uncertainties and the application of management's judgment.

These assumptions and estimates are as follows:

- ***Fair Value of Common Stock.*** Since the listing of our CDIs on the ASX, the fair value of common stock is based on the closing price of our CDIs on the ASX as reported in Australian dollars, adjusted to reflect the CDI/per share of common stock ratio in effect, and translated to U.S. dollars based on the date of grant of our common stock.
- ***Expected Term.*** The expected term for employees is based on the simplified method, as the Company's stock options have the following characteristics: (i) granted at-the-money; (ii) exercisability is conditioned upon service through the vesting date; (iii) termination of service prior to vesting results in forfeiture; (iv) limited exercise period following termination of service; and (v) options are non-transferable and non-hedgeable, or "plain vanilla" options, and the Company has limited history of exercise data. The expected term for non-employees is based on the remaining contractual term.
- ***Expected Volatility.*** Since we have limited trading history of CDIs, interests in our common stock, the expected volatility is determined based on the historical stock volatilities of our comparable companies, and the Company's trading data since listing on the ASX. Comparable companies consist of public companies in our industry, which are similar in size, stage of life cycle and financial leverage. The Company will continue to analyze the historical stock price volatility and expected term assumptions as more historical data for the Company's common stock becomes available.
- ***Risk-free Interest Rate.*** We base the risk-free interest rate on the implied yield available on U.S. Treasury zero-coupon issues with a remaining term equivalent to that of the options for each expected term.
- ***Dividend Yield.*** The expected dividend assumption is based on our current expectations about our anticipated dividend policy. As we have no history of paying any dividends and have no plans to pay dividends in the foreseeable future, we used an expected dividend yield of zero.

The following table summarizes the assumptions used in the Black-Scholes option pricing model to determine the fair value of our stock options:

	Year Ended December 31,	
	2021	2020
	(in thousands)	
Expected term (in years)		
Expected stock price volatility	4.24	5.68
Risk-free interest rate	49%	43%
Dividend yield	0.68%	0.60%
Expected term (in years)	0%	0%

We will continue to use judgment in evaluating the expected volatility and expected term utilized in our share-based compensation expense calculations on a prospective basis.

Common Stock Valuations

After completion of the listing of our CDIs on the ASX, our Board determines the fair value of each share of underlying our common stock based on the closing price of our CDIs as reported on the date of grant.

Income Taxes

The Company accounts for income taxes under the asset and liability method. The Company estimates actual current tax exposure together with assessing temporary differences resulting from differences in accounting for reporting purposes and tax purposes for certain items, such as accruals and allowances not currently deductible for tax purposes. These temporary differences result in deferred tax assets and liabilities, which are included in the Company's balance sheets. In general, deferred tax assets represent future tax benefits to be received when certain expenses previously recognized in the Company's statements of operations and comprehensive loss become deductible expenses under applicable income tax laws or when net operating loss or credit carryforwards are utilized. Accordingly, realization of the Company's deferred tax assets is dependent on future taxable income against which these deductions, losses and credits can be utilized.

The Company must assess the likelihood that the Company's deferred tax assets will be recovered from future taxable income, and to the extent the Company believes that recovery is not likely, the Company establishes a valuation allowance. The assessment of whether or not a valuation allowance is required often requires significant judgment including current and historical operating results, the forecast of future taxable income and on-going prudent and feasible tax planning initiatives. Should the actual amounts differ from estimates, the amount of valuation allowance could be materially impacted. Any adjustment to the deferred tax asset valuation allowance would be recorded in the consolidated statement of operations for the periods in which the adjustment is determined to be required.

Recent Accounting Pronouncements

See Note 2, "Summary of Significant Accounting Policies" to our consolidated financial statements included elsewhere in this Registration Statement for recently adopted accounting pronouncements.

JOBS Act Accounting Election

We are an emerging growth company, as defined in the JOBS Act. Section 107 of the JOBS Act provides that 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 some accounting standards until those standards would otherwise apply to private companies. We have elected to use the extended transition period under the JOBS Act until the earlier of the date we (i) are no longer an emerging growth company or (ii) affirmatively and irrevocably opt out of the extended transition period provided in the JOBS Act. As a result, our financial statements may not be comparable to companies that comply with new or revised accounting pronouncements as of reporting company effective dates.

Tile Management's Discussion and Analysis of Financial Condition and Results of Operations

You should read the following discussion of Tile's financial condition and results of operations together with Tile's audited consolidated financial statements and notes to such financial statements included elsewhere in this Registration Statement.

The following discussion contains forward-looking statements that involve risks and uncertainties regarding, among other things, (a) our projected sales, profitability, and cash flows, (b) our growth strategy, (c) anticipated trends in our industry, (d) our future financing plans, and (e) our anticipated needs for, and use of, working capital. They are generally identifiable by use of the words "may," "will," "should," "anticipate," "estimate," "plan," "potential," "project," "continuing," "ongoing," "expects," "management believes," "we believe," "we intend," or the negative of these words or other variations on these words or comparable terminology. In light of these risks and uncertainties, there can be no assurance that the forward-looking statements contained in this filing will in fact occur. You should not place undue reliance on these forward-looking statements.

The forward-looking statements are not historical facts, but rather are based on current expectations, estimates, assumptions and projections about our industry, business and future financial results. The forward-looking statements speak only as of the date on which they are made, and, except to the extent required by federal securities laws, we undertake no obligation to update any forward-looking statements to reflect events or circumstances after the date on which the statements are made or to reflect the occurrence of unanticipated events. Our actual results could differ materially from the results contemplated by these forward-looking statements due to a number of factors, including those discussed under "Item 1A. Risk Factors" and other sections in this Registration Statement.

Unless otherwise indicated or the context otherwise requires, all references in this section to "Tile" or "we," "our," "ours," "ourselves," "us" or similar terms refer to Tile, Inc. Our fiscal year ends March 31.

Overview

Tile's platform helps people find the things that matter the most to them, locating millions of unique items every day. Tile's products come in various shapes, sizes and price points for different use cases. We expect that Tile's network will become more robust when it leverages the Life360 member base to broaden its Tile network, generating even higher confidence that we can locate lost items of Tile customers.

Tile gives everything the power of smart location, and we help locate millions of unique items each day. Leveraging Life360's vast community, with the Life360 app available for download in over 170 countries through the Apple App Store and over 130 countries through the Google Play Store, will allow us to penetrate additional regions, as well as further enhance Tile's power to find things. Tile's cloud-based finding platform helps people find the things that matter to them most and helps solve the universal pain point of losing things. In addition to devices in multiple form factors for every use case, Tile works with over 50 partner products leveraging its finding technology across audio, travel, wearables and personal computer categories.

Tile's product is a Bluetooth enabled device that works with an app, available on iOS or Android, to enable our members to locate Tile objects. Our Tile devices communicate location with any phone or tablet that has the app installed. Operating in the background, our app routinely uploads location information to the cloud that maps the last location a Tile device was located. When a Tile device is left behind, a member can use the app to ring the Tile. If the Tile device is within Bluetooth range, members can access a map to identify the last known location of the Tile device, or mark a Tile as lost to enable the Tile network to help search for the lost item.

Our Business Model

Tile offers a free service as well as two paid subscription options: Premium and Premium Protect. The Premium subscription offers smart alerts to proactively notify a member who has left Tile devices behind, free battery replacements for Tile devices with replaceable batteries, a warranty for Tile devices with defects or accidental damage, unlimited location sharing, location history for the past 30 days and access to Tile's premium customer care team. Premium is available for $2.99 per month or $29.99 per year. Premium Protect offers all the benefits of Premium, plus up to $1,000 item reimbursement per year and is available for $99.99 per year. Tile pioneered the Bluetooth finding category and creates finding experiences that allow our members to track and find their belongings. Tile sells hardware devices in various retail channels and develops products specifically meant to tackle the daily pain point of lost items. Tile offers a mobile app that serves as the main management tool for Tile devices and also provides value add premium subscription services. Our main areas of focus for the business are to:

Accelerate Our Recurring Revenue

Tile is in the early stages of building its subscription business and driving recurring revenue. Tile introduced its premium subscription service in October 2018 and paid subscribers have grown meaningfully since the

introduction of the paid service. As of December 31, 2021, Tile's premium subscription business had over 478,400 paid subscribers. Tile hardware and embedded members are able to upgrade to the Premium service to take advantage of a suite of features that enhance the overall Tile finding experience.

Tile's premium subscription is available in two tiers, Premium and Premium Protect. Premium has several benefits that provide an enhanced finding experience enabling Tile's members to keep track of the important things in their life, including item reimbursement, smart alerts, unlimited sharing, location history, battery replacement and premium customer support. Premium Protect provides a higher level of item reimbursement in addition to other premium benefits. Premium Protect is currently available in the United States and we expect to introduce Premium Protect to select markets outside of the United States in the future. We also expect to introduce different tiers of item reimbursement in the future.

We expect to invest in the development of new premium features that help drive better engagement and overall finding experience that will drive higher levels of member conversion to paid subscription and increase recurring revenue.

Grow Our Device Business and Related Services

As a pioneer in the Bluetooth finding category, we are focused on addressing the pain points that our members face with a service that is easy-to-use, intuitive and accurate. To date, we have sold more than 40 million Tile devices globally. Our finding service is differentiated from competitors in a number of ways, including:

- **System- and Device-Agnostic**. The Tile service works across the major mobile operating systems, meaning that a member does not have to own a specific mobile device to use our hardware devices.
- **Leading Hardware Capability.** We have evolved our hardware capabilities over time with an emphasis on the member experience around finding range, battery management, ring volume, connectivity and other key member experience factors.
- **Multiple Form Factors.** We offer Tile devices in various form factors that provide finding solutions for specific finding use cases. These include our Slim product, which has a sleek form factor that fits into most wallets and low profile use cases, and our Sticker product, which has an adhesive that attaches to many different surfaces. In addition, we offer our Pro and Mate products, which have a convenient key ring and small form factors.
- **Member-First App Experience**. The Tile mobile app allows members to manage and operate their Tile devices, including the ability to ring their Tile devices, ring their phone, find last place seen and access the Tile finding network. The Tile app is rated highly by members on both the Apple App Store and the Google Play Store, and we continue to develop and evolve the app with an eye towards an enhanced member finding experience.
- **Scale of Service.** Tile's finding service benefits from network effects in that each incremental member helps improve the overall finding experience for all members. We sell millions of Tile devices each year and continue to expand our embedded partnership ecosystem, allowing us to serve millions of engaged members with nearly a billion location updates each day.

Expand Our Embedded Partnerships

Tile is building an ecosystem of partners that build Tile technology directly into their products allowing members of those products to easily keep track of their things and find them when they are misplaced. Our embedded partnerships allow us to provide the Tile finding service without the need for a Tile device. Tile is currently embedded in over 50 partner products, including audio, travel, wearables and personal computer categories. Our embedded products allow members to protect their investment by being able to find it when lost. The partnerships provide Tile with access to new potential members and the ability to promote our Tile hardware devices and premium subscription services.

Recent Developments

In January 2022, Life360 acquired Tile. Life360 and Tile entered into an agreement and plan of merger with total consideration comprised of i) $158.0 million of cash, ii) 780,593 shares of common stock issued to the securityholders of Tile, of which 1,561 shares were granted to a key tile employee and vest based on continued employment, and iii) 534,465 shares of common stock contingent upon achieving certain financial conditions of which 4,784 shares of contingent consideration were granted to a key Tile employee and vest based on continued employment. In addition, Life360 granted 1,407,237 restricted stock units in retention awards for Tile employees, subject to performance requirements and/or continued employment.

In September 2021, we refinanced a $17.5 million loan with a $30 million loan with a debt provider secured by our assets. This loan was paid off upon acquisition.

Impact of COVID-19

To date, the COVID-19 pandemic has not had a significant, negative impact on our operations or financial performance. To adapt to the COVID-19 impact, we paused the majority of paid member acquisition spend and implemented other expense management initiatives. The extent of the impact of the COVID-19 pandemic on our operational and financial performance will depend on future developments, including the duration and spread of the outbreak, new information about additional variants, the availability and efficacy of vaccine distributions, additional or renewed actions by government authorities and private businesses to contain the pandemic or respond to its impact and altered consumer behavior, the pace of reopening, impact on our customers and our sales cycles, impact on our business operations, impact on our customer, employee or industry events, and effect on our vendors and other business partners, all of which are uncertain and cannot be predicted. Any such developments may have adverse impacts on global economic conditions, including disruptions of the supply chain globally, labor shortages and consumer confidence and spending, and could materially adversely affect demand, or subscribers' ability to pay, for our products and services. We considered the impact of COVID-19 on the assumptions and estimates used and determined that there were no material adverse impacts on its consolidated financial statements for the year ended December 31, 2021. As events related to COVID-19 continue to evolve, our assumptions and estimates may change materially in future periods. For additional information, see "Risk Factors—Risks Related to our Business—The COVID-19 pandemic or the outbreak of any infectious disease in the United States or worldwide has and could continue to adversely affect our business."

Key Factors Affecting our Performance

Our financial condition and results of operations have been, and will continue to be, affected by a number of factors, including the following:

Ability to Drive Subscribers

Our long-term ability to grow recurring revenue will depend on our ability to drive paid subscribers to our premium subscription services. We are still in the early stages of our paid subscription service and we believe that we can continue to meaningfully grow our paid subscriber base. Our ability to grow our paid subscribers base is directly related to the sales of our hardware devices and the number of embedded partner users that download the App. If we cannot continue to grow our hardware business or expand our embedded partnerships, our ability to grow paid subscribers will be impacted. Additionally, our ability to grow paid subscribers will depend on the continued attractiveness of our premium subscription service. We expect to continue to optimize the feature set of our premium subscription service to provide a member-focused finding experience.

Ability to Attract New and Repeat Purchasers of Our Devices

Attracting new and repeat purchasers depends on our ability to design and release compelling smart trackers and market them effectively. Additionally, we face increasing competition from better funded global companies, specifically Apple.

We pioneered the finding category and we continue to invest in the development of hardware products assessing new and existing technologies with a priority on providing a great member finding experience.

Ability to Engage and Retain our Members

Our long-term growth depends in part on our ability to engage and retain our members. We prioritize providing a compelling member finding experience. However, our ability to do so depends on the continued evolution of our hardware devices, mobile app experience and overall finding experience.

Maintain Compelling Margins

Our ability to maintain our margins is dependent on a number of factors, including hardware and subscription revenue growth, product and channel mix, product costs, freight costs, tariffs, personnel costs and other operating expenses. We operate in a highly competitive market and there is no guarantee that we can maintain margins.

Ability to Grow Internationally

The majority of our sales are to customers in the United States. We believe we have an opportunity to grow our revenues outside of the United States. Growing our sales in existing international markets and new geographies requires investment in personnel, operations, sales, marketing, compliance and internalization. There is no guarantee that our products will be as well received or experience the same growth as in the United States.

Seasonality

We have historically experienced higher revenue in the fourth calendar quarter compared to other quarters due to higher seasonal holiday demand and the timing of our product introductions. For example, during the year ended March 31, 2021 and March 31, 2020, the third quarters accounted for 48% and 39% of our total revenue, respectively. We also incur higher sales and marketing expenses during this period. We believe our seasonality could be mitigated over time as the percent of our total revenue comprised by subscription revenue increases.

Key Performance Indicators

We review several operating metrics, including the following key performance indicators, to evaluate our business, measure our performance, identify trends affecting our business, formulate financial projections and make strategic decisions. We believe these key metrics are useful to investors because they allow for greater transparency with respect to key metrics used by management in its financial and operational decision-making, and they may be used by investors to help analyze the health of our business.

Subscribers

Tile offers a subscription product in addition to the freemium experience. With a subscription, subscribers gain access to premium features including smart alerts, location history, battery replacements, and Item Reimbursement. As of December 31, 2020 and 2021, Tile had approximately 371,600 and over 478,400 paid subscriptions, respectively, representing an increase of 29% year over year.

Tile grows its subscription count by increasing the number of Tile devices sold, converting a greater number of users to paying subscribers, and retaining them thereafter. The percentage of new users who convert to paying subscribers has increased over time as Tile has added new features and improved the marketing of its subscription product.

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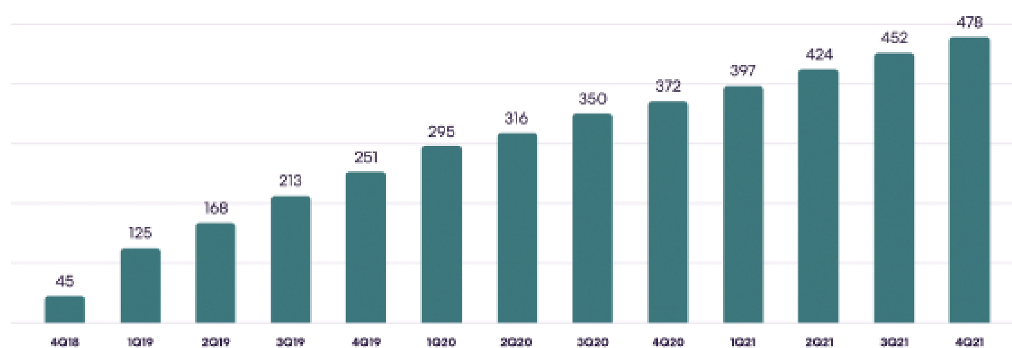

Total Average Revenue per Paying Subscription

We define Average Revenue Per Paying Subscription ("ARPPS") as Tile subscription revenue for the period presented divided by the average number of paying subscribers during the same period. For the year ended December 31, 2021, Tile had ARPPS of $33.63, an increase of approximately 6% compared to the year ended December 31, 2020.

Tile sells two subscription tiers at $29.99 and $99.99 annually. The $99.99 tier is currently only available in the United States while the $29.99 tier is available in most countries. ARPPS has increased year over year as a result of the percentage of new subscribers who select the $99.99 tier significantly increased over time.

Number of Tile Devices Sold

Number of Tile devices sold represents the number of products that are sold during a period, net of returns by our retail partners and directly to consumers. Selling Tile devices contributes to hardware revenue and ultimately increases the number of users eligible for a Tile subscription. We can increase the number of Tile devices sold through marketing and promotional activity. In the year ended December 31, 2021, Tile sold nearly 6.4 million units, which was up approximately 5% compared to the year ended December 31, 2020.

Net Average Selling Price

To determine the net average selling price of a Tile device, we divide net hardware revenue by the number of Tile devices sold ("ASP"). Net ASP is largely driven by the price we charge customers, including the price we charge to our retail partners and directly to consumers. In the year ended December 31, 2021, the net ASP of a Tile device was $14.27, an increase of 12% compared to the year ended December 31, 2020 reflecting Tile's move away from a high volume promotional approach via improved retailer margin and product mix.

Non-GAAP Financial Measures

Adjusted EBITDA

We collect and analyze operating and financial data to evaluate the health of our business, allocate our resources and assess our performance. In addition to total net revenue, net loss and other results under GAAP, we utilize non-GAAP calculations of adjusted earnings before interest, taxes, depreciation and amortization ("Adjusted EBITDA"). Adjusted EBITDA is defined as net loss, excluding (i) depreciation and amortization, (ii) stock-based compensation expenses, (iii) other (income)/expense, and (iii) certain non-recurring expenses.

The above items are excluded from our Adjusted EBITDA measurement because these items are non-cash in nature, or because the amount and timing of these items is unpredictable, is not driven by core results of operations and renders comparisons with prior periods and competitors less meaningful. We believe Adjusted EBITDA provides useful information to investors and others in understanding and evaluating our results of operations, as well as providing a useful measure for period-to-period comparisons of our business performance. Moreover, we have included Adjusted EBITDA in this Registration Statement because it is a key measurement used by our management internally to make operating decisions, including those related to operating expenses, evaluate performance, and perform strategic planning and annual budgeting. However, this non-GAAP financial information is presented for supplemental informational purposes only, should not be considered a substitute for or superior to financial information presented in accordance with GAAP and may be different from similarly titled non-GAAP measures used by other companies. The following table presents a reconciliation of net loss, the most directly comparable GAAP measure, to Adjusted EBITDA.

	Year Ended March 31,	
	2021	2020
	(in thousands)	
Net loss	$(7,037)	$(21,823)
Add (deduct):		
Income tax (benefit)/expense	(64)	69
Other (income)/expense	(401)	462
Interest expense	2,582	2,575
Depreciation and amortization	939	1,319
Sales tax penalty[1]	776	—
Stock-based compensation	1,275	1,088
Adjusted EBITDA	(1,930)	(16,310)

(1) Penalties related to delay in filing of sales returns and remitting amounts due.

Key Components of Our Results of Operations

The following discussion describes certain line items in our Consolidated Statements of Operations.

Revenue

Hardware Revenue

We generate a majority of our revenue from the sale of our Tile devices. We sell Tile devices through a number of channels including our website, brick and mortar retail and online retail.

Subscriptions and Other Revenue

We also generate revenue from our subscription-based premium service, which is an annual or monthly subscription that enables additional features such as item reimbursement, smart alerts, unlimited sharing, location history, battery replacement and premium customer support.

Cost of Revenues, Gross Profit and Gross Margin

Cost of Hardware Revenue

Cost of hardware revenue consists of product costs, including hardware production, contract manufacturers for production, shipping and handling, packaging, fulfillment, personnel-related expenses, manufacturing and equipment depreciation, warehousing, tariff costs, hosting, app fees, customer support costs, warranty replacement, and write-downs of excess and obsolete inventory. Personnel-related expenses include salaries, bonuses, benefits, and stock-based compensation for operations personnel.

We outsource our manufacturing, warehouse operations and order fulfillment activities to third parties. Our product costs will vary directly with volume and based on the costs of underlying product components as well as the prices we are able to negotiate with our contract manufacturers. Shipping costs will fluctuate with volume, method of shipping and general shipping rates.

Cost of Subscriptions and Other Revenue

Cost of subscriptions and Other Revenue includes hosting, payment processor fees, allocated overhead costs, and customer support service costs. Personnel-related expenses include salaries, bonuses, benefits, and stock-based compensation for operations personnel.

Gross Profit and Gross Margin

Our gross profit has been, and may in the future be, influenced by several factors including, but not limited to product, channel and geographical revenue mix; changes in product costs related to the release of different products; component, contract manufacturing and supplier pricing; tariff costs; and foreign currency exchange. Gross profit and gross profit margin may fluctuate over time based on the factors described above.

Operating Expenses

Our operating expenses consist of research and development, sales and marketing and general and administrative expenses.

Research and Development

Our research and development expenses consist primarily of personnel-related costs, including salaries, stock-based compensation and employee benefits and material costs of building and developing prototypes for new products, mobile app development, as well as design and engineering costs. We believe that continued investment in our product is important for our growth. We expect our research and development expenses to increase in absolute dollars as we continue to make significant investments in developing new products and services and enhancing existing products and services.

Sales and Marketing

Our sales and marketing expenses consist primarily of advertising and marketing promotions of our products and services and personnel-related expenses, as well as costs related to sales incentives, trade shows and events, and sponsorships. We expect our sales and marketing expenses to increase in absolute dollars as we continue to actively promote our products and services.

General and Administrative

Our general and administrative expenses consist primarily of employee-related costs for our legal, finance, human resources, and other administrative teams, as well as the costs of professional services, information technology, and other administrative expenses. We expect our general and administrative expenses to increase in absolute dollars due to the anticipated growth of our business and related infrastructure.

Interest Expense

Interest expense consists of interest expense associated with our debt financing arrangements.

Loss/(Gain) on Extinguishment of Promissory Note

Loss/(gain) on extinguishment of promissory note consists of expense (income) associated with the extinguishment of promissory notes.

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Other (Income) Expense, net

Other (income) expense, net consists of interest income earned on our cash and cash equivalents balances, foreign currency exchange losses/(gains) related to the remeasurement of certain assets and liabilities of our foreign subsidiaries that are denominated in currencies other than the functional currency of the subsidiary and foreign exchange transactions (gains) losses.

Benefit from (Provision for) Income Taxes

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

Results of Operations

The following table presents our consolidated statement of operations for the years ended March 31, 2021 and 2020, and the percentage change between the two periods. We have derived this data from our consolidated financial statements included elsewhere in this Registration Statement. This information should be read in conjunction with our consolidated financial statements and related notes included elsewhere in this Registration Statement. The results of historical periods are not necessarily indicative of the results of operations for any future period.

	Year Ended March 31,		
	2021	2020	% Change
	(in thousands)		
Revenue			
Hardware	$82,333	$ 83,063	(1)%
Subscriptions and other	11,676	7,460	57%
Total revenue	94,009	90,523	4%
Cost of revenue			
Cost of hardware	42,705	51,094	(16)%
Cost of subscriptions and other	7,165	5,467	31%
Total cost of revenue	49,870	56,561	(12)%
Gross profit	44,139	33,962	30%
Operating expenses(1)			
Research and development	20,547	18,667	10%
Sales and marketing	17,943	25,343	(29)%
General and administrative	10,569	8,153	30%
Total operating expenses	49,059	52,163	(6)%
Loss from operations	(4,920)	(18,201)	(73)%
Interest expense	2,582	2,575	0%
Loss on extinguishment of promissory note	—	516	(100)%
Other (income) expense, net	(401)	462	(187)%
Loss before benefit from (provision for) income taxes	(7,101)	(21,754)	(67)%
Benefit from (provision for) income taxes	64	(69)	193%
Net loss	$ (7,037)	$(21,823)	(68)%

(1) Includes stock-based compensation as follows:

	Year Ended March 31, 2021	Year Ended March 31, 2020	% Change
	(in thousands)		
Cost of revenue			
Cost of hardware	$ 117	$ 81	44%
Cost of subscriptions and other	12	5	140%
Research and development	598	412	45%
Sales and marketing	292	293	0%
General and administrative	256	297	(14)%
Total stock-based compensation expense	$ 1,275	$ 1,088	17%

The following table sets forth our results of operations for each of the periods presented as a percentage of revenue:

	Year Ended March 31, 2021	Year Ended March 31, 2020
	(As a % of revenue)	
Revenue		
Hardware	88%	92%
Subscriptions and other	12%	8%
Total revenue	100%	100%
Cost of revenue		
Cost of hardware	45%	56%
Cost of subscriptions and other	8%	6%
Total cost of revenue	53%	62%
Gross profit	47%	38%
Operating expenses(1)		
Research and development	22%	21%
Sales and marketing	19%	28%
General and administrative	11%	9%
Total operating expenses	52%	58%
Loss from operations	(5)%	(20)%
Interest expense	3%	3%
Loss/(Gain) on extinguishment of promissory note	0%	1%
Other (income) expense, net	0%	1%
Loss before benefit from (provision for) income taxes	(8)%	(24)%
Benefit from (provision for) income taxes	0%	0%
Net loss	(7)%	(24)%

Comparison of the Years Ended March 31, 2020 and 2021

Revenue, net

	Year Ended March 31, 2021	Year Ended March 31, 2020	Change $	Change %
	(in thousands)			
Revenue				
Hardware	$82,333	$ 83,063	(730)	(1)%
Subscription and other	11,676	7,460	4,216	57%
Total revenue	$94,009	$ 90,523	3,486	4%

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Total revenue increased $3.5 million, or 4%, during the year ended March 31, 2021, as compared to the year ended March 31, 2020.

Hardware revenue decreased $0.7 million, or 1%, during the year ended March 31, 2021, as compared to the year ended March 31, 2020, as Tile focused on hardware unit economics and growing subscription revenue.

Subscription and other revenue increased by $4.2 million, or 57%, during the year ended March 31, 2021, as compared to the year ended March 31, 2020, driven by an increase in the number of paid subscribers and the average revenue per paid subscriber during the period.

Cost of Revenue, Gross Profit, and Gross Margin

	Year Ended March 31,		Change	
	2021	2020	$	%
	(in thousands)			
Cost of revenue				
Cost of hardware	$42,705	$51,094	$ (8,389)	(16)%
Cost of subscriptions and other	7,165	5,467	1,698	31%
Total cost of revenue	49,870	56,561	(6,691)	(12)%
Gross profit	$44,139	$33,962	$ 10,177	30%
Gross margin:				
Hardware	48%	38%		
Subscriptions and other	39%	27%		

Cost of hardware revenue decreased by $8.4 million, or 16% during the year ended March 31, 2021, as compared to the year ended March 31, 2020, primarily due to a $6.4 million decrease in hardware costs related to a shift from multi-pack to single pack devices and improved economics in our sales distribution channels. The decrease in cost of hardware revenue also related to a $0.9 million decrease in professional and outside services as internal resources were utilized, a $0.5 million decrease in warranty costs, a $0.3 million decrease in tooling and warehouse costs, and a $0.2 million decrease in shipping costs.

Hardware margin increased to 48% during the year ended March 31, 2021, from 38% during the year ended March 31, 2020, primarily due to a lower hardware product cost.

Cost of subscriptions and other revenue increased by $1.7 million, or 31%, during the year ended March 31, 2021, as compared to the year ended March 31, 2020, primarily due to a $0.9 million increase in premium subscription payment processing costs due to volume growth, and a $0.6 million increase in hosting expenses due to increased scaling of the business.

Subscriptions and other margin increased to 39% during the year ended March 31, 2021, from 27% during the year ended March 31, 2020, primarily due to infrastructure optimization and the related increase in the number of paid subscribers.

Research and Development

	Year Ended March 31,		Change	
	2021	2020	$	%
	(in thousands)			
Research and development	$20,547	$ 18,667	$1,880	10%

Research and development expenses increased $1.9 million, or 10%, during the year ended March 31, 2021, as compared to the year ended March 31, 2020. The increase was primarily due to an increase of $2.6 million in personnel-related costs and stock-based compensation due to headcount growth. The increase was partially offset by a decrease of $0.7 million in professional and outside services as responsibilities were brought in house.

Sales and Marketing

	Year Ended March 31,		Change	
	2021	2020	$	%
	(in thousands)			
Sales and marketing	$ 17,943	$ 25,343	$(7,400)	(29)%

Sales and marketing expenses decreased $7.4 million, or 29%, during the year ended March 31, 2021, as compared to the year ended March 31, 2020. This decrease was primarily due to a decrease of $5.3 million related to a reduction in marketing and advertising spend, a decrease of $1.3 million related to professional and outside services, and a decrease of $0.7 million in travel and entertainment costs, trade shows and other expenses that were deliberately scaled back as part of COVID-19 cost saving initiatives during the year. In addition, the decrease in sales and marketing was due to a $0.6 million decrease in commission expense due to the decrease in hardware sales and restructuring of the organization during the period. The decrease was partially offset by an increase of $0.7 million in personnel and related costs as we increased our sales and marketing headcount in support of our in-house marketing model.

General and Administrative

	Year Ended March 31,		Change	
	2021	2020	$	%
	(in thousands)			
General and administrative	$ 10,569	$ 8,153	$2,416	30%

General and administrative expenses increased $2.4 million, or 30%, during the year ended March 31, 2021, as compared to the year ended March 31, 2020. The increase was primarily due to a $1.5 million increase in personnel-related costs and stock-based compensation due to growth in headcount, a $0.6 million increase in bad debt expense, a $0.5 million increase in insurance and tax expense, and a $0.3 million increase in software fees due to scaling of the business. These increases were partially offset by a decrease of $0.4 million in professional and outside services as we leveraged internal resources.

Interest Expense

	Year Ended March 31,		Change	
	2021	2020	$	%
	(in thousands)			
Interest expense	$ 2,582	$ 2,575	$7	0%

Interest expense did not experience a material change primarily due to long term debt balances that were consistent period over period.

Loss/(Gain) on Extinguishment of Promissory Note

	Year Ended March 31,		Change	
	2021	2020	$	%
	(in thousands)			
Loss/(gain) on extinguishment of promissory note	$ —	$ 516	$(516)	(100)

We recorded a loss on the extinguishment of promissory note for the year ended March 31, 2020, resulting in a change of $0.5 million due to the conversion of promissory notes into convertible preferred stock.

Other (Income) Expense, net

	Year Ended March 31,		Change	
	2021	2020	$	%
	(in thousands)			
General and administrative	$ (401)	$ 462	$(863)	(1187)%

Other (income) expense, net decreased by $0.9 million, or 187%, during the year ended March 31, 2021, as compared to the year ended March 31, 2020, primarily due to a $0.8 million increase in foreign exchange loss.

Liquidity and Capital Resources

Since its inception, Tile has financed its operations primarily through the sale of preferred equity securities borrowings under credit facilities and cash generated from our operations. Since Tile's inception, we have raised a total of $120.3 million in capital financings, less issuance costs of $0.8 million. As of March 31, 2021, Tile's principal sources of liquidity were cash and cash equivalents totaling $35.6 million. We believe that our existing cash and cash equivalents and cash provided by hardware device sales will be sufficient to support working capital and capital expenditure requirements for at least the next 12 months. Our future capital requirements may vary materially from those currently planned and as a result, we may be required to seek additional capital. If we are unable to raise additional capital on terms acceptable to us or at all or generate cash flows necessary to expand our operations and invest in continued innovation, we may not be able to compete successfully, which would harm our business, financial condition and results of operations.

Tile's cash flow activities were as follows for the periods presented:

	Year Ended March 31,	
	2021	2020
	(in thousands)	
Net cash provided by (used in) operating activities	$11,675	$(32,515)
Net cash used in investing activities	(182)	(1,146)
Net cash provided by financing activities	2,553	48,802
Net increase in cash and cash equivalents	$14,046	$ 15,141

Operating Activities

Our largest source of operating cash is cash collections from our subscribers for hardware device sales. Our primary uses of cash from operating activities are for inventory procurement, employee-related expenditures, infrastructure-related costs, and marketing expenses. Net cash provided by (used in) operating activities is impacted by our net loss adjusted for certain non-cash items, including depreciation and amortization expenses and stock-based compensation, as well as the effect of changes in operating assets and liabilities.

For the year ended March 31, 2021, operating activities provided $11.7 million in cash. The primary factors affecting our operating cash flows during this period were our net loss of $7.0 million, impacted by $2.9 million non-cash charges, and $15.8 million of cash provided by changes in our operating assets and liabilities. The non-cash charges primarily consisted of $1.3 million in stock-based compensation, $0.9 million of depreciation and amortization, and $0.7 million in amortization of debt issuance costs. The cash provided by changes in our operating assets and liabilities was primarily due to a $10.7 million decrease in inventory, a $2.7 million increase in accounts payable, a $2.3 million decrease in prepaid expenses and other current assets, a $1.1 million increase in deferred revenue, and a $1.5 million increase in accrued liabilities and other liabilities. These amounts were partially offset by a $1.7 million increase in accounts receivable, net and a $1.1 million decrease in accrued product returns.

For the year ended March 31, 2020, operating activities used $32.5 million in cash. The primary factors affecting our operating cash flows during this period were our net loss of $21.8 million, impacted by $2.9 million non-cash charges, and $13.6 million of cash used by changes in our operating assets and liabilities. The non-cash charges primarily consisted of $1.3 million of depreciation and amortization, $1.1 million in stock-based compensation, and $0.5 million of related to loss on extinguishment of promissory note. The cash used by changes in our operating assets and liabilities was primarily due to a $10.2 million decrease in accounts payable, a $9.0 million increase in inventory, a $3.3 million increase in prepaid expenses and other current assets, a $1.9 million decrease in other liabilities, and a $1.1 million increase in deferred cost of revenue. These amounts were partially offset by a $4.7 million decrease in accounts receivable, a $4.2 million increase in accrued liabilities, a $1.9 million increase in deferred revenue, and a $1.4 million increase in accrued product returns.

Investing Activities

Net cash used in investing activities is impacted by purchases of property and equipment.

For the year ended March 31, 2021, net cash used in investing activities was $0.2 million, which related to cash paid for purchases of capital assets during the period.

For the year ended March 31, 2020, net cash used in investing activities was $1.1 million, which related to cash paid for capital expenditures during the period.

Financing Activities

For the year ended March 31, 2021, cash provided by financing activities was $2.6 million, which primarily related to $2.5 million in proceeds from the PPP Loan (as defined below).

For the year ended March 31, 2020, cash provided by financing activities was $48.8 million, which primarily related to $41.6 million in proceeds from the issuance of Series C convertible preferred stock, net of issuance costs, $19.0 million in proceeds from the loan and security agreement, and $4.6 million in proceeds from issuance of promissory notes. These amounts were partially offset by the $12.9 million repayment on our term loan, $2.3 million in payments on our working capital line of credit, net, and $1.9 million in debt issuance costs on our term loan.

Off-Balance Sheet Arrangements

For the years ended December 31, 2021 and 2020, there were no off-balance sheet arrangements.

Debt Obligations

Loan and Security Agreement

In May 2019, Tile entered into a Loan and Security Agreement with Pinnacle Ventures, pursuant to which Pinnacle Ventures issued to Tile term loans ("Term Loans") in the aggregate principal amount of $17.5 million, of which $13.2 million was used to replace Tile's existing line of credit with Silicon Valley Bank. The interest rate for the payments under the Term Loans not including the final payment of the Term Loan is the greater of the prime rate based on the federal funds rate determined on each date 15 days before the applicable payment date plus 500 basis points, or 10.5% per annum. The final payment interest rate for the Term Loans will be the greater of the prime rate determined as of 15 days before the date of the final payment plus 300 basis points and 8.5%. The Term Loans are secured by substantially all assets of Tile. The Loan and Security Agreement contains financial and non-financial covenants, and the Term Loans will mature in May 2023.

Paycheck Protection Program

Tile determined that it met the original eligibility requirements initially established by the U.S. federal government as part of the CARES Act for the PPP. On April 30, 2020, Tile received $2.5 million in loans from

the PPP (the “PPP Loan”). On June 10, 2021, the U.S. Small Business Administration completed its review of Tile’s PPP Loan and agreed to forgive the entire outstanding loan balance of $2.5 million.

Obligations and Other Commitments

Our principal commitments consist of obligations under our Term Loans and operating leases for office space. Our obligations under our Term Loans are described in the “Liquidity and Capital Resources” section and in Note 8 to our consolidated financial statements. Information regarding our non-cancellable lease commitments as of March 31, 2021, can be found in Note 6 to our consolidated financial statements. As of March 31, 2021, we had no non-cancellable outstanding purchase orders for finished goods to be delivered by our contract manufacturer.

On September 9, 2021, we entered into a secured term loan with Capital IP Investment Partners, LLC in an aggregate principal amount $40 million with a maturity date of September 9, 2026. The term loan consists of two terms: Term A with an aggregate principal of $33 million, and Term B will be $7 million. The Loans shall bear interest on the outstanding principal amount thereof from the Closing Date (or, in the case of the Term B Loans, from the Term B Funding Date), for any Interest Period, at a rate per annum equal to the sum of (i) the greater of (A) LIBOR for such Interest Period and (B) one-quarter of one percent (0.25%), plus (ii) the Applicable Margin.

Qualitative and Quantitative Disclosures about Market Risk

We are exposed to market risks in the ordinary course of our business. Market risk represents the risk of loss that may impact our financial position due to adverse changes in financial market prices and rates. Our market risk exposure is primarily the result of fluctuations in interest rates and foreign currency exchange rates.

Interest Rate Risk

As of March 31, 2021, we had cash and cash equivalents of $35.6 million which are held for working capital purposes.

As of March 31, 2021, we had indebtedness of $20.3 million under the Loan and Security Agreement. The interest rate for the payments not including the final payment of the loan is the greater of the prime rate based on the federal funds rate determined on each date 15 days before the applicable payment date plus 500 basis points, or 10.5% per annum. The final payment interest rate will be the greater of the prime rate determined as of 15 days before the date of the final payment plus 300 basis points and 8.5%. The loan is collateralized by substantially all of our assets and contains financial and non-financial convents with the loan maturing in May 2023.

To date, we have not been exposed, nor do we anticipate being exposed, to material risks due to changes in interest rates. A hypothetical 10% change in interest rates during any of the periods presented would not have had a material impact on our consolidated financial statements.

Foreign Currency Exchange Risk

To date, all of our inventory purchases have been denominated in U.S. dollars. Our international sales are primarily denominated in foreign currencies, and any unfavorable movement in the exchange rate between U.S. dollars and the currencies in which we conduct sales in foreign countries could have an adverse impact on our revenue. A portion of our operating expenses are incurred outside the United States and are denominated in foreign currencies, which are also subject to fluctuations due to changes in foreign currency exchange rates. In addition, our suppliers incur many costs, including labor costs, in other currencies. To the extent that exchange rates move unfavorably for our suppliers, they may seek to pass these additional costs on to us, which could have a material impact on our gross margins. Our operating results and cash flows are, therefore, subject to fluctuations due to changes in foreign currency exchange rates. However, we believe that the exposure to foreign currency fluctuation from revenue and operating

expenses is relatively small at this time as the related costs do not constitute a significant portion of our total expenses. Based on transactions denominated in currencies other than respective functional currencies, a hypothetical change of 1,000 basis points during any of the periods presented would not have had a material impact on our consolidated financial statements.

Inflation Risk

We do not believe that inflation has had a material effect on our business, results of operations, or financial condition. Nonetheless, if our costs were to become subject to significant inflationary pressures, we may not be able to fully offset such higher costs. Our inability or failure to do so could harm our business, results of operations, or financial condition.

Critical Accounting Policies and Significant Management Estimates

Tile prepares its consolidated financial statements in accordance with GAAP. The preparation of consolidated financial statements also requires Tile to make estimates and assumptions that affect the reported amounts of assets, liabilities, revenues, costs and expenses and related disclosures. We base our estimates on historical experience and on various other assumptions that we believe to be reasonable under the circumstances. Actual results could differ significantly from the estimates made by our management. To the extent that there are differences between our estimates and actual results, our future financial statement presentation, financial condition, results of operations and cash flows will be affected. We believe that the accounting policies discussed below are critical to understanding our historical and future performance, as these policies relate to the more significant areas involving management's judgments and estimates. Critical accounting policies and estimates are those that we consider the most important to the portrayal of our financial condition and results of operations because they require our most difficult, subjective or complex judgments, often as a result of the need to make estimates about the effects of matters that are inherently uncertain. The critical accounting estimates, assumptions, and judgments that we believe to have the most significant impact on our consolidated financial statements are described below. This discussion is provided to supplement the descriptions of our accounting policies contained in Note 2, "Summary of Significant Accounting Policies" within the condensed consolidated financial statements.

Revenue Recognition

We derive a majority of our revenue from sales of our Tile hardware devices (which include support fees) and premium subscriptions. We sell add-on subscriptions that are generally monthly to annual in length. Our arrangements are generally non-cancellable and non-refundable. Our subscription arrangements do not provide customers with the right to take possession of the software supporting the platform and, as a result, are accounted for as service arrangements.

We determine revenue recognition through the following steps:

- Identification of the contract, or contracts, with a customer;
- Identification of the performance obligations in the contract;
- Determination of the transaction price;
- Allocation of the transaction price to the performance obligations in the contract; and
- Recognition of revenue when, or as, we satisfy a performance obligation.

Products and Services

We derive a majority of our revenue from sales of our Tile hardware devices. We also generate revenue from the Premium Subscription. We consider delivery of our products to have occurred once control has transferred and delivery of services to have occurred as control is transferred. We recognize revenue, net of estimated sales returns, sales incentives, discounts, and sales tax.

Arrangements with Multiple Performance Obligations

Our sales arrangements typically contain multiple performance obligations, consisting of the hardware sale, application usage, hardware support, and in some cases, the Premium Subscription. For arrangements with multiplate performance obligations where the contracted price differs from the standalone selling price (the "SSP") for any distinct good or service, we may be required to allocate the transaction price to each performance obligation using our best estimates for the SSP. Our process for determining the SSP considers multiple factors including consumer behaviors, our internal pricing model, and cost-plus margin, and may vary depending upon the facts and circumstances related to each deliverable. For business-to-business hardware sales, we will estimate the expected consideration amount after credits and discounts.

Amounts allocated to the delivered Tile hardware devices are recognized at the time of delivery, provided the other conditions for revenue recognition have been met, with a portion of the consideration being allocated to application usage (maintenance) and support. Amounts allocated to Premium Subscription are deferred and recognized ratably over the subscription term.

Sales Incentives

We offer sales incentives through various programs, consisting primarily of cooperative advertising and pricing promotions to retailers and distributors. We record advertising with customers as a reduction to revenue unless we receive a distinct benefit in exchange for credits claimed by the customer and can reasonably estimate the fair value of the distinct benefit received, in which case we record it as a marketing expense. We recognize a liability and reduce revenue for rebates or other incentives based on the estimated amount of rebates or credits that will be claimed by customers.

Product Warranty

We offer a standard product warranty that our products will operate under normal use for a period of one year from the date of original purchase. We also offer extended warranties generally for a period of three years for devices with replaceable batteries. We will either repair or replace the defective product. At the time revenue is recognized, an estimate of future warranty costs is recorded as a component of cost of revenues. Factors that affect the warranty obligation include product failure rates, service delivery costs incurred in correcting the product failures, and warranty policies. Our products are manufactured by contractor manufacturers, and in certain cases, we may have recourse to such contract manufacturers.

Inventory Valuation

Inventories consist of finished goods which are purchased from contract manufacturers. Inventories are stated at the lower of cost or net realizable value, with costs being computed on a weighted average basis. We assess the valuation of inventory and periodically write down the value for estimated excess and obsolete inventory based upon estimates of future demand and market conditions.

Stock-Based Compensation Expense

Tile has an equity incentive plan under which various types of equity-based awards including, but not limited to, incentive stock options, non-qualified stock options, and restricted stock units ("RSUs") may be granted to employees, non-employee directors, and non-employee consultants. Compensation expense is measured and recognized in the consolidated financial statements based on fair value. The fair value of each option award is estimated on the grant date using the Black-Scholes option pricing model. The fair value of stock options that are expected to vest is recognized as compensation expense on a straight-line basis over the requisite service period. The fair value of RSUs is based on the fair value of the common stock on the date of grant. The stock-based compensation expense is based on awards ultimately expected to vest. Forfeitures are recorded as they occur.

Our use of the Black-Scholes option pricing model requires the input of highly subjective assumptions, including the fair value of the underlying common stock, the expected term of the option, the expected volatility of the price of our ordinary shares, risk-free interest rates and the expected dividend yield. The assumptions used to determine the fair value of the awards represent management's best estimates. These estimates involve inherent uncertainties and the application of management's judgment.

These assumptions and estimates are as follows:

- ***Expected Term***. The expected term for employees is based on the simplified method, as our stock options have the following characteristics: (i) granted at-the-money; (ii) exercisability is conditioned upon service through the vesting date; (iii) termination of service prior to vesting results in forfeiture; (iv) limited exercise period following termination of service; and (v) options are non-transferable and non-hedgeable, or "plain vanilla" options, and we have limited history of exercise data. The expected term for non-employees is based on the remaining contractual term.
- ***Expected Volatility.*** Since we do not have a trading history of our common stock, the expected volatility is determined based on the historical stock volatilities of our comparable companies. Comparable companies consist of public companies in our industry, which are similar in size, stage of life cycle and financial leverage. We intend to continue to apply this process using the same or similar public companies until a sufficient amount of historical information regarding the volatility of our own share price becomes available, or unless circumstances change such that the identified companies are no longer similar to us, in which case, more suitable companies whose share prices are publicly available would be used in the calculation.
- ***Risk-Free Interest Rate***. We base the risk-free interest rate on the implied yield available on U.S. Treasury zero-coupon issues with a remaining term equivalent to that of the options for each expected term.
- ***Dividend Yield.*** The expected dividend assumption is based on our current expectations about our anticipated dividend policy. As we have no history of paying any dividends and have no plans to pay dividends in the foreseeable future, we used an expected dividend yield of zero.

The following table summarizes the assumptions used in the Black-Scholes option pricing model to determine the fair value of our stock options:

	Year Ended March 31,	
	2021	2020
	(in thousands)	
Expected term (in years)	5.82 – 6.06	5.63 – 6.30
Expected stock price volatility	60% – 62%	51%
Risk-free interest rate	0.37% - 0.66%	1.48% - 2.29%
Dividend yield	0%	0%

We will continue to use judgment in evaluating the expected volatility and expected term utilized in our share-based compensation expense calculations on a prospective basis.

Income Taxes

We account for income taxes under the asset and liability method. We estimate actual current tax exposure together with assessing temporary differences resulting from differences in accounting for reporting purposes and tax purposes for certain items, such as accruals and allowances not currently deductible for tax purposes. These temporary differences result in deferred tax assets and liabilities, which are included in our balance sheet. In general, deferred tax assets represent future tax benefits to be received when certain expenses previously recognized in our statements of operations and comprehensive loss become deductible expenses under applicable

income tax laws or when net operating loss or credit carryforwards are utilized. Accordingly, realization of our deferred tax assets is dependent on future taxable income against which these deductions, losses and credits can be utilized.

We must assess the likelihood that our deferred tax assets will be recovered from future taxable income, and to the extent we believe that recovery is not likely, we establish a valuation allowance. The assessment of whether or not a valuation allowance is required often requires significant judgment including current and historical operating results, the forecast of future taxable income and on-going prudent and feasible tax planning initiatives. Should the actual amounts differ from estimates, the amount of valuation allowance could be materially impacted. Any adjustment to the deferred tax asset valuation allowance would be recorded in the consolidated statement of operations for the periods in which the adjustment is determined to be required.

Recent Accounting Pronouncements

See Note 2, "Summary of Significant Accounting Policies" to our consolidated financial statements included elsewhere in this Registration Statement for recently adopted accounting pronouncements.

ITEM 3. PROPERTIES.

Our company is headquartered in San Francisco, California. Our headquarters facility currently accommodates our principal, development, engineering, marketing and administrative activities. We also maintain office spaces in San Mateo and San Diego, California. Through the acquisition of Jiobit, we now also maintain an office in Chicago, Illinois, which includes employee office space. All of our facilities are leased. Beginning in 2020 at the start of the COVID-19 pandemic, we began operating as a remote-first company with plans to continue as such indefinitely. We believe that our current facilities are adequate to meet our current needs and that, should it be needed, suitable additional or alternative space will be available to accommodate our operations.

ITEM 4. SECURITY OWNERSHIP OF CERTAIN BENEFICIAL OWNERS AND MANAGEMENT.

The following table sets forth certain information regarding the beneficial ownership of common stock (including shares underlying all issued and outstanding CDIs) as of March 31, 2022, of the Company by (i) each person who, to the Company's knowledge, owns more than 5% of its common stock, (ii) each of the Company's named executive officers and directors, and (iii) all of the Company's executive officers and directors as a group. Shares of our common stock subject to options, warrants, or other rights currently exercisable, or exercisable within 60 days of March 31, 2022, are deemed to be beneficially owned and outstanding for computing the share ownership and percentage of the person holding such options, warrants or other rights, but are not deemed outstanding for computing the percentage of any other person. As of March 31, 2022, the Company had 61,370,658 shares of common stock issued and outstanding, including all shares of common stock underlying issued and outstanding CDIs. Unless otherwise indicated below, the address for each beneficial owner is c/o Life360, Inc., 539 Bryant Street, Suite 402, San Francisco, CA 94107.

Name of beneficial owner	Number of shares of common stock beneficially owned(1)	Percentage of common stock beneficially owned
Directors and named executive officers:		
Chris Hulls(2)	4,477,806	7.1%
David Rice(3)	645,313	1.0%
Samir Kapoor(4)	216,273	*
John Philip Coghlan(5)	333,114	*
Mark Goines(6)	244,947	*
Alex Haro(7)	2,574,015	4.2%
Brit Morin(8)	115,823	*
Charles (CJ) Prober	16,481	*
James Synge(9)	641,338	1.0%
David Wiadrowski(10)	38,433	*
Randi Zuckerberg(11)	15,532	*
All directors and executive officers as a group (14 individuals)(12)	9,547,448	14.8%

* Indicates ownership of less than 1%.

(1) Includes shares of common stock underlying issued and outstanding CDIs.

(2) Represents (i) 1,229,709 shares of our common stock held directly by Mr. Hulls; (ii) 1,686,552 shares of our common stock underlying 5,059,656 CDIs; (iii) 29,960 shares of our common stock underlying 89,880 CDIs held indirectly through ICCA Labs, LLC; (iv) 1,511,974 shares underlying options to purchase common stock that are exercisable within 60 days of March 31, 2022; (v) 18,569 shares underlying restricted stock units that will vest and settle within 60 days of March 31, 2022; and (vi) 1,042 shares underlying restricted stock units that vested in March 2022 but have not been issued yet for administrative reasons. 1,405,575 shares of Life360 common stock held by Mr. Hulls have been pledged as security for a loan, pledge and option agreement with Life360.

(3) Represents (i) 10,404 shares of our common stock; (ii) 317,570 shares of our common stock underlying 952,710 CDIs; (iii) 313,000 shares underlying options to purchase common stock that are exercisable within 60 days of March 31, 2022; (iv) 3,297 shares underlying restricted stock units that will vest and settle within 60 days of March 31, 2022; and (v) 1,042 shares underlying restricted stock units that vested in March 2022 but have not been issued yet for administrative reasons.

(4) Represents (i) 2,984 shares of our common stock; (ii) 207,013 shares underlying options to purchase common stock that are exercisable within 60 days of March 31, 2022; (iii) 4,589 shares underlying restricted stock units that will vest and settle within 60 days of March 31, 2022; and (iv) 1,687 shares underlying restricted stock units that vested in March 2022 but have not been issued yet for administrative reasons.

(5) Represents (i) 46,154 shares of our common stock held directly by Mr. Coghlan; (ii) 34,893 shares of our common stock held indirectly through the John Coghlan Living Trust; (iii) 35 shares of our common stock

underlying 107 CDIs held by Mr. Coghlan; (iv) 251,449 shares underlying options to purchase common stock that are exercisable within 60 days of March 31, 2022; and (v) 583 shares underlying restricted stock units that will vest and settle within 60 days of March 31, 2022.

(6) Represents (i) 47,816 shares of our common stock held directly by Mr. Goines; (ii) 187,589 shares of our common stock underlying 562,767 CDIs held indirectly through the Goines Wong Living Trust; (iii) 9,075 shares underlying options to purchase common stock that are exercisable within 60 days of March 31, 2022; and (iv) 467 shares underlying restricted stock units that will vest and settle within 60 days of March 31, 2022.

(7) Represents (i) 1,778,679 shares of our common stock held directly by Mr. Haro; (ii) 380,229 shares of our common stock underlying 1,140,687 CDIs; (iii) 30,635 shares of our common stock underlying 91,905 CDIs held indirectly through ICCA Labs, LLC; (iv) 384,022 shares underlying options to purchase common stock that are exercisable within 60 days of March 31, 2022; and (v) 450 shares underlying restricted stock units that will vest and settle within 60 days of March 31, 2022. 1,224,007 shares of Life360 common stock held by Mr. Haro have been pledged as security for a loan, pledge and option agreement with us.

(8) Represents (i) 12,679 shares of our common stock; (ii) 102,694 shares underlying options to purchase common stock that are exercisable within 60 days of March 31, 2022; and (iii) 450 shares underlying restricted stock units that will vest and settle within 60 days of March 31, 2022.

(9) Represents (i) 16,416 shares of our common stock held directly by Mr. Synge; (ii) 480,347 shares of our common stock underlying 1,441,041 CDIs; (iii) 64,379 shares of common stock underlying 193,137 CDIs held indirectly through ICCA Labs, LLC; (iv) 70,573 shares of common stock underlying 211,720 CDIs held indirectly through Stynge Pty Ltd ATF Sandy Bay Trust; (v) 9,152 shares underlying options to purchase common stock that are exercisable within 60 days of March 31, 2022; and (vi) 471 shares underlying restricted stock units that will vest and settle within 60 days of March 31, 2022.

(10) Represents (i) 19,256 shares of our common stock held directly by Mr. Wiadrowski; (ii) 8,256 shares of our common stock underlying 24,768 CDIs; (iii) 10,387 shares underlying options to purchase common stock that are exercisable within 60 days of March 31, 2022; and (iv) 534 shares underlying restricted stock units that will vest and settle within 60 days of March 31, 2022.

(11) Represents (i) 2,011 shares of our common stock held directly by Ms. Zuckerberg; (ii) 13,050 shares underlying options to purchase common stock that are exercisable within 60 days of March 31, 2022; and (iii) 471 shares underlying restricted stock units that will vest and settle within 60 days of March 31, 2022.

(12) Represents (i) 3,217,482 shares of our common stock; (ii) 3,256,125 shares of our common stock underlying 9,768,378 CDIs; (iii) 3,038,551 shares underlying options to purchase common stock that are exercisable within 60 days of March 31, 2022; (iv) 31,519 shares underlying restricted stock units that will vest and settle within 60 days of March 31, 2022; and (v) 3,771 shares underlying restricted stock units that vested in March 2022 but have not been issued yet for administrative reasons held by our executive officers and directors as a group.

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ITEM 5. DIRECTORS AND EXECUTIVE OFFICERS.

MANAGEMENT

Executive Officers and Directors

The following table sets forth certain information regarding our current directors and executive officers as of March 31, 2022.

Name	Age	Position
Chris Hulls	38	Co-Founder, Chief Executive Officer and Director
Russell Burke	61	Chief Financial Officer
David Rice	53	Chief Operating Officer
Samir Kapoor	50	Chief Technology Officer
Carrie Cronkey	44	Chief Marketing Officer
Kirsten Daru	45	Chief Privacy Officer, General Counsel and Corporate Secretary
Charles (CJ) Prober	50	Director, Chief Executive Officer of Tile*
John Philip Coghlan	70	Director
Mark Goines	68	Director
Alex Haro	36	Director
Brit Morin	36	Director
James Synge	54	Director
David Wiadrowski	62	Director
Randi Zuckerberg	40	Director

* Tile is a subsidiary of Life360

Chris Hulls co-founded Life360 in April 2007 and has served as Life360's Chief Executive Officer and a member of Life360's Board since then. Mr. Hulls has been an angel investor in, or an advisor to, several technology companies, including Tile, Inc., Credible Behavioral Health, Inc., Ring LLC, Automattic Inc., Honk Technologies, Inc. and Zendrive Inc. Mr. Hulls received his Bachelor of Science in Business Administration with Highest Honors at the University of California, Berkeley after serving in the United States Air Force. Mr. Hulls has served on the Board since the Company's formation and has remained on the Board due to the deep institutional knowledge he brings as Co-Founder and Chief Executive Officer of the Company and his business and technology company experience.

Russell Burke has served as Life360's Chief Financial Officer since May 2020. Prior to joining Life360, Mr. Burke served as the Chief Financial Officer of Fandor LLC, a subscription-based streaming service, from August 2017 to December 2018. Prior to that, he served as Chief Financial Officer at Globality, Inc., a business-to-business services marketplace, from July 2015 to July 2017. Mr. Burke also previously served as Chief Financial Officer of Mandalay Media, Inc., Magic Leap, Inc. and as Regional Chief Executive Officer of Weight Watchers Australia and New Zealand and held senior financial positions at Sony Music Entertainment. Mr. Burke received his Bachelor of Commerce from the University of Newcastle (Australia) and is a Chartered Accountant in Australia and New Zealand.

David Rice has served as Life360's Chief Operating Officer since December 2017 and previously served as Chief Product Officer from October 2015 to December 2017. Prior to Life360, Mr. Rice was Chief Product Officer at Vevo LLC, Senior Vice President/General Manager at CBS Interactive Inc., and Vice President of Product at Yahoo Inc. Mr. Rice received his Bachelor of Arts in Business Economics and Japanese from the University of California, Santa Barbara and Master of Business Administration from Harvard Business School.

Samir Kapoor has served as Life360's Chief Technology Officer since September 2019. He currently also serves on the advisory board of DNX Ventures, an early stage venture capital firm that is focused on B2B

startups. Prior to joining Life360, Mr. Kapoor served as the Executive Vice President of Engineering and Product of Swift Navigation, Inc. from March 2018 to September 2019. Prior to that, he served as Senior Vice President of Engineering at Fitbit Inc. from March 2017 to March 2018 and Vice President of Engineering from June 2016 to March 2017. Prior to that, he served as Vice President of Engineering at Qualcomm Technologies, Inc. from 2010 to 2016. Mr. Kapoor served on the board of directors of Qubercomm Technologies, Inc. from August 2018 to December 2021. Mr. Kapoor received his undergraduate degree in Electrical Engineering from the Indian Institute of Technology, Bombay, his Master of Science in Electrical Engineering from Washington State University, Pullman, his Master of Business Administration from the Wharton School at the University of Pennsylvania and his Ph.D. in Electrical Engineering from the University of Notre Dame. Mr. Kapoor developed and holds over 50 U.S. patents granted or pending for his innovations.

Carrie Cronkey has served as Life360's Chief Marketing Officer since September 2021. Prior thereto, Ms. Cronkey held several positions at Care.com, Inc. from September 2017 to September 2021, including, most recently, as Chief Marketing Officer. Prior thereto, she served as a business development consultant to Narrative I/O, Inc., as Vice President of Business Operations for Move Loot Inc., in various positions at Citrus Lane, Inc., as Director for Business Development and Strategy for Intuit Mint (f/k/a Mint Software Inc.) and as Director of Development and Strategy for Yahoo Inc. Ms. Cronkey earned her Bachelor of Arts in Economics from Duke University and Master of Business Administration from Columbia Business School.

Kirsten Daru has served as Life360's Chief Privacy Officer, General Counsel and Corporate Secretary since January 2022. Prior to joining Life360, Ms. Daru served as the Chief Legal and Privacy Officer at Tile, Inc. from October 2021 to January 2022 and as the General Counsel from March 2019 to October 2021. Prior to that, she served as in-house counsel for Electronic Arts Inc. (NASDAQ: EA) between March 2008 and March 2019, ending her tenure there with the title of Chief Privacy Officer. Since September 2020, Ms. Daru has served on the board of directors for the Coalition for App Fairness. In June 2021, she was named one of the Top 50 Women Lawyers in America by the National Diversity Council. In August 2018, she received the National Women in Law Award from Corporate Counsel. Ms. Daru received her Bachelor of Arts from the University of California, Davis and her law degree from the University of San Francisco School of Law, where she graduated magna cum laude.

Charles (CJ) Prober has served as a member of Life360's Board since January 2022 and serves as the Chief Executive Officer of the Company's subsidiary Tile, Inc. Mr. Prober served as the Chief Executive Officer of Tile, Inc. from September 2018 until its acquisition by Life360 and as a member of Tile's board since February 2018, including as its Executive Chairman from February 2018 to September 2018. Prior thereto, he served as the Chief Operating Officer of GoPro, Inc. (NASDAQ: GPRO) from January 2017 to February 2018 and its Senior Vice President of Software and Services from June 2014 to December 2016. Mr. Prober has also held positions at Electronic Arts Inc. (NASDAQ: EA), McKinsey & Company and Wilson Sonsini Goodrich & Rosati. He has served on the board of Alloy Technologies Inc. since January 2019. Mr. Prober received his Bachelor of Commerce from the University of Manitoba and a Bachelor of Laws from McGill University. Mr. Prober was selected to serve on the Board due to his institutional knowledge as the Chief Executive Officer of Tile, Inc and his expertise in the mobile app and technology industry.

John Philip Coghlan has served as a member of Life360's Board since 2009. In February 2017, Mr. Coghlan co-founded the Rivet School, a non-profit start-up focused on providing debt-free college degree attainment, where he currently serves as a board member. Mr. Coghlan previously served as President and Chief Executive Officer of Visa U.S.A. and as Vice Chairman of the Charles Schwab Corporation (NYSE: SCHW). He received a Bachelor of Arts in Psychology from Stanford, a Master's degree in Public and International Affairs from Princeton University and a Master of Business Administration from Harvard Business School. Mr. Coghlan was selected to serve on the Board due to his experience as an executive and board member of multiple large companies.

Mark Goines has served as a member of Life360's Board since April 2019. Mr. Goines has served as the Chief Financial Officer and Executive Vice President of Strategic Planning of Credit Interlink, Inc., since 2001,

and as its Vice Chairman, since 2011, before its merger with Ascend Companies, Inc. Mr. Goines has served as Treasurer and Chief Financial Officer of Ascend Companies, Inc. He has served as the Chief Strategy Officer of Personal Capital Corporation from January 2012 to September 2020, its Chief Marketing Officer from June 2014 to June 2016 and its Vice Chairman from June 2016 to September 2020 . He currently serves on the boards of several private technology and app-building companies, including BillFloat, Inc., Odeko, LLC, Credit Interlink, Inc., Candex Solutions Inc., Human Interest, Inc., Jasper Credit and Bloom Credit Inc. Mr. Goines earned his Bachelor of Science and Master of Business Administration from the University of California, Berkeley. Mr. Goines was selected to serve on the Board due to his executive experience and industry expertise gained from serving on the board of multiple growth focused technology and app-building companies.

Alex Haro co-founded Life360, has served as a member of Life360's Board since August 2008 and previously served as Life360's President from June 2014 to January 2020 and Chief Technology Officer from April 2007 to December 2020. Since October 2021, he has served as a board member and executive chairman for Hubble Network Inc. In January 2020, Mr. Haro co-founded and currently serves as the Chief Technology Officer and board member of MyMoneyKarma Infomatics India Private Limited. In 2015, Mr. Haro was recognized by Forbes 30 Under 30 in Consumer Technology. Prior to Life360, he worked on Orbited. Mr. Haro studied Computer Science at Pomona College. Mr. Haro was selected to serve on the Board due to his institutional knowledge as a Co-Founder and former Chief Technology Officer, as well as his extensive technology industry experience.

Brit Morin has served as a member of Life360's Board since January 2018. Ms. Morin founded BFF, a community for the crypto-curious in January 2022, Offline Ventures, G.P., a venture fund, in March 2020 and is the founder, chief executive officer and board member of Brit Media, Inc., a digital media and commerce brand, founded in 2011. She also previously served on the board of Girl Scouts of America and worked at Google LLC and Apple Inc. (NASDAQ: AAPL). Ms. Morin was named one of Ad Age's 40 Under 40 in 2018, Forbes 30 Under 30 in 2014 and Fortune's Most Promising Entrepreneurs in 2015. Ms. Morin received her Bachelor of Science in Business and Communications summa cum laude from the University of Texas at Austin. Ms. Morin was selected to serve on the Board due to her entrepreneurial experience starting and leading venture capital and consumer internet companies.

James Synge has served as a member of Life360's Board since May 2019 and started as an early investor in 2008. Mr. Synge has also served as a Partner at Carthona Capital FS Pty Ltd, an Australian venture capital fund, since 2014. He has held senior positions at Bankers Trust Company Australia, Deutsche Bank AG Frankfurt and UBS AG Zurich. Mr. Synge holds a Bachelor of Business from the University of Technology Sydney and a Master of Tax from the University of Sydney. Mr. Synge was selected to serve on the Board due to his venture capital experience and extensive financial industry knowledge.

David Wiadrowski has served as a member of Life360's Board since March 2019. Mr. Wiadrowski previously served as Director and Chief Financial Officer of ELEVACAO Foundation, Inc., a global non-profit committed to empowering women entrepreneurs, from July 2016 to July 2017, and prior thereto served in various positions at PricewaterhouseCoopers Australia over a 25 year period, including as Partner and Chief Operating Officer. He currently also serves on the boards of two other Australian listed companies including: oOh! Media Limited (ASX: OML) and Carsales.com Limited (ASX: CAR) and on the boards of several private companies including the Cambodian Children's Fund, WageSplitter Pty Limited, Shadow Wood Nominees Pty Limited, Chrismanda Pty Limited, Sevem Sails Pty Limited and Drowski Pty Limited. He holds a Bachelor of Commerce from the University of New South Wales, is a Fellow of the Chartered Accountants of Australia and New Zealand and is a graduate of the Australian Institute of Company Directors. Mr. Wiadrowski was selected to serve on the Board due to his financial industry expertise and experience serving on the boards of several Australian public companies.

Randi Zuckerberg has served as a member of Life360's Board since January 2021. Ms. Zuckerberg currently works with more than 20 early and mid-stage companies as an investor and advisor. She serves as a

member of the boards of several companies including Athena Technology Acquisition Corp. II (NYSE: ATEK), a special purpose acquisition company, Go Noodle, Inc. and The Motley Fool, LLC. Additionally, she has served as a strategic advisor to Open Deal Portal LLC (d/b/a, Republic) since February 2021 and OkCoin, Inc. since September 2021. Over the course of her career, she has helped families navigate the digital world. Through the company she founded in 2012, Zuckerberg Media, she has created award-winning content and experiences that educate families and bring to light issues around digital literacy and safety. Ms. Zuckerberg is the best-selling author of four books, producer of multiple television shows and theater productions, and she hosts a weekly radio show on SiriusXM. Ms. Zuckerberg has been recognized with an Emmy nomination, two Tony awards, a Drama Desk Award, and a Kidscreen Award. Prior to founding her own company, Ms. Zuckerberg was an early employee at Facebook, where she created Facebook Live. She holds a Bachelor of Arts in Psychology from Harvard University. Ms. Zuckerberg was selected to serve on the Board due to her extensive background investing in and advising technology and public companies.

Board Composition

The election of the members of our Board is currently governed by our Certificate of Incorporation.

Family Relationships

None.

Board Committees

The Company has established an Audit and Risk Management Committee and Remuneration and Nominations Committee. The Audit and Risk Management Committee oversees the Company's corporate accounting and financial reporting, including auditing of the Company's financial statements and the qualifications, independence, performance and terms of engagement of the Company's external auditor. This committee is also responsible for monitoring and advising the Board on risk management policies and procedures. The Remuneration and Nomination Committee establishes, amends, reviews and approves the compensation and equity incentive plans with respect to senior management and employees of the Company including determining individual elements of total compensation of the Chief Executive Officer and other members of senior management. The Remuneration and Nomination Committee is also responsible for reviewing the performance of the Company's executive officers with respect to these elements of compensation as well as recommending the director nominees for each annual general meeting and ensuring that the committees of the Board have the benefit of qualified and experienced directors.

Code of Conduct

We have adopted a code of conduct that applies to our directors, officers, and employees, including our principal executive officer, principal financial officer, principal accounting officer or controller, or persons performing similar functions. Our code of conduct is on the investor relations portion of our website at investors.life360.com.

ITEM 6. EXECUTIVE COMPENSATION.

Summary Compensation Table

The following table presents information regarding the total compensation awarded to, earned by, and paid to our named executive officers for services rendered to Life360, Inc. in all capacities during the year that ended December 31, 2021.

Name and Principal Position	Fiscal Year	Salary ($) (1)	Option Awards ($) (2)	Stock Awards ($) (2)	Non-Equity Incentive Plan Compensation ($) (3)	All Other Compensation ($) (4)	Total ($)
Chris Hulls Co-Founder, Executive Director, & CEO	2021	393,333	480,131	667,500	262,500	3,600	1,807,064
David Rice Chief Operating Officer	2021	362,500	332,214	444,500	175,500	3,600	1,318,314
Samir Kapoor Chief Technology Officer	2021	350,000	171,186	245,198	110,000	3,600	879,984

(1) Amounts reflect salary actually paid during the applicable calendar year.
(2) Option awards and restricted stock unit awards are reported at aggregate grant date fair value in the year granted, as determined in accordance with the provisions of FASB ASC Topic 718. For the assumptions used in valuing these awards for purposes of computing this expense, please see Note 15 of the financial statements of Life360 for the year ended December 31, 2021.
(3) Amounts reflect cash bonus amounts earned pursuant to the Life360 Compensation Plan for Board Directors and Company Leadership, discussed in greater detail below.
(4) Amounts reflect company 401(k) contributions.

Narrative Disclosure to Summary Compensation Table

For 2021, the compensation program for named executive officers consisted of base salary, cash and equity-based incentive compensation, and certain standard employee benefits.

Base Salary

Base salary for each named executive officer is set at a level that is commensurate with the executive's duties and authorities, contributions, prior experience and sustained performance. Our named executive officers are parties to offer letters, each described further below, which set forth base salary entitlements. As of December 31, 2021, the annual base salaries applicable to our named executive officers were as follows: Mr. Hulls, $400,000, Mr. Rice, $365,000, and Mr. Kapoor, $350,000.

Life360 Compensation Plan for Board Directors and Company Leadership

In January 2020 we adopted the Life360 Compensation Plan for Board Directors and Company Leadership, an annual bonus plan pursuant to which members of the leadership team (including our executive directors) identified by the Remuneration and Nomination Committee may be eligible to receive a cash bonus. The amount of the cash bonus will depend on the plan participant's performance during the relevant financial year and will be calculated as a percentage (between 0% to 200%) of the participant's target bonus amount. This target bonus amount will be determined by the Remuneration and Nomination Committee at the start of each year. For example, a participant with a target bonus amount of $50,000 could be entitled to a bonus of, depending on performance, between $0 to $100,000.

The achievement of the target cash bonus amount is subject to the satisfaction of two performance conditions. The target payout is generally linked 50% to the achievement of specific targets as against key

performance indicators for that year and 50% to qualitative measures (such as individual or organizational behavior) for that year. An employee's entitlement to a bonus will be assessed, and any bonuses will be paid, bi-annually following completion of our regular performance review process. The Board retains absolute discretion in determining whether bonus payments (in whole or in part) are to be made, and the amount to be paid (namely, between 0% to 200% of the target bonus amount).

The annual cash bonuses awarded to each named executive officer for 2021 performance pursuant to the Life360 Compensation Plan for Board Directors and Company Leadership are set forth above in the Summary Compensation Table in the column titled "Non-Equity Incentive Plan Compensation," provided, however, that if, in the Board's exercise of discretion, an amount is paid over and above the amounts earned by meeting the performance measures in the plan, that excess amount (if any) shall be set forth above in the Summary Compensation Table in a column titled "Bonus."

2021 Equity Awards

In 2021, each of Messrs. Hulls and Rice received a stock option to purchase 100,000 shares of common stock and 50,000 restricted stock units ("RSUs"), and Mr. Kapoor received a stock option to purchase 32,000 shares of common stock and 17,254 RSUs, in each case pursuant to the terms of our Amended and Restated 2011 Stock Plan (the "Stock Plan") and each as set forth below in the Outstanding Equity Awards as of Fiscal Year End table.

Retention Bonus Agreements

We have entered into retention bonus agreements with each of Christopher Hulls and David Rice, providing that the executives will receive cash bonuses of $304,000 and $100,000, respectively, in each case subject to their continued employment with us through December 31, 2022, or our earlier termination of their employment other than (i) for Cause (as defined in his Retention Bonus Agreement) or (ii) due to his death or disability; provided that their retention bonuses will also be payable in the event we experience a Change in Control (as defined in the Stock Plan).

Benefits and Perquisites

We provide benefits to our named executive officers on the same basis as provided to all of our employees, including health, dental and vision insurance; life and disability insurance; and various tax-saving benefits such as a healthcare flexible spending account, a dependent care flexible spending account, a health savings account, a 401(k) plan and commuter benefits.

Employment Arrangements

Christopher Hulls Employment Agreement

On May 14, 2019, we and Mr. Hulls entered into an employment agreement. Pursuant to this agreement, Mr. Hulls was entitled to a base salary of $300,000, which was increased to $400,000 for fiscal year 2021. Mr. Hulls is eligible to participate in our employee benefit plans and programs. Mr. Hulls's employment is "at-will," provided that we are required to give Mr. Hulls at least six (6) months' notice in the event of our termination of Mr. Hulls's employment without Cause (as defined therein), which excludes terminations due to death or disability.

David Rice Employment Agreement

On October 29, 2015, we and Mr. Rice entered into an offer letter. Pursuant to this agreement, Mr. Rice was entitled to a base salary of $350,000, which was increased to $365,000 for fiscal year 2021. Mr. Rice is eligible to participate in our employee benefit plans and programs. Mr. Rice also received an option to purchase 461,238 shares of our common stock, which was scheduled to vest over 4 years, subject to "double-trigger" acceleration protection, and which has at this time become completely vested. For more information regarding this stock option, please see "Outstanding Equity Awards as of Fiscal Year End" below.

Mr. Rice's employment is "at-will," provided that if Mr. Rice is involuntarily terminated or constructively terminated (within the meaning of his offer letter), Mr. Rice will be entitled to a severance payment based on his length of service, which is currently at its maximum potential payout, which is 6 months of base salary.

Samir Kapoor Offer Letter

On September 5, 2019, we and Samir Kapoor entered into an offer letter. Pursuant to this agreement, Mr. Kapoor was entitled to a base salary of $300,000 per year, which was increased to $350,000 for fiscal year 2021. The agreement also provides to an annual bonus of up to $50,000, based 50% on quantitative company performance and 50% on qualitative individual performance. The agreement also provides for (i) a stock option to purchase 250,000 shares of our common stock, which is scheduled to vest over 4 years (and which may be early exercised by promissory note), (ii) an RSU award covering 40,000 shares of common stock, which is scheduled to vest over 4 years, (iii) a second RSU award to be granted in connection with certain performance conditions, covering 25,000 shares of common stock, which is scheduled to vest over 4 years, and (iv) an annual RSU award with a $25,000 value on the first anniversary of Mr. Kapoor's start date and the three annual anniversaries thereafter. For more information regarding these equity awards, please see "Outstanding Equity Awards as of Fiscal Year End" below.

Mr. Kapoor is eligible to participate in our employee benefit plans and programs, and his employment is "at-will" and may be terminated by either party at any time, without case or notice. Mr. Kapoor's employment agreement provides for a $200 monthly benefit allowance, which ceased to apply in 2021 in connection with the company commencing 401(k) employer matches.

Outstanding Equity Awards as of Fiscal Year End

The following table sets forth information regarding each unexercised stock award held by each named executive officer as of December 31, 2021.

		Option Awards				Stock Awards	
Name	Grant Date	Number of securities underlying unexercised options (#) exercisable	Number of securities underlying unexercised options (#) unexercisable	Option exercise price ($)	Option expiration date	Number of shares or units of stock that have not vested (#)	Market value of shares of units of stock that have not vested ($)(1)
Chris Hulls	10/24/2017(2)	208,987	—	2.15	10/24/27	—	—
Chris Hulls	07/16/2018(3)	1,084,267	185,119	2.53	07/16/28	—	—
Chris Hulls	10/30/2018(2)	10	—	9.55	10/30/28	—	—
Chris Hulls	07/30/2020(4)	95,833	134,167	7.28	07/30/30	—	—
Chris Hulls	04/07/2020(5)	—	—	—	—	16,486	348,844
Chris Hulls	02/02/2021(6)	20,833	79,167	13.35	02/01/31	39,584	837,597
David Rice	09/20/2016(2)	100,000	—	0.18	09/20/26	—	—
David Rice	10/24/2017(2)	125,392	—	2.15	10/24/27	—	—
David Rice	10/30/2018(2)	10	—	9.55	10/30/28	—	—
David Rice	04/07/2020(7)	52,500	67,500	4.35	04/07/30	—	—
David Rice	02/02/2021(6)	14,333	79,167	8.89	02/02/31	39,584	837,597
Samir Kapoor	09/15/2019(8)	100,560	78,215	7.02	09/15/29	—	—
Samir Kapoor	10/07/2019(9)	40,064	31,161	7.07	10/07/29	17,500	370,300
Samir Kapoor	04/07/2020(10)	35,000	45,000	4.35	04/07/30	—	—
Samir Kapoor	10/06/2020(11)	—	—	—	—	4,688	99,198
Samir Kapoor	06/08/2021(12)	3,999	28,001	13.9	06/08/31	14,001	296,261

(1) Values are based on the closing price of our CDIs on the Australian Securities Exchange on December 31, 2021 (AUD$9.71), multiplied by the number of CDIs representing beneficial ownership in one share of common (3), multiplied by the AUD:USD conversion rate as in effect on December 31, 2021, as reported by Wall Street Journal (1:0.7265).

(2) Represents a grant of stock options that were entirely vested as of December 31, 2021.
(3) Represents a grant of 1,269,386 stock options, the remainder of which is scheduled to vest in equal monthly installments from January 2, 2022, through July 2, 2022, subject to the holder’s continued service on each vesting date.
(4) Represents a grant of 230,000 stock options that vest, the remainder of which is scheduled to vest in equal monthly installments from January 10, 2022, through April 10, 2024, subject to the holder’s continued service on each vesting date.
(5) Represents a grant of 49,453 RSUs that vested as to 1/3 of the underlying shares on the date of grant, 1/3 on the one-year anniversary thereof, and which are scheduled to vest as to the remaining 1/3 on April 7, 2022, subject to the holder’s continued service on each vesting date; provided that if a Change of Control (as defined in the Stock Plan) occurs and following such Change of Control, the holder’s job or compensation would materially and adversely change relative to the job or compensation, as applicable, in effect prior to such Change of Control (but not in the event of the holder’s termination or other circumstances), 100% of the then-unvested RSUs shall be vested immediately.
(6) Represents a grant of 100,000 stock option shares (of which Mr. Rice has exercised 6,500 stock option shares) and 50,000 RSUs that each vest in equal monthly installments over four years from February 1, 2021, subject to the holder’s continued service on each vesting date.
(7) Represents a grant of 120,000 stock option shares that vest in equal monthly installments over 4 years from March 1, 2020, subject to the holder’s continued service on each vesting date.
(8) Represents a grant of 178,775 stock option shares that vested and became exercisable on the one-year anniversary from September 11, 2019, and which are scheduled to vest as to 1/48 of the total grant on each monthly anniversary thereafter, subject to the holder’s continued service on each vesting date.
(9) Represents a grant of 71,225 stock option shares and 40,000 RSUs that each vest as to 1/4 of the underlying shares on the one year anniversary from September 11, 2019, and which are scheduled to vest as to 1/48 of the total grant on each monthly anniversary thereafter, subject to the holder’s continued service on each vesting date.
(10) Represents a grant of 80,000 stock option shares that vest in equal monthly installments over 4 years from March 1, 2020, subject to the holder’s continued service on each vesting date.
(11) Represents a grant of 25,000 RSUs that vested as to 1/4 of the underlying shares on the date of grant and that are scheduled to vest as to 1/48 of the granted shares on each monthly anniversary from September 30, 2019, subject to the holder’s continued service on each vesting date.
(12) Represents a grant of 32,000 stock option shares and 16,000 RSUs that each vest in equal monthly installments over four years from June 1, 2021, subject to the holder’s continued service on each vesting date.

Equity Plans

Stock Plan

The Stock Plan, as most recently amended and restated, was approved by our Board on March 10, 2020, and approved by our stockholders July 30, 2020.

Purpose

The purposes of the Stock Plan are to attract and retain the best available personnel for positions of substantial responsibility, to provide additional incentive to employees and consultants, and to promote the success of our business.

Types of Stock Awards

The Stock Plan permits the grant of incentive stock options, nonstatutory stock options, restricted stock, and restricted stock units (all such types of awards, collectively, “stock awards”).

Share Reserve

Number of Shares

Subject to adjustments as set forth in the Stock Plan, the maximum aggregate number of shares of common stock that may be issued under the Stock Plan is 24,283,359 shares. The shares may be authorized, but unissued, or reacquired shares. Furthermore, subject to adjustments as set forth in the Stock Plan, in no event shall the maximum aggregate number of shares that may be issued under the Stock Plan pursuant to incentive stock options exceed the number set forth above plus, to the extent allowable under Section 422 of the U.S. Tax Code and the regulations promulgated thereunder, any shares that again become available for issuance pursuant to the Stock Plan.

The number of shares of common stock available for issuance under the Stock Plan will be increased on January 1 of each year, commencing with January 1, 2021, in an amount equal to the lessor of (i) five percent (5%) of the outstanding Shares on the last day of the immediately preceding December 31, (ii) 5,000,000 Shares and (iii) such number of Shares determined by the Board.

Lapsed Awards

To the extent a stock award expires or is forfeited or becomes unexercisable for any reason without having been exercised in full, the unissued shares that were subject thereto shall, unless the Stock Plan shall have been terminated, continue to be available under the Stock Plan for issuance pursuant to future stock awards. In addition, any Shares which we retain upon exercise of a stock award in order to satisfy the exercise or purchase price for such stock award or any withholding taxes due with respect to such stock award shall be treated as not issued and shall continue to be available under the Stock Plan for issuance pursuant to future stock awards. Shares issued under the Stock Plan and later forfeited to us due to the failure to vest or repurchased by us at the original purchase price paid to us for the shares (including without limitation upon forfeiture to or repurchase by us in connection with a participant ceasing to be a service provider) shall again be available for future grant under the Stock Plan.

Eligibility

Employees, directors and independent contractors of us or our affiliates are all eligible to participate in the Stock Plan. Incentive stock options may only be granted to employees.

Administration

The Stock Plan is administered by the Board or a committee thereof, which committee will be constituted to satisfy applicable laws (the “Administrator”). Subject to the terms of the Stock Plan, the Administrator has the authority, in its discretion, to (i) determine the fair market value in accordance with the Stock Plan; (ii) select the service providers to whom stock awards may be granted under the Stock Plan; (iii) determine the number of shares to be covered by each stock award granted under the Stock Plan; (iv) approve forms of stock award agreements for use under the Stock Plan; (v) determine the terms and conditions, not inconsistent with the terms of the Stock Plan, of any stock award granted thereunder; (vi) amend any outstanding stock award or agreement related to any Optioned Stock, Restricted Stock or Restricted Stock Unit, including any amendment adjusting; (vii) determine whether and under what circumstances an Option may be settled in cash; (viii) approve addenda or grant stock awards to, or to modify the terms of, any outstanding Option Agreement, Restricted Stock Purchase Agreement, Restricted Stock Unit Agreement, or any agreement related to any Optioned Stock, Restricted Stock or Restricted Stock Units; (ix) construe and interpret the terms of the Stock Plan, any Option Agreement, Restricted Stock Purchase Agreement, or Restricted Stock Unit Agreement and any agreement related to any Optioned Stock, Restricted Stock or Restricted Stock Units, which constructions, interpretations and decisions shall be final and binding on all Participants

Stock Options

Each stock option will be designated in the stock award agreement as either an incentive stock option (which is entitled to favorable tax treatment) or a nonstatutory stock option. However, notwithstanding such designation, to the extent that the aggregate fair market value of the shares with respect to which incentive stock options are exercisable for the first time by the participant during any calendar year exceeds $100,000, such stock options will be treated as nonstatutory stock options. Incentive stock options may only be granted to our employees.

The term of each stock option will be stated in the stock award agreement. In the case of an incentive stock option, the term will be 10 years from the date of grant or such shorter term as may be provided in the stock award agreement. Moreover, in the case of an incentive stock option granted to a participant who owns stock representing more than 10% of the total combined voting power of all classes of our stock or the stock of any subsidiary, the term of the incentive stock option will be five years from the date of grant or such shorter term as may be provided in the stock award agreement.

The per share exercise price for the shares to be issued pursuant to exercise of a stock option will be determined by the Administrator, subject to the following: in the case of an incentive stock option (i) granted to an employee who, at the time the incentive stock option is granted, owns stock representing more than 10% of the voting power of all classes of our stock or the stock of any subsidiary, the per share exercise price will be no less than 110% of the fair market value per share on the date of grant; and (ii) granted to any other employee, the per share exercise price will be no less than 100% of the fair market value per share on the date of grant. In the case of a nonstatutory stock option, the per share exercise price will be no less than 100% of the fair market value per share on the date of grant. Notwithstanding the foregoing, stock options may be granted with a per share exercise price of less than 100% of the fair market value per share on the date of grant pursuant to a corporate reorganization, liquidation, etc., described in the U.S. Tax Code Section 424(a).

At the time a stock option is granted, the Administrator will fix the period within which the stock option may be exercised and will determine any conditions that must be satisfied before the stock option may be exercised. The Administrator will also determine the acceptable form of consideration for exercising a stock option, including the method of payment.

If a participant ceases to be a service provider other than for “Cause,” as defined in the Stock Plan, the participant may exercise his or her stock option within such period of time as is specified in the stock award agreement to the extent that the stock option is vested on the date of termination (but in no event later than the expiration of the term of such stock option). In the absence of a specified time in the stock award agreement, to the extent vested as of a participant’s termination, the stock option will remain exercisable for 12 months following a termination for death or disability, and 3 months following a termination for any other reason other than Cause. Any outstanding stock option (including any vested portion thereof) held by a participant shall immediately terminate in its entirety upon the participant being first notified of his or her termination for Cause.

Restricted Stock and RSUs

Restricted stock awards are grants of shares of Company common stock that are subject to various restrictions, including restrictions on transferability and forfeiture provisions. Shares of restricted stock will vest and the restrictions on such shares will lapse in accordance with terms and conditions established by the Administrator. Each RSU is a bookkeeping entry representing an amount equal to the fair market value of one share of our Company common stock.

In determining whether restricted stock or RSUs should be granted, and/or the vesting schedule for such a stock award, the Administrator may impose whatever conditions on vesting as it determines to be appropriate. For example, the Administrator may determine to grant restricted stock or RSUs only if performance goals established by the Administrator are satisfied. Any performance goals may be applied on a Company-wide or an individual business unit basis, as determined by the Administrator.

During the period of restriction, participants holding restricted stock may exercise full voting rights and will be entitled to receive all dividends and other distributions paid. Any dividends or distributions paid with respect to such shares will be subject to the same restrictions, including without limitation restrictions on transferability and forfeitability, as the restricted stock with respect to which they were paid.

During the vesting period, participants holding RSUs will hold no voting rights by virtue of such RSUs. The Administrator may, in its sole discretion, award dividend equivalents in connection with the grant of RSUs that may be settled in cash, in shares of equivalent value, or in some combination thereof. Any dividend equivalents awarded with respect to such RSUs will be subject to the same restrictions, including without limitation restrictions on transferability and forfeitability, as the RSUs with respect to which they were awarded.

Leaves of Absence / Transfer Between Locations

The Administrator has the discretion to determine at any time whether and to what extent the vesting of stock awards shall be suspended during any leave of absence. A participant will not cease to be an employee in the case of (i) sick leave we approve, (ii) military leave, (iii) any leave of absence approved by the participant's employer or (ii) transfers between our locations or between us and any affiliate. If an employee holds an incentive stock option and such leave exceeds 3 months then, for purposes of incentive stock option status only, such employee's service as an employee shall be deemed terminated on the first day following such 3 month period, and the incentive stock option shall thereafter automatically treated for tax purposes as a nonstatutory stock option in accordance with applicable laws, unless reemployment upon the expiration of such leave is guaranteed by contract or statute, or unless provided otherwise pursuant to a written company policy.

Nontransferability of Stock Awards

Unless determined otherwise by the Administrator, a stock award may not be sold, pledged, assigned, hypothecated, transferred, or disposed of in any manner other than by will or by the laws of descent or distribution and may be exercised, during the lifetime of the participant, only by the participant. If the Administrator makes a stock award transferable, such stock award will contain such additional terms and conditions as the Administrator deems appropriate.

Effect of a Change in Control

In the event of (i) a transfer of all or substantially all of the company's assets, (ii) a merger, consolidation or other capital reorganization or business combination transaction of the company with or into another corporation, entity or person, or (iii) the consummation of a transaction, or series of related transactions, in which any "person" (as such term is used in Sections 13(d) and 14(d) of the Exchange Act) becomes the "beneficial owner" (as defined in Rule 13d-3 of the Exchange Act), directly or indirectly, of the company's capital stock that represents at least a majority of the voting power of the company's then outstanding capital stock (a "Corporate Transaction"), each outstanding stock award (vested or unvested) will be treated as the Administrator determines, which determination may be made without the consent of any participant and need not treat all outstanding stock awards (or portion thereof) in an identical manner. Such determination, without the consent of any participant, may provide (without limitation) for one or more of the following in the event of a Corporate Transaction: (A) the continuation of such outstanding stock awards by the company (if the company is the surviving corporation); (B) the assumption of such outstanding stock awards by the surviving corporation or its parent; (C) the substitution by the surviving corporation or its parent of new options or equity awards for such stock awards; (D) the cancellation of such stock awards in exchange for a payment to the participants equal to the excess of (1) the fair market value of the shares subject to such stock awards as of the closing date of such Corporate Transaction over (2) any exercise price or purchase price paid or to be paid for the shares subject to the stock awards; or (E) the cancellation of any outstanding options, an outstanding right to purchase Restricted Stock or outstanding RSUs, in any case, for no consideration.

Notwithstanding anything under the Stock Plan, any stock award agreement or otherwise, any escrow, holdback, earn-out or similar provisions agreed to pursuant to, or in connection with, a Corporate Transaction shall, unless otherwise determined by our Board, apply to any payment or other right a participant may be entitled to under the Stock Plan, if any, to the same extent and in the same manner as such provisions apply generally to the holders of our common stock with respect to the Corporate Transaction, but only to the extent permitted by applicable law. In addition, notwithstanding the above, under no circumstances may the terms of any outstanding Option be amended or modified so as to have any of the following effects: (1) reducing the per share exercise price of an Option, (2) increasing the period for exercise of an Option, or (3) increasing the number of shares received on exercise of an Option. Further, any other amendment or modification to the terms of any Option can only be made with stockholder approval or on the provision of a waiver of the official rules of ASX Limited (trading as the Australian Securities Exchange) granted by ASX Limited, and under no circumstances may an Option be cancelled unless (1) stockholder approval has been obtained for the cancellation of the Option, or (2) no consideration is provided to the optionee in connection with the cancellation of the Option.

Amendment, Termination and Duration of the Stock Plan

Subject to the ASX Listing Rules, and any waivers granted by ASX, the Board may at any time amend or terminate the Stock Plan, but no amendment or termination (other than an adjustment pursuant to a Corporate Transaction (as defined in and pursuant to the Stock Plan) shall be made that would materially and adversely affect the rights of any participant under any outstanding Award, without his or her consent. In addition, to the extent necessary and desirable to comply with applicable laws, we will obtain the approval of holders of capital stock with respect to any Stock Plan amendment in such a manner and to such a degree as required.

Compensation of Directors

Under the Company's Bylaws, the directors decide the total amount paid to each Non-Executive Director as remuneration for their services. However, under the ASX Listing Rules, the total amount paid to all Non-Executive Directors must not exceed in any financial year the amount fixed in a general meeting of the Company. This amount is capped under the Bylaws at $1,000,000 per annum. Any increase to the aggregate amount needs to be approved by stockholders. Directors will seek approval of the stockholders from time to time, as appropriate. This aggregate annual sum does not include any special remuneration which our Board may grant to the directors for special exertions or additional services performed by a director for or at the request of the company, which may be made in addition to or in substitution for the director's fees.

We remunerate our directors as follows:

Position	Cash ($) (1)	Equity Value ($) (2)
Board Chair	40,000	100,000
Board Member	30,000	80,000
Audit and Risk Management Committee Chair	5,000	15,000
Audit and Risk Management Committee Member	1,300	3,700
Remuneration and Nomination Committee Chair	2,000	3,000
Remuneration and Nomination Committee Member	1,500	—

(1) Board Chair fee is in lieu of Board Member fee. Committee fees are supplemental to Board or Chair fees.
(2) Equity value is allocated 70% to option value and 30% to RSU value.

The following table presents information regarding the total compensation awarded to, earned by, and paid to our directors (other than our named executive officers) for services rendered to Life360, Inc. during the year ended December 31, 2021.

Name	Fees earned or paid in cash ($) (1)	Stock Awards ($) (2)	Option Awards ($) (3)	Total ($)
John Phillip Coghlan	42,800	31,110	72,590	146,500
Alex Haro (4)	30,000	32,867	76,689	139,556
Brit Morin	31,500	24,000	56,000	111,500
James Synge	31,300	25,110	58,590	115,000
Mark Goines	32,000	24,900	58,100	115,000
David Wiadrowski	35,000	28,500	66,500	130,000
Randi Zuckerberg (5)	31,300	33,135	77,306	141,741

(1) Includes cash stipends for committee service. In 2021, each director received a base fee of $30,000, except for Mr. Coghlan, who received an additional $10,000 for serving as Chair of our Board. In addition, Messrs. Coghlan, Synge, and Ms. Zuckerberg, each received an additional $1,300 for serving as members of our Audit and Risk Management Committee, and Mr. Wiadrowski received an additional $5,000 for serving as the chair of our Audit and Risk Management Committee; and Mr. Coghlan and Ms. Morin each received an additional $1,500 for serving on our Remuneration and Nomination Committee, and Mr. Goines received an additional $2,000 for serving as the chair of our Remuneration and Nomination Committee.

(2) Restricted stock unit awards are reported at aggregate grant date fair value in the year granted, as determined in accordance with the provisions of FASB ASC Topic 718. For the assumptions used in valuing these awards for purposes of computing this expense, please see Note 15 of the financial statements of Life360 for the year ended December 31, 2021. The number of RSUs is calculated based on the value of Company stock on the 2021 Annual General Meeting date. The RSU grants vest and are settled quarterly over the year following their grant provided that the director remains a director as at the applicable vesting date, except with respect to 664 of the RSUs granted to Mr. Haro and 601 of the RSUs granted to Ms. Zuckerberg, which were vested at grant. In 2021, John Phillip Coghlan was issued 2,330 RSUs, Alex Haro was issued 2,462 RSUs, Brit Morin was issued 1,798 RSUs, James Synge was issued 1,881 RSUs, Mark Goines was issued 1,865 RSUs, David Wiadrowski was issued 2,135 RSUs, and Randi Zuckerberg was issued 1,881 RSUs. As of December 31, 2021, John Phillip Coghlan held 1,165 RSUs, Alex Haro held 899 RSUs, Brit Morin held 899 RSUs, James Synge held 941 RSUs, Mark Goines held 933 RSUs, David Wiadrowski held 1,068 RSUs, and Randi Zuckerberg held 941 RSUs.

(3) Option awards are reported at aggregate grant date fair value in the year granted, as determined in accordance with the provisions of FASB ASC Topic 718. For the assumptions used in valuing these awards for purposes of computing this expense, please see Note 15 of the financial statements of Life360 for the year ended December 31, 2021. The number of options is calculated based on the value of Company stock on the 2021 Annual General Meeting date. The options vest quarterly over the year following their grant provided that the director remains a director as at the applicable vesting date, except with respect to 4,309 of the options granted to Mr. Haro and 3,898 of the options granted to Ms. Zuckerberg, which were vested at grant. In 2021, John Phillip Coghlan was issued 15,119 options, Alex Haro was issued 15,972 options, Brit Morin was issued 11,663 options, James Synge was issued 12,203 options, Mark Goines was issued 12,101 options, David Wiadrowski was issued 13,850 options, and Randi Zuckerberg was issued 16,101 options. As of December 31, 2021, John Phillip Coghlan held 255,229 options, Alex Haro held 386,938 options, Brit Morin held 105,610 options, James Synge held 12,203 options, Mark Goines held 12,101 options, David Wiadrowski held 13,850 options, and Randi Zuckerberg held 16,101 options.

(4) Mr. Haro served as an employee until December 31, 2020 and served solely as a director in 2021.

(5) Appointed January 19, 2021.

Remuneration and Nomination Committee Interlocks and Insider Participation

The members of our Remuneration and Nomination Committee during 2021 included Messrs. Goines and Coghlan and Ms. Morin. None of the members of our Remuneration and Nomination Committee in 2021 was at any time during 2021 or at any other time one of our officers or employees, and none had or have any relationships with us that are required to be disclosed under Item 404 of Regulation S-K. During 2021, none of our executive officers served as a member of the board of directors, or as a member of the compensation or similar committee, of any entity that has one or more executive officers who served on our board of directors or Remuneration and Nomination Committee.

ITEM 7. CERTAIN RELATIONSHIPS AND RELATED TRANSACTIONS, AND DIRECTOR INDEPENDENCE.

Certain Relationships and Related Transactions

The following includes a summary of transactions since January 1, 2019 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 beneficial owners of more than 5% of any class of our voting securities 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 compensation arrangements with directors and executive officers, which are described under "Executive Compensation."

Fourth Amended and Restated Investors' Rights Agreement

On September 18, 2018, we entered into the fourth amended and restated investors' rights agreement (the "Investors' Rights Agreement") with certain holders of our common stock, including certain of our executive officers and directors. The Investors' Rights Agreement provides, among other things, certain stockholders with registration rights and piggyback rights in connection with our common stock. The Investors' Rights Agreement also contains certain limitations on the ability of such stockholders to sell, loan or otherwise dispose of any of our securities, subject to certain exceptions, in connection with an initial public offering. We will pay for certain fees and expenses relating to the registration rights set forth in the Investors' Rights Agreement and agreed to indemnify the holders of registrable securities and certain other parties against (or make contributions in respect of) certain liabilities that may arise under the Securities Act. The Investors' Rights Agreement further provides certain holders holding at least 100,000 shares of our common stock with a right of first offer with respect to our future proposed equity financings, subject to specified conditions. For additional information, see the section titled "Description of Registrant's Securities to be Registered." This summary does not purport to be complete and is qualified in its entirety by the provisions of the Investors' Rights Agreement, a copy of which has been filed as an exhibit to this Registration Statement.

Notes Due From Affiliates

In February 2016, we received a promissory note from, and entered into a pledge and security agreement with, Christopher Hulls, our Co-Founder, Chief Executive Officer and director for amounts totaling $253,003.50, which is partially secured by 1,405,575 shares of common stock owned by Mr. Hulls, and accrues interest at a rate of 2.61% per annum. As of December 31, 2021, the outstanding balance for Mr. Hulls' loan was $253,003.50. Mr. Hulls did not repay any of the principal amount outstanding or interest accrued on the promissory note during the years ended December 31, 2021, 2020 and 2019, respectively. Mr. Hulls intends to repay the outstanding balance of the payments for his loan in full prior to the effectiveness of this Registration Statement.

In February 2016, we received a promissory note from, and entered into a pledge and security agreement with, Alex Haro, our Co-Founder and director, for amounts totaling $220,321.26, which is partially secured by 1,224,007 shares of common stock owned by Mr. Haro and accrues interest at a rate of 2.61% per annum. As of December 31, 2021, the outstanding balance of Mr. Haro's loan was $220,321.26. Mr. Haro did not repay any of the principal amount outstanding or interest accrued on the promissory note during the years ended December 31, 2021, 2020 and 2019, respectively. Mr. Haro intends to repay the outstanding balance of the payments for his loan in full prior to the effectiveness of this Registration Statement.

Other Related Party Transactions

In June 2018, we entered into an engagement letter with Carthona Capital Pty Ltd ("Carthona Capital") for consultancy services during our capital raising by way of a combination of a preferred share issuance prior to our initial public offering on the ASX and our initial public offing of CDIs and listing on the ASX. James Synge, a member of our Board, is a Principal and Partner of Carthona Capital. During the year ended December 31, 2019, the Company paid Carthona Capital an aggregate amount of $186,436 for consultancy services.

In November 2021, we entered into a consulting agreement with Carthona Capital for strategic advice regarding certain potential capital raising or business combination transactions involving Life360, including but not limited to advice regarding the overall structuring, positioning, market consideration and appropriate documentation regarding such prospective transactions. James Synge, a member of our Board, is a Principal and Partner of Carthona Capital. We agreed to pay Carthona Capital an aggregate amount equal to $200,000 minus any amounts paid to Carthona Capital as reimbursement of expenses pursuant to the consulting agreement. During the year ended December 31, 2021, we paid Carthona Capital an aggregate amount of $100,000 under the consulting agreement. In January 2022, we paid Carthona Capital an aggregate amount of $100,000 under the consulting agreement.

Related Party Revenue

See "Related Party Revenue" in Note 17 to Life360's audited consolidated financial statements included elsewhere in this Registration Statement.

Policies and Procedures for Transactions with Related Persons

We have procedures in place to identify related party transactions. We require all Board members to complete and sign an annual director's questionnaire which includes updated directorships and known related party transactions. All related party transactions pertaining to executives, including the CEO, require approval by the chairman of the Board. All Board directors are required to declare all conflicts of interest at every Board meeting. Management reviews the vendor list every month to identify any related parties. Transactions with related parties will also be subject to shareholder approval to the extent required by the ASX Listing Rules.

Director Independence

The Board has undertaken a review of the independence of each director. Based on information provided by each director concerning his or her background, employment, and affiliations, the Board has determined that each of Messrs. Coghlan, Synge, Goines, Wiadrowski and Mses. Morin and Zuckerberg is "independent" as that term is defined under the SEC rules and regulations. In making these determinations, the Board considered the current and prior relationships that each non-employee director has with our company and all other facts and circumstances the Board deemed relevant in determining their independence, including the beneficial ownership of shares of our capital stock held by each non-employee director and the transactions described in the section titled "Certain Relationships and Related Person Transactions."

ITEM 8. LEGAL PROCEEDINGS.

From time to time, we may be involved in legal proceedings, claims and government investigations in the ordinary course of business. We have received, and may in the future continue to receive, inquiries from regulators regarding our compliance with law and regulations, including those related to data protection and consumer rights, and due to the nature of our business and the rapidly evolving landscape of laws relating to data privacy, cybersecurity, consumer protection and data use, we expect to continue to be the subject of regulatory investigations and inquiries in the future. We have received, and may in the future continue to receive, claims from third parties relating to information or content that is published or made available on our platform, among other types of claims including those relating to, among other things, regulatory matters, commercial matters, intellectual property, competition, tax, employment, pricing, discrimination, and consumer rights. Future litigation may be necessary to defend ourselves, our partners, and our customers by determining the scope, enforceability, and validity of these claims. The results of any current or future regulatory inquiry or litigation cannot be predicted with certainty, and regardless of the outcome, such investigations and litigation can have an adverse impact on us because of defense and settlement costs, diversion of management resources, the potential for enforcement orders or settlements to impose operational restrictions or obligations on our business practices and other factors.

For additional information, see the section entitled “Risk Factors—Risks Related to Legal Matters and Our Regulatory Environment.”

ITEM 9. MARKET PRICE OF AND DIVIDENDS ON THE REGISTRANT’S COMMON EQUITY AND RELATED STOCKHOLDER MATTERS.

There is no established U.S. public trading market for our common stock. Interests in our common stock are listed on the ASX under the symbol “360” in the form of CDIs, with each CDI representing a beneficial interest in one-third of a share of common stock.

For the periods indicated, the following table sets forth the high and low closing sale prices per CDI as reported on the ASX.

Sales Prices (1)	High(2)	Low(2)
Year 2022		
2nd Quarter (as of April 22, 2022)	$ 4.21	$ 3.63
1st Quarter	$ 6.97	$ 3.20
Year Ended December 31, 2021		
4th Quarter	$ 9.98	$ 5.90
3rd Quarter	$ 6.97	$ 4.90
2nd Quarter	$ 4.85	$ 3.46
1st Quarter	$ 3.60	$ 2.59
Year Ended December 31, 2020		
4th Quarter	$ 2.98	$ 2.48
3rd Quarter	$ 3.16	$ 1.58
2nd Quarter	$ 1.74	$ 1.28
1st Quarter	$ 2.51	$ 1.16

(1) The above table sets forth the range of high and low closing sales prices per CDI, each representing a beneficial interest in one-third of a share of our common stock as reported by the ASX for the periods indicated.

(2) Values are based on the high and low closing sale price of our CDIs on the ASX for the periods indicated, multiplied by the AUD:USD conversion rate as in effect on December 31, 2021, as reported by Wall Street Journal (1:0.7265).

In addition, we have been advised that our common stock has been quoted on the OTC Pink Market under the ticker symbol “LIFX” since November 11, 2019. We did not initiate, request or grant permission for the quotation of our securities on that market, nor did we facilitate or participate in any of the trading that has occurred on the OTC Pink Market. The OTC Pink Market is not an established public trading market. We believe there has not been significant trading volume for our common stock in the United States. The following are the high and low closing bid prices, respectively, for our common stock as reported on OTC Pink for the following periods: quarter ended March 31, 2022, $7.44 and $3.50; quarter ended December 31, 2021, $25.00 and $6.01; quarter ended September 30, 2021, $25.00 and $5.10; quarter ended June 30, 2021, $5.00 and $2.65; quarter ended March 31, 2021, $2.90 and $1.00; quarter ended December 31, 2020, $3.10 and $1.25; quarter ended September 30, 2020, $3.15 and $2.01; quarter ended June 30, 2020, $2.06 and $2.06; and quarter ended March 31, 2020, $2.06 and $2.06. Any over-the-counter market quotations reflect inter-dealer prices, without retail mark-up, mark-down or commission and may not necessarily represent actual transactions. Our common stock will no longer trade on the OTC Pink Market in the event we list our common stock to a U.S. securities exchange.

Rule 144

We have not previously filed a registration statement under the Securities Act. Shares sold pursuant to exemptions from registration are deemed to be “restricted” securities as defined by the Securities Act. As of March 31, 2022, out of a total of 100,000,000 shares authorized, 61,370,658 shares are issued as restricted securities and can only be sold or otherwise transferred pursuant to a registration statement under the Securities Act or pursuant to an available exemption from registration. Of such restricted shares, 6,473,607, (10.5%) shares are held by affiliates (directors, officers and 10% holders), with the balance of 54,897,051 (89.5%) shares being held by non-affiliates.

In general, under Rule 144 as currently in effect, a person (or persons whose shares are aggregated) who has beneficially owned restricted shares of a reporting company for at least six months, including any person who may be deemed to be an “affiliate” of the company (as the term “affiliate” is defined under the Securities Act), is entitled to sell, within any three-month period, an amount of shares that does not exceed the greater of (i) the average weekly trading volume in the company’s common stock, as reported through the automated quotation system of a registered securities association, during the four calendar weeks preceding such sale or (ii) 1% of the shares then outstanding. In order for a stockholder to rely on Rule 144, adequate current public information with respect to the company must be available. A person who is not deemed to be an affiliate of the company and has not been an affiliate for the most recent three months, and who has held restricted shares for at least one year is entitled to sell such shares without regard to the various resale limitations under Rule 144. Under Rule 144, the requirements of paragraphs (c), (e), (f), and (h) of such Rule do not apply to restricted securities sold for the account of a person who is not an affiliate of an issuer at the time of the sale and has not been an affiliate during the preceding three months, provided the securities have been beneficially owned by the seller for a period of at least one year prior to their sale. For purposes of this registration statement, a controlling stockholder is considered to be a person who owns 10% or more of the company’s total outstanding shares, or is otherwise an affiliate of the Company.

Rule 701

Rule 701 under the Securities Act permits resales of shares in reliance upon Rule 144 but without compliance with certain restrictions of Rule 144, including the holding period requirement and the volume and public information requirements. Any of our employees, consultants or advisors, other than our affiliates, who acquired shares from us under a written compensatory plan or contract may be entitled to rely on the resale provisions of Rule 701, but all holders of Rule 701 shares are required to wait until 90 days after the effective date of this Registration Statement before selling their shares under Rule 701. As of March 31, 2022, no shares have been issued pursuant to Rule 701.

Holders

As of March 31, 2022, we had 61,370,658 shares of our common stock, including all shares of common stock underlying issued and outstanding CDIs, par value $0.001, issued and outstanding. There were 387 holders of our common stock and 6,976 holders of CDIs.

Dividend Policy

We have never paid or declared any cash dividends on our common stock or CDIs in the past, and we do not anticipate paying any cash dividends on our common stock in the foreseeable future. We currently intend to retain all available funds and any future earnings to fund the development and expansion of our business. Subject to such restrictions, any future determination to pay dividends or other distributions from our reserves will be at the discretion of our Board and will depend upon a number of factors, including our results of operations, financial condition, future prospects, contractual restrictions, restrictions imposed by applicable law and other factors our Board deems relevant.

Equity Compensation Plan Information

Plan Category	Number of securities to be issued upon exercise of outstanding options, warrants and rights (a)	Weighted-average exercise price of outstanding options, warrants and rights[1] (b)	Number of securities remaining available for future issuance under equity compensation plans (excluding securities reflected in column (a)) (c)
Equity compensation plans approved by security holders	9,427,501[2]	$ 5.61	24,283,359[3]
Equity compensation plans not approved by security holders	339,998[4]	$ 4.81	—
Total	9,767,499	$ 5.57	24,283,359

(1) The weighted-average exercise price is calculated based solely on the exercise prices of the outstanding stock options and warrants and does not reflect the shares that will be issued upon the vesting of outstanding awards of RSUs, which have no exercise price.
(2) Includes 6,904,379 stock options issued under the Stock Plan and 2,523,122 RSUs issued under the Stock Plan.
(3) Represents shares available for issuance under the Stock Plan.
(4) Includes 67,997 Jiobit assumed options issued outside of the Stock Plan with a volume weighted average exercise price of $5.38 and 272,001 warrants issued outside of the Stock Plan with a volume weighted average exercise price of $4.67.

Purchases of Equity Securities by the Registrant and Affiliated Purchasers

We have not repurchased any shares of our common stock during the fiscal years ended December 31, 2021 or 2020.

ITEM 10. RECENT SALES OF UNREGISTERED SECURITIES.

The following list sets forth information as to all securities we have sold since January 1, 2019, which were not registered under the Securities Act.

On March 4, 2019, in connection of the acquisition of Zen Labs, Inc., we paid a total consideration of approximately $1.02 million and in connection issued 130,000 shares of common stock.

On May 15, 2019, we issued 30.36 million CDIs for A$145.43 million, where the ratio of CDIs per share of common stock is three CDIs for one share of common stock, in connection with our public offering of CDIs on the ASX. The offer was fully underwritten by Credit Suisse (Australia) Limited and Bell Potter Securities Limited pursuant to an underwriting agreement.

On July 1, 2021, we issued convertible notes to investors with an underlying principal amount of $2.1 million. The convertible notes accrue simple interest at an annual rate of 4% and mature on July 1, 2026. The convertible notes may be settled under the following scenarios at the option of the holders of the convertible notes: (i) at any time into shares of our common stock equal to the conversion amount of outstanding principal and any accrued but unpaid interest divided by the conversion price of $11.96; (ii) at the option of the holder upon a liquidation event a) paid in cash equal to the outstanding principal and any accrued but unpaid interest or b) into common shares equal to the conversion amount of outstanding principal and any accrued but unpaid

interest divided by the conversion price of $11.96; or (iii) upon maturity of the convertible notes, settlement in cash at the outstanding accrued interest and principal amount. In connection with the convertible notes, we issued warrants to purchase 88,213 shares of our common stock with an exercise price of $0.01 per share and a term of one year, 44,106 shares of our common stock with an exercise price of $11.96 per share and a term of 5 years, and 44,106 shares of our common stock which is exercisable starting 12 months from the convertible note issuance date with an exercise price of $11.96 per share and a term of 5 years.

On September 1, 2021, the Jiobit Acquisition was consummated for a total consideration of $43.2 million, comprised of: (i) $7.3 million in cash; (ii) an additional $5.9 million of consideration contingent upon reaching certain operational goals for 2021 and 2022; (iii) $11.6 million in fair value of convertible notes issued to stockholders; (iv) the forgiveness of $4.0 million of Jiobit's convertible debt held by Life360; (v) $0.6 million of Life360 vested common stock options for 25,245 shares issued to Jiobit employees; and (vi) $13.8 million of 674,516 shares of the Company's common stock on the date of acquisition. We paid the purchase price for the acquisition using cash generated from operations.

The September 2021 Convertible Notes bear interest at the U.S. Prime rate plus 25 basis points. The September 2021 Convertible Notes can be converted to shares of our common stock at any time subsequent to the acquisition at a fixed conversion price of $22.50 per share. On each of the first three annual anniversaries of the issuance date of the September 2021 Convertible Notes, we will repay one-third of the unconverted principal plus accrued interest to the holders of such notes. Upon a change of control, the holder may elect to either convert at the fixed conversion price of $22.50 per share or be repaid in full.

In December 2021, we issued approximately 23.3 million CDIs, representing approximately 7.7 million shares of common stock, for A$280 million. The offer was fully underwritten by Credit Suisse (Australia) Limited and Bell Potter Securities Limited pursuant to an underwriting agreement.

On January 5, 2022, the Tile Acquisition was consummated for a total consideration comprised of up to $205.0 million comprised of: (i) $132.4 million in cash, subject to customary adjustments, (ii) up to $37.6 million of new shares issued to the shareholders of Tile, conditional, in part, on Tile achieving certain financial hurdles and (iii) up to $35.0 million in retention awards for Tile employees, subject to performance requirements We paid the purchase price for the acquisition using the proceeds from an underwritten offering of 7,779,014 shares of its common stock.

The issuances of the securities in the transactions described above were deemed to be exempt from registration under the Securities Act in reliance upon Section 4(a)(2) of the Securities Act and/or Rule 506, Rule 701 or Regulation S promulgated thereunder. The securities were issued directly by us and did not involve a U.S. public offering or general solicitation. The recipients of such securities represented their intentions to acquire the securities for investment purposes only and not with a view to, or for sale in connection with, any distribution thereof.

ITEM 11. DESCRIPTION OF REGISTRANT'S SECURITIES TO BE REGISTERED.

The following description summarizes the most important terms of our capital stock. Because it is only a summary, it does not contain all the information that may be important to you. For a complete description, you should refer to our Certificate of Incorporation, and Bylaws and amended and restated investors' rights agreement, which are included as exhibits to this Registration Statement, and to the applicable provisions of Delaware law. Under this section "Description of Registrant's Securities to be Registered," "we," "us," "our" and the "Company" refer to Life360, Inc. and not to any of its subsidiaries.

General

Our authorized capital stock consists of 100,000,000 shares of common stock, par value $0.001 per share.

Common Stock

As of March 31, 2022, we had 61,370,658 shares of common stock issued and outstanding, including all shares of common stock underlying all issued and outstanding CDIs.

Dividend Rights

Subject to prior rights that may apply to shares of common stock outstanding at the time, the holders of outstanding shares of our common stock are entitled to receive dividends out of funds legally available at the times and in the amounts that our Board may determine.

Voting Rights

Each holder of shares of our common stock is entitled to one vote per share. Holders of our CDIs are entitled to one vote for every three CDIs they hold. Our Certificate of Incorporation and Bylaws establish a classified board of directors that is divided into three classes with staggered three-year terms. Only the directors in one class are subject to election by a plurality of the votes cast at each annual meeting of our stockholders, with the directors in the other classes continuing for the remainder of their respective three-year terms. Our Certificate of Incorporation does not provide for cumulative voting for the election of directors.

Preemptive or Similar Rights

We are party to the Investors' Rights Agreement that provides certain holders holding at least 100,000 shares of our common stock with a right of first offer with respect to our future proposed equity financings, subject to specified conditions.

Right to Receive Liquidation Distributions

Upon our liquidation, dissolution or winding-up, the assets legally available for distribution to our stockholders would be distributable ratably among the holders of our common stock.

Fully Paid and Non-assessable

All of the outstanding shares of our common stock are fully paid and non-assessable.

Options

As of March 31, 2022, we had outstanding options to purchase an aggregate of 7,879,952 shares of our common stock, with a weighted-average exercise price of $6.50 per share under our 2011 Plan.

Restricted Stock Units

As of March 31, 2022, we had outstanding awards of restricted stock units covering 5,341,004 shares of our common stock.

Warrants

As of March 31, 2022, we had issued and outstanding the following warrants:

- Warrants to purchase 21,321 shares of the Company's common stock with an exercise price of $0.01 per share and a term of one year, 44,106 shares of the Company's common stock with an exercise price of $11.96 per share and a term of five years, and 44,106 shares of the Company's common stock which is exercisable starting 12 months from July 1, 2021, with an exercise price of $11.96 per share and a term of five years.

- Warrants to purchase 7,761 shares of the Company's common stock with an exercise price of $6.44 per share and a term of 10 years which expires on September 4, 2025. The warrant has a cashless exercise provision pursuant to which the holder, in lieu of paying the exercise price in cash, can surrender the warrant and receive a number of shares based on the (x) fair market value of such shares minus the exercise price multiplied by (y) the number of shares with respect to which the warrant is being exercised divided by (z) the fair market value of the shares.
- Warrants to purchase 41,685 shares of the Company's common stock with an exercise price of $2.28 per share and a term of 10 years which expires on March 27, 2024.
- Warrants to purchase 46,130 shares of the Company's common stock with an exercise price of $1.52 per share and a term of 10 years which expires on July 17, 2022.

Convertible Notes

As of March 31, 2022, we had certain issued and outstanding convertible notes in the aggregate principal amount of $2.1 million. The outstanding principal and any accrued and unpaid interest under these notes shall, at the option of the noteholder, either automatically convert, in the event of a change of control, SPAC transaction or qualified initial public offering, into shares of common stock of the Company at a conversion price of $11.96 per share, or be repaid in full. The noteholders have certain limitations on their ability to sell, loan or otherwise dispose of any securities of the Company, subject to certain exceptions.

As of March 31, 2022, we had issued and outstanding September 2021 Convertible Notes in the aggregate principal amount of $11.4 million. These notes can be converted to shares of our common stock at any time subsequent to the acquisition at a fixed conversion price of $22.50 per share. On each of the first three annual anniversaries of the issuance date of the September 2021 Convertible Notes, we will repay one-third of the unconverted principal plus accrued interest to the holders of such notes. Upon a change of control, the holder may elect to either convert at the fixed conversion price of $22.50 per share or be repaid in full. The noteholders have certain limitations on their ability to sell, loan or otherwise dispose of any securities of the Company, subject to certain exceptions.

Registration Rights

We are party to the Investors' Rights Agreement that provides certain holders of our common stock with registration rights and piggyback rights as set forth below. The registration of shares of our common stock by the exercise of registration rights described below would enable the holders to sell these shares without restriction under the Securities Act when the applicable registration statement is declared effective. We will pay the registration expenses, other than underwriting discounts and commissions, of the shares registered by the registrations described below, subject to certain conditions.

The registration rights set forth in the Investors' Rights Agreement will expire on the earlier of May 10, 2024, or the termination of the agreement. The Investors' Rights Agreement contains certain limitations on the ability of the parties thereto to sell, loan or otherwise dispose of any securities of the Company, subject to certain exceptions, in connection with an initial public offering. In an underwritten offering, the underwriters have the right, subject to specified conditions, to limit the number of shares such holders may include.

Demand Registration Rights

Certain holders of our common stock will be entitled to certain demand registration rights. At any time after the earlier of the September 18, 2023 or after the effective date of our first registration statement for a public offering of securities, the holders of at least 33% of these shares may request that we register all or a portion of their shares. Such request for registration must cover shares with an anticipated aggregate offering price, net of underwriting discounts and commissions, of at least $5 million.

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, certain holders of our common stock will be entitled to certain piggyback registration rights allowing the holder to include their shares in such registration, subject to certain marketing and other limitations. As a result, whenever we propose to file a registration statement under the Securities Act, other than with respect to (1) a registration relating solely to the sale of securities to participants in our stock option, stock purchase, or similar plan, (2) a registration relating to a transaction covered by Rule 145 under the Securities Act, (3) any registration on any form which does not include substantially the same information as would be required to be included in a registration statement covering the sale of registrable securities, the holders of these shares are entitled to notice of the registration and have the right to include their shares in the registration, or (4) a registration in which the only stock being registered is common stock upon conversion of debt securities also being registered.

S-3 Demand Registration Rights

Certain holders of our common stock will be entitled to certain Form S-3 demand registration rights. The holders of at least 20% of these shares then outstanding may make a written request that we register the offer and sale of their shares on a registration statement on Form S-3 if we are eligible to file a registration statement on Form S-3 so long as the request covers at least that number of shares with an anticipated offering price, net of underwriting discounts and selling commissions, of at least $1 million. These stockholders may make an unlimited number of requests for registration on Form S-3; however, we will not be required to effect a registration on Form S-3 during the period that is 90 days before our good faith estimate of the date of filing of a registration statement initiated by us. In addition, if we determine that it would be materially detrimental to us and our stockholders to effect such a demand registration, we have the right to defer such registration, not more than once in any 12-month period, for a period of up to 60 days. In addition, in an underwritten public offering, the underwriters have the right, subject to specified conditions, to limit the number of shares that these stockholders may include for registration.

CHESS Depositary Interests

Our shares of common stock are traded on the ASX in the form of CDIs, under the ASX trading code “360.” Shares of common stock of Life360 are not traded on the ASX because ASX’s electronic settlement system, known as CHESS, cannot be used for the transfer of securities of issuers incorporated in certain countries including the United States. CDIs have been created to facilitate electronic settlement and transfer in Australia for companies in this situation. Legal title to the shares of common stock underlying the CDIs is held by an Australian depositary nominee, CHESS Depositary Nominees Pty Ltd.

CDIs are units of beneficial ownership in our shares of common stock. Each CDI represents a beneficial interest in one-third of a share of common stock. The CDI holders receive all direct economic and other benefits of our shares of common stock on a 3-for-1 basis. The CDIs may be transmuted into shares of our common stock on a 3-for-1 basis at the election of the CDI holder.

There are a number of differences between holding CDIs and shares of common stock. The major differences are that:

- CDI holders do not have legal title in the underlying shares of common stock to which the CDIs relate (the chain of title in the shares underlying the CDIs is summarized above); and
- CDI holders are not able to vote personally as shareholders at a meeting of Life360. Instead, CDI holders are provided with a voting instruction form which will enable them to instruct the depositary nominee in relation to the exercise of voting rights.

Alternatively, CDI holders can transmute their CDIs into shares of common stock of Life360 in sufficient time before the relevant meeting, in which case they will be able to vote personally as shareholders of Life360.

Anti-Takeover Effects of Delaware Law and Our Certificate of Incorporation and Bylaws

Some provisions of Delaware law, our Certificate of Incorporation, and Bylaws contain provisions that could make the following transactions more difficult: an acquisition of us by means of a tender offer; an acquisition of us by means of a proxy contest or otherwise; or the removal of our incumbent officers and directors. It is possible that these provisions could make it more difficult to accomplish or could deter transactions that stockholders may otherwise consider to be in their best interest or in our best interests, including transactions which provide for payment of a premium over the market price for our shares.

These provisions, summarized below, are intended to discourage coercive takeover practices and inadequate takeover bids. These provisions are also designed to encourage persons seeking to acquire control of us to first negotiate with our Board. We believe 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.

Stockholder Meetings

Our Bylaws provide that a special meeting of stockholders may be called by our Board, our chairperson of the Board, chief executive officer, president, or by one or more stockholders holding shares in the aggregate entitled to cast not less than 10 percent of the votes at the meeting.

Requirements for Advance Notification of Stockholder Nominations

Our Bylaws establish advance notice procedures with respect to the nomination of candidates for election as directors, other than nominations made by or at the direction of the Board or a committee of the Board. These procedures require all nominations of candidates for election as directors to be received no later than 35 business days prior to the date of the annual meeting. These provisions may have the effect of precluding the conduct of certain business at a meeting if the proper procedures are not followed. These provisions may also discourage or deter a potential acquirer from conducting a solicitation of proxies to elect the acquirer’s own slate of directors or otherwise attempting to obtain control of our company.

Elimination of Stockholder Action by Written Consent

Our Certificate of Incorporation and Bylaws eliminate the right of stockholders to act by written consent without a meeting, which may lengthen the amount of time required to take stockholder actions. As a result, a holder controlling a majority of our capital stock would not be able to amend our Bylaws or remove directors without holding a meeting of our stockholders called in accordance with our Bylaws.

Staggered Board

Our Board is divided into three classes. The directors in each class will serve for a three-year term, one class being elected each year by our stockholders. 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 generally makes it more difficult for stockholders to replace a majority of the directors.

Removal of Directors; Vacancies

Our Bylaws provide that members of our Board may be removed from office by a majority of our stockholders with or without cause provided, however, that if the stockholders are entitled to cumulative voting, if less than the entire Board is to be removed, no director may be removed without cause if the votes cast against his removal would be sufficient to elect him if then cumulatively voted at an election of the entire Board. In

addition, Bylaws provide that any newly created directorship on our Board that results from an increase in the number of directors and any vacancy occurring on our Board may only be filled by a majority of the directors then in office, although less than a quorum, or by a sole remaining director (and not by the stockholders). These provisions would prevent a stockholder from increasing the size of our Board and then gaining control of our Board by filling the resulting vacancies with its own nominees. This will make it more difficult to change the composition of our Board and will promote continuity of management.

Delaware Anti-takeover Statute

We are subject to Section 203 of the Delaware General Corporation Law, which prohibits persons deemed to be "interested stockholders" from engaging in a "business combination" with a publicly held Delaware corporation for three years following the date these persons become interested stockholders unless the business combination is, or the transaction in which the person became an interested stockholder was, approved in a prescribed manner or another prescribed exception applies. Generally, an "interested stockholder" is a person who, together with affiliates and associates, owns, or within three years prior to the determination of interested stockholder status did own, 15% or more of a corporation's voting stock. Generally, a "business combination" includes a merger, asset, or stock sale, or other transaction resulting in a financial benefit to the interested stockholder. The existence of this provision may have an anti-takeover effect with respect to transactions not approved in advance by our Board.

Corporate Opportunities

The Certificate of Incorporation provides for the renouncement by the Company of any interest or expectancy of the Company in, or being offered an opportunity to participate in any matter, transaction, or interest that is presented to, or acquired, created, or developed by, or which otherwise comes into possession of, any director of the Company who is not an employee or officer of the Company or any of its subsidiaries, unless such matter, transaction, or interest is presented to, or acquired, created, or developed by, or otherwise comes into the possession of a director of the Company expressly and solely in that director's capacity as a director of the Company.

Choice of Forum

Our Certificate of Incorporation provides that the Court of Chancery of the State of Delaware will be the exclusive forum for the following types of actions or proceedings under Delaware statutory or common law: (1) any derivative action or proceeding brought on our behalf; (2) any action asserting a claim of breach of a fiduciary duty or other wrongdoing by any of our directors, officers, employees, or agents to us or our stockholders; (3) any action asserting a claim against us arising pursuant to any provision of the General Corporation Law of the State of Delaware or our Certificate of Incorporation or Bylaws; or (4) any action asserting a claim governed by the internal affairs doctrine.

The provisions of Delaware law, our Certificate of Incorporation, and our Bylaws could have the effect of discouraging others from attempting hostile takeovers and, as a consequence, they may also inhibit temporary fluctuations in the market price of our common stock that often result from actual or rumored hostile takeover attempts. These provisions may also have the effect of preventing changes in the composition of our Board and management. It is possible that these provisions could make it more difficult to accomplish transactions that stockholders may otherwise deem to be in their best interests.

Limitations on Liability and Indemnification of Directors and Officers

See the section titled "Indemnification of Directors and Officers."

Transfer Agent and Registrar

The transfer agent and registrar for our common stock, including shares underlying all issued and outstanding CDIs, is Computershare Trust Company, N.A. The transfer agent and registrar's address is 250 Royall Street, Canton, MA 02021, and its telephone number is (866) 595-6048.

ITEM 12. INDEMNIFICATION OF DIRECTORS AND OFFICERS.

Section 145 of the Delaware General Corporation Law authorizes a court to award, or a corporation's board of directors to grant, indemnity to directors and officers in terms sufficiently broad to permit such indemnification under certain circumstances for liabilities, including reimbursement for expenses incurred, arising under the Securities Act.

We have entered into or expect to into indemnification agreements with each of our directors and our executive officers. These agreements provide that we will indemnify each of our directors and such officers to the fullest extent permitted by law and our Bylaws. Insofar as indemnification for liabilities arising under the Securities Act, may be permitted to directors or executive officers, we have been informed that, in the opinion of the Securities and Exchange Commission, such indemnification is against public policy and is therefore unenforceable.

We also maintain insurance policies that indemnify our directors and officers against various liabilities arising under the Securities Act and the Exchange Act that might be incurred by any director or officer in his or her capacity as such.

ITEM 13. FINANCIAL STATEMENTS AND SUPPLEMENTARY DATA.

Financial Statements

The full text of the audited financial statements for Life360 and Tile, unaudited financial statements for Tile and pro forma financial statements begins on page F-1 of this Registration Statement.

ITEM 14. CHANGES IN AND DISAGREEMENTS WITH ACCOUNTANTS ON ACCOUNTING AND FINANCIAL DISCLOSURE.

None.

ITEM 15. FINANCIAL STATEMENTS AND EXHIBITS.

(a) Financial Statements

The financial statements included in this Registration Statement are listed in Item 13 and commence on page F-1.

(b) Exhibits

Exhibit No.	Description
2.1†	Agreement and Plan of Merger dated November 22, 2021, by and among Life360, Inc., Triumph Merger, Sub, Inc., Tile, Inc., and Fortis Advisors LLC.
2.2†	Amendment No. 1 to Agreement and Plan of Merger dated December 20, 2021, by and among Life360, Inc., Triumph Merger, Sub, Inc., Tile, Inc., and Fortis Advisors LLC.
2.3†	Agreement and Plan of Merger dated July 27, 2021, by and among Life360, Inc., Jiobit Merger Sub I, Inc., Jiobit Merger Sub II, LLC, Jio, Inc. and Shareholder Representative Services LLC.
2.4†	Amendment No.1 to Agreement and Plan of Merger dated August 31, 2021, by and among Life360, Inc., Jiobit Merger Sub I, Inc., Jiobit Merger Sub II, LLC, Jio, Inc. and Shareholder Representative Services LLC.
2.5†	Second Amendment dated April 11, 2022, by and between Life360, Inc. and Shareholder Representative Services LLC, to that certain Agreement and Plan of Merger dated July 27, 2021, by and among Life360, Inc., Jiobit Merger Sub I, Inc., Jiobit Merger Sub II, LLC, Jio, Inc. and Shareholder Representative Services LLC.
3.1	Amended and Restated Certificate of Incorporation of the Company.
3.2	Amended and Restated Bylaws of the Company.
4.1†	Fourth Amended and Restated Investors' Rights Agreement dated September 18, 2018, by and among Life360, Inc., the Founders, the Existing Preferred Holders and the New Investors.
10.1+	Form of Indemnification Agreement between Life360 and its directors and officers.
10.2+	Amended and Restated 2011 Stock Plan.
10.3+	Form of Amended and Restated 2011 Stock Plan Restricted Stock Unit Agreement.
10.4+	Form of Amended and Restated 2011 Stock Plan Stock Option Agreement.
10.5+	Life360 Compensation Plan for Board Directors and Company Leadership.
10.6 +	Employment Agreement between Life360, Inc. and Chris Hulls, dated May 14, 2019.
10.7 +	Offer Letter between Life360, Inc. and David Rice, dated October 29, 2015.
10.8 +†	Employment Agreement by and between Tile, Inc pursuant to that certain Agreement and Plan of Merger by and between the Company, Life360, Inc. and certain other parties, dated November 22, 2021, and Charles J. Prober dated November 22, 2021.
10.9 +	First Amendment to Employment Agreement between Life360, Inc. and Charles J. Prober dated April 7, 2022.

10.10 +	Offer Letter between Life360, Inc. and Samir Kapoor, dated September 5, 2019.
10.11+	Retention Bonus Letter between Life360, Inc. and Christopher Hulls (2016).
10.12+	Retention Bonus Letter between Life360, Inc. and David Rice (2016).
10.13*	Data Services and License Agreement dated as of January 26, 2022, by and between Life360, Inc. and Placer Labs Inc.
10.14*	Master Services and License Agreement dated July 28, 2021, by and between Arity 875, LLC and Life360, Inc.
10.15†§	Warranty Program Agreement dated June 26, 2020, by and between Cover Genius Warranty Services, LLC and Tile, Inc.
10.16§	First Amendment to the Warranty Program Agreement by and between Cover Genius Warranty Services, LLC and Tile, Inc. dated September 17, 2020.
10.17§	Second Amendment to the Warranty Program Agreement by and between Cover Genius Warranty Services, LLC and Tile, Inc. dated October 8, 2021.
10.18*	Manufacturing Services Agreement dated March 8, 2017, by and between Jabil Circuit, Inc., Jabil Circuit (Singapore) Pte. Ltd. and Tile, Inc.
21.1	List of Subsidiaries of the Company.

* To be filed by amendment.

\+ Indicates a management contract or compensatory plan, contract or arrangement.

† Certain exhibits and schedules to this exhibit have been omitted in accordance with Item 601(a)(5) of Regulation S-K. The registrant hereby agrees to furnish supplementally a copy of any omitted exhibit or schedule to the SEC upon its request.

§ Portions of this exhibit have been redacted in accordance with Regulation S-K Item 601(b)(10)(iv).

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300 Park Avenue
Suite 900
San Jose, CA 95110

Report of Independent Registered Public Accounting Firm

Shareholders and Board of Directors
Life360, Inc.
San Francisco, California

Opinion on the Consolidated Financial Statements

We have audited the accompanying consolidated balance sheets of Life360, Inc. (the "Company") as of December 31, 2021 and 2020, the related consolidated statements of operations and comprehensive loss, stockholders' equity, and cash flows for the years then ended, and the related notes to the consolidated financial statements. In our opinion, the consolidated financial statements present fairly, in all material respects, the financial position of the Company as of December 31, 2021 and 2020, and the results of its operations and its cash flows the years then ended, in conformity with accounting principles generally accepted in the United States of America.

Basis for Opinion

These consolidated financial statements are the responsibility of the Company's management. Our responsibility is to express an opinion on the Company's consolidated financial statements based on our audits. We are a public accounting firm registered with the Public Company Accounting Oversight Board (United States) ("PCAOB") and are required to be independent with respect to the Company in accordance with the U.S. federal securities laws and the applicable rules and regulations of the Securities and Exchange Commission and the PCAOB.

We conducted our audits in accordance with the standards of the PCAOB. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the consolidated financial statements are free of material misstatement, whether due to error or fraud. 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 audits 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 consolidated financial statements, whether due to error or fraud, and performing procedures that respond to those risks. Such procedures included examining, on a test basis, evidence regarding the amounts and disclosures in the consolidated financial statements. Our audits also included evaluating the accounting principles used and significant estimates made by management, as well as evaluating the overall presentation of the consolidated financial statements. We believe that our audits provide a reasonable basis for our opinion.

/s/ BDO USA, LLP
We have served as the Company's auditor since 2016
San Francisco, California
April 26, 2022

Life360, Inc.

Consolidated Balance Sheets
(Dollars in U.S. $, in thousands, except share and per share data)

	December 31, 2021	December 31, 2020
Assets		
Current Assets:		
Cash and cash equivalents	$ 230,990	$ 56,413
Accounts receivable	11,772	9,042
Costs capitalized to obtain revenue contracts, net	1,319	3,381
Inventory	2,009	—
Prepaid expenses and other current assets	10,590	10,017
Total current assets	256,680	78,853
Restricted cash	355	198
Property and equipment, net	580	801
Costs capitalized to obtain revenue contracts, net of current portion	330	569
Prepaid expenses and other assets, noncurrent	3,691	2,184
Right of use asset	1,627	2,638
Intangible assets, net	7,986	—
Goodwill	31,127	764
Total Assets	$ 302,376	$ 86,007
Liabilities and Stockholders' Equity		
Current Liabilities:		
Accounts payable	$ 3,248	$ 2,420
Accrued expenses and other liabilities	10,547	5,235
Contingent consideration	9,500	—
Convertible notes, current	4,222	—
Deferred revenue	13,929	11,855
Total current liabilities	41,446	19,510
Convertible notes, noncurrent	8,284	—
Derivative liability, noncurrent	1,396	—
Other noncurrent liabilities	1,205	2,308
Total Liabilities	$ 52,331	$ 21,818
Commitments and Contingencies (Note 12)		
Stockholders' Equity		
Common Stock, $0.001 par value; 100,000,000 shares authorized as of December 31, 2021 and December 31, 2020; 60,221,799 and 50,035,408 issued and outstanding as at December 31, 2021 and December 31, 2020, respectively	61	50
Additional paid-in capital	416,278	196,852
Notes due from affiliates	(951)	(927)
Accumulated deficit	(165,343)	(131,786)
Total stockholders' equity	250,045	64,189
Total Liabilities and Stockholders' Equity	$ 302,376	$ 86,007

The accompanying notes are an integral part of these audited consolidated financial statements.

Life360, Inc.

Consolidated Statements of Operations and Comprehensive Loss
(Dollars in U.S. $, in thousands, except share and per share data)

	Year ended	
	December 31, 2021	**December 31, 2020**
Subscription revenue	$ 86,551	$ 58,472
Other revenue (including related party revenue of $0 and $195, respectively)	26,092	22,183
Total revenue	112,643	80,655
Cost of subscription revenue	17,807	13,582
Cost of other revenue	4,961	1,813
Total cost of revenue	22,768	15,395
Gross Profit	89,875	65,260
Operating expenses:		
Research and development	50,994	39,643
Sales and marketing	47,473	30,190
General and administrative	23,670	12,078
Total operating expenses	122,137	81,911
Loss from operations	(32,262)	(16,651)
Other (Income)/ Expense:		
Convertible notes fair value adjustment	511	—
Derivative liability fair value adjustment	733	—
Other (income)/expense, net	178	(317)
Total Other (Income)/ Expense	1,422	(317)
Loss before Benefit from for income taxes	(33,684)	(16,334)
Benefit from income taxes	127	—
Net Loss and Comprehensive Loss	$ (33,557)	$ (16,334)
Net loss per share attributable to common shareholders, basic and diluted	$ (0.65)	$ (0.33)
Weighted-average shares used in computing net loss per share attributable to common shareholders, basic and diluted	51,656,195	49,346,050

The accompanying notes are an integral part of these audited consolidated financial statements.

Life360, Inc.

Consolidated Statements of Stockholders' Equity
(Dollars in U.S. $, in thousands, except share data)

	Common Stock		Additional Paid-In Capital	Notes Due from Affiliates	Accumulated Deficit	Total Stockholders' Equity
	Shares	Amount				
Balance at December 31, 2019	48,840,675	$ 49	$ 188,300	$ (831)	$ (115,452)	$ 72,066
Exercise of stock options	895,430	1	1,612	—	—	1,613
Repurchase of common stock	(4,554)	—	(1)	—	—	(1)
Issuance of common stock for services rendered	1,250	—	—	—	—	—
Vesting of restricted stock units	302,607	—	—	—	—	—
Taxes paid related to net settlement of equity awards	—	—	(1,150)	—	—	(1,150)
Stock-based compensation expense	—	—	8,091	—	—	8,091
Interest accrued relating to notes due from affiliates	—	—	—	(96)	—	(96)
Net loss	—	—	—	—	(16,334)	(16,334)
Balance at December 31, 2020	**50,035,408**	**$ 50**	**$ 196,852**	**$ (927)**	**$ (131,786)**	**$ 64,189**
Exercise of stock options	1,056,352	$ 1	$ 3,542	$ —	$ —	$ 3,543
Exercise of warrants	37,410	—	—	—	—	—
Vesting of restricted stock units	547,882	1	(1)	—	—	—
Taxes paid related to net settlement of equity awards	—	—	(4,725)	—	—	(4,725)
Issuance of warrants with convertible note (Note 10)	—	—	844	—	—	844
Beneficial conversion feature associated with convertible note (Note 10)	—	—	603	—	—	603
Issuance of common stock in connection with an acquisition	765,733	1	13,820	—	—	13,821
Issuance of common stock, net of $5,757 of transaction costs	7,779,014	8	193,056	—	—	193,064
Vested option awards assumed in connection with an acquisition	—	—	533	—	—	533
Stock-based compensation expense	—	—	11,754	—	—	11,754
Interest accrued relating to notes due from affiliates	—	—	—	(24)	—	(24)
Net loss	—	—	—	—	(33,557)	(33,557)
Balance at December 31, 2021	**60,221,799**	**$ 61**	**$ 416,278**	**$ (951)**	**$ (165,343)**	**$ 250,045**

The accompanying notes are an integral part of these audited consolidated financial statements.

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Life360, Inc.

Consolidated Statements of Cash Flows
(Dollars in U.S. $, in thousands)

	Year Ended	
	December 31, 2021	**December 31, 2020**
Cash Flows from Operating Activities:		
Net loss	$ (33,557)	$ (16,334)
Adjustments to reconcile net loss to net cash used in operating activities:		
Depreciation and amortization	876	656
Amortization of costs capitalized to obtain contracts	4,014	7,021
Stock-based compensation expense	11,754	8,091
Compensation expense in connection with revesting notes (Note 8)	184	—
Interest expense related to the amortization of debt discount	213	—
Interest income	(47)	(23)
Convertible notes fair value adjustment	511	—
Derivative liability fair value adjustment	733	—
Loss on revaluation of contingent consideration	3,600	—
Changes in operating assets and liabilities:		
Accounts receivable	(2,689)	(1,149)
Prepaid expenses and other current assets	(340)	(4,717)
Inventory	(859)	—
Costs capitalized to obtain contracts, net	(1,713)	(5,240)
Other noncurrent assets	(603)	2,498
Accounts payable	559	1,925
Accrued expenses	4,720	438
Deferred revenue	1,671	770
Noncurrent liabilities	(1,180)	(1,186)
Net cash used in operating activities	(12,153)	(7,250)
Cash Flows from Investing Activities:		
Purchases of capital assets	(81)	(653)
Cash paid for acquisition, net of cash acquired	(2,983)	—
Cash advance on convertible note receivable in connection with an acquisition	(4,000)	—
Net cash used in investing activities	(7,064)	(653)
Cash Flows from Financing Activities:		
Proceeds from the exercise of options and grant of stock awards, net of repurchase	3,543	1,594
Taxes paid related to net settlement of equity awards	(4,725)	(1,149)
Proceeds from borrowings	—	3,115
Payments on borrowings	(41)	(3,115)
Issuance of common stock, net of $5,757 of transaction costs	193,064	—
Cash received in connection with issuance of convertible notes	2,110	—
Net cash provided by financing activities	193,951	445
Net Increase/(Decrease) in Cash, Cash Equivalents, and Restricted Cash	174,734	(7,458)
Cash, Cash Equivalents and Restricted Cash at the Beginning of the Period	56,611	64,069
Cash, Cash Equivalents, and Restricted Cash at the End of the Period	$ 231,345	$ 56,611
Supplemental disclosure:		
Cash paid during the period for interest	$ (24)	$ —
Cash paid during the period for taxes	(33)	—
Non-cash investing and financing activities:		
Fair value of stock issued in connection with an acquisition	13,821	—
Fair value of convertible debt issued in connection with an acquisition	11,597	—
Fair value of contingent consideration issued in connection with an acquisition	5,900	—
Fair value of vested options assumed in connection with an acquisition	533	—
Forgiveness of convertible note receivable in connection an acquisition	4,023	—
Relative fair value of warrants issued with convertible debt	844	—
Beneficial conversion feature related to convertible debt	603	—
Fair value of bifurcated derivative related to convertible debt	663	—
Total non-cash investing and financing activities:	37,984	—

The accompanying notes are an integral part of these audited consolidated financial statements.

Life360, Inc.

Consolidated Statements of Cash Flows (Continued)
(Dollars in U.S. $, in thousands)

The following table provides a table of cash, cash equivalents, and restricted cash reported within the balance sheets totaling the same such amounts shown above:

	December 31, 2021	December 31, 2020
Cash and cash equivalents	$ 230,990	$ 56,413
Restricted cash	355	198
Total cash, cash equivalents, and restricted cash	$ 231,345	$ 56,611

The accompanying notes are an integral part of these audited consolidated financial statements.

Life360, Inc.

Notes to Consolidated Financial Statements

1. Nature of Business

Life360, Inc. (the "Company") is a platform for today's busy families, bringing them closer together by helping them better know, communicate with, and protect the people they care about most. The Company was incorporated in the State of Delaware in April 2007. The Company's core offering, the Life360 mobile application, is now a market leading mobile application for families, with features that range from communications to driving safety and location sharing. The Company operates under a "freemium" model where its core offering is available to users at no charge, with three membership subscription options that are available but not required. The Company also generates revenue through data monetization arrangements with certain third parties ("Data Revenue Customers") through data acquisition and license agreements and anonymized insights into the data collected from the Company's user base in partnership with third parties. On September 1, 2021, the Company acquired all the ownership interests of Jio, Inc ("Jiobit"). Jiobit is a provider of wearable location devices for young children, pets, and seniors.

2. Summary of Significant Accounting Policies

Basis of Presentation

The consolidated financial statements and accompanying notes have been prepared in accordance with generally accepted accounting principles in the United States, or ("GAAP") and pursuant to the rules and regulations of the Securities and Exchange Commission ("SEC"). The consolidated financial statements and accompanying notes are presented in US dollars, unless otherwise stated.

Use of Estimates

The preparation of consolidated financial statements in conformity with GAAP requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the consolidated financial statements and the reported amount of revenue and expenses during the reporting period. Significant estimates made by management include, but are not limited to, the determination of revenue recognition, accounts receivable allowance, average useful customer life, stock-based compensation, legal contingencies, assessment of possible impairment of long-lived assets and goodwill, valuation of contingent consideration, convertible notes and embedded derivatives, useful lives of long lived assets and income taxes including valuation allowances on deferred tax assets. The Company bases its estimates and judgments on historical experience and on various assumptions that it believes are reasonable under the circumstances. Actual results could differ significantly from those estimates.

Recently adopted accounting pronouncements

In October 2021, the FASB issued ASU 2021-08, *Business Combinations* (Topic 805), Accounting for Contract Assets and Contract Liabilities from Contracts with Customers, which requires contract assets and contract liabilities (i.e., deferred revenue) acquired in a business combination to be recognized and measured by the acquirer on the acquisition date in accordance with ASC 606, *Revenue from Contracts with Customers*. The guidance should be applied prospectively to acquisitions occurring on or after the effective date. The guidance is effective for the Company beginning January 1, 2024, and interim periods therein. Early adoption is permitted, including in interim periods, for any financial statements that have not yet been issued. The Company elected to early adopt ASU 2021-08 on September 1, 2021, and the adoption had no material impact on the consolidated financial statements and related disclosures.

In December 2019, the FASB issued ASU No. 2019-12, *Simplifying the Accounting for Income Taxes* ("ASU 2019-12"), as part of its initiative to reduce complexity in accounting standards. ASU 2019-12 removes the

following exceptions: exception to the incremental approach for intraperiod tax allocation; exception to accounting for basis differences when there are ownership changes in foreign investments; and exception to interim period tax accounting for year-to-date losses that exceed anticipated losses. ASU 2019-12 also improves financial reporting for franchise taxes that are partially based on income; transactions with a government that result in a step up in the tax basis of goodwill; separate financial statements of legal entities that are not subject to tax; and enacted changes in tax laws in interim periods. ASU 2019-12 is effective for public business entities in fiscal years beginning after December 15, 2020, including interim periods within those fiscal years. For all other entities, the standard is effective in fiscal years beginning after December 15, 2021, and interim periods within fiscal years beginning after December 15, 2022. Early adoption of the standard is permitted, including adoption in interim or annual periods for which financial statements have not yet been issued. On January 1, 2021, Life360 adopted ASU 2019-12 and the standard did not have a material impact on its consolidated financial statements and related disclosures.

Accounting pronouncements not yet adopted

In June 2016, the FASB issued ASU 2016-13, *Financial Instruments – Credit Losses: Measurement of Credit Losses on Financial Instruments*, which changes the existing incurred loss impairment model for financial assets held at amortized cost. The new model uses a forward-looking expected loss method to calculate credit loss estimates. These changes will result in earlier recognition of credit losses. This guidance is effective for the Company on January 1, 2023 with early adoption permitted. The Company is currently evaluating the impact of the adoption of this standard on its consolidated financial statements and related disclosures and does not expect a material impact.

In August 2020, the FASB issued ASU No. 2020-06, *Debt – Debt with Conversion and Other Options* (Subtopic 470-20) which simplifies the accounting for certain financial instruments with characteristics of liabilities and equity, including convertible instruments and contracts in an entity's own equity. Among other changes, ASU 2020-06 removes from U.S. GAAP the liability and equity separation model for convertible instruments with a cash conversion feature, and as a result, after adoption, entities will no longer separately present in equity an embedded conversion feature for such debt. Similarly, the embedded conversion feature will no longer be amortized into income as interest expense over the life of the instrument. Instead, entities will account for a convertible debt instrument wholly as debt unless (1) a convertible instrument contains features that require bifurcation as a derivative under ASC Topic 815, *Derivatives and Hedging*, or (2) a convertible debt instrument was issued at a substantial premium. Additionally, ASU 2020-06 requires the application of the if-converted method to calculate the impact of convertible instruments on diluted earnings per share, which will result in increased dilutive securities as the assumption of cash settlement of the notes will not be available for the purpose of calculating earnings per share. The provisions of ASU 2020-06 are effective for reporting periods beginning after December 15, 2023, with early adoption permitted for reporting periods beginning after December 15, 2020, and can be adopted on either a fully retrospective or modified retrospective basis. The Company is currently evaluating the timing, method of adoption, and overall impact of this standard on its consolidated financial statements.

Revenue Recognition

The Company recognizes revenue upon transfer of control of promised goods or services to customers at transaction price, an amount that reflects the consideration the Company expects to receive in exchange for those goods or services. Transaction price is calculated as selling price net of variable consideration which may include estimates for future returns and sales incentives related to current period revenue. The Company determines revenue recognition through the following steps: (i) identify the contract(s) with a customer; (ii) identify the

performance obligations in the contract; (iii) determine the transaction price; (iv) allocate the transaction price to the performance obligations in the contract; and (v) recognize revenue when (or as) the Company satisfies a performance obligation. The Company only applies the five-step model to contracts when it is probable that Company will collect the consideration it is entitled to in exchange for the goods or services it transfers to the customer.

Contracts with Multiple Performance Obligations

Some of the Company's contracts with customers contain multiple performance obligations, primarily hardware and subscription services for the Jio tracker. For these contracts, the Company accounts for individual performance obligations separately if they are distinct. The transaction price is allocated to the separate performance obligations on a relative stand-alone selling price ("SSP") basis with the amounts allocated to ongoing services deferred and recognized over a period of time. The Company determines SSP based on observable, if available, prices for those related services when sold separately. When such observable prices are not available, the Company determines SSP based on overarching pricing objectives and strategies, taking into consideration market conditions and other factors, including customer size, volume purchased, market and industry conditions, product-specific factors and historical sales of the deliverables.

Cost of Revenue

Cost of revenue includes all direct costs to deliver the Company's product including third-party hosting fees related to the Company's cloud services, product costs associated with Jiobit location sharing devices and accessories, salaries, benefits, share-based compensation, IT and allocated overhead. The Company recognizes these expenses as they are incurred.

Costs Capitalized to Obtain Contracts

Costs capitalized to obtain contracts comprise of revenue-share payments to the Company's Channel Partners in connection with annual subscription sales of the Company's mobile application on each respective mobile application store platform. Costs that are incremental and directly related to new customer sales contracts in which revenue is deferred are accrued and capitalized upon execution of a non-cancelable customer contract, and subsequently expensed over the average life of the customer relationship, which is currently estimated to be two years. The Company has elected the practical expedient under ASC 340-4 to expense incremental costs of obtaining a contract if the amortization periods is one year or less.

Allowance for Doubtful Accounts

The Company makes judgments as to its ability to collect outstanding accounts receivable and provide allowances for accounts receivable when and if collection becomes doubtful. To date, the Company has not recorded any significant credit losses on customer accounts and it had no allowance for doubtful accounts as of December 31, 2021 and 2020.

Inventory

Inventory is comprised of raw materials and finished goods such as Jiobit location sharing devices and accessories. Inventory is stated using actual costing on a first-in, first-out basis. The Company assesses the valuation of inventory and periodically writes down the value for estimated excess and obsolete inventory based upon estimates of future demand and market conditions. The Company's inventory is held at third party warehouses and contract manufacturer premises.

Significant Risks and Uncertainties

The Company is subject to certain risks and uncertainties that could have a material and adverse effect on its future financial position or results of operations. The Company's customers are primarily individuals with smart phones, who subscribe to the Company's product offerings through market exchanges operated by channel partners and Data Revenue Customers. Any changes in customer preferences and trends or changes in terms of use of channel partners' platforms could have an adverse impact on its results of operations and financial condition.

Financial instruments that potentially subject the Company to significant concentrations of credit risk consist principally of cash, cash equivalents and accounts receivable. The Company limits its exposure to credit loss by placing cash and cash equivalents with a financial institution of high credit standing. Deposits of cash and cash equivalents may exceed the amount of insurance provided by the Federal Deposit Insurance Corporation ("FDIC") on these deposits.

The Company depends on the constant real-time performance, reliability and availability of our technology system and access to our partner's networks. The Company relies on a single technology partner for its cloud platform and a single contract manufacturer to assemble components of the Jiobit hardware device. Any adverse impacts to the platform and the contract manufacturer could negatively impact our relationships with our partners or Users and may adversely impact our business, financial performance and reputation.

The Company derives its accounts receivable from revenue earned from customers located in the United States and internationally. The Company does not perform ongoing credit evaluations of its customers' financial condition and does not require collateral from its customers. Historically, credit losses have been insignificant. Channel partners account for the majority of the Company's revenue and accounts receivable for all periods presented. Accounts receivable contains $1.9 million and $1.4 million of unbilled receivables as at December 31, 2021 and 2020, respectively.

The following table sets forth the information about our channel partners and customers who represented greater than 10% of our revenue or accounts receivable, respectively:

	Percentage of Revenue Year Ended December 31,		Percentage of Gross Accounts Receivable As of December 31,	
	2021	2020	2021	2020
Channel Partner A	57%	54%	48%	37%
Channel Partner B	18%	18%	14%	11%
Data Revenue Customer B	*	*	*	17%

* Represents less than 10%

Research and Development Costs

The Company charges costs related to research, design and development of products to research and development expense as incurred. These costs consist of payroll related expenses, contractor fees, outside third party vendors, and allocated facilities costs.

Advertising Expense

Advertising expense was $7.1 million and $6.7 million for the years ended December 31, 2021 and 2020, respectively. Advertising expenses are recorded in the period in which cost is incurred.

Cash and Cash Equivalents

The Company considers all highly liquid investment securities with remaining maturities at the date of purchase of three months or less to be cash equivalents. Cash and cash equivalents include deposit and money market funds.

Restricted Cash

Deposits of $0.4 million and $0.2 million, were restricted from withdrawal as of December 31, 2021 and 2020, respectively. The restriction is related to securing the Company's facility leases which expire in 2022 and 2024 in accordance with the operating lease agreements, as amended. The restrictions on these balances will be released in accordance with the operating lease agreements, as amended. These balances are included in Restricted Cash on the accompanying consolidated Balance Sheets.

Fair Value of Financial Instruments

The Company uses fair value measurements to record fair value adjustments to certain financial and non-financial assets and liabilities to determine fair value disclosures. The accounting standards define fair value, establish a framework for measuring fair value, and require disclosures about fair value measurements. Fair value is defined as the price that would be received from selling an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. When determining the fair value measurements for assets and liabilities required to be recorded at fair value, the principal or most advantageous market in which the Company would transact are considered along with assumptions that market participants would use when pricing the asset or liability, such as inherent risk, transfer restrictions, and risk of nonperformance. The accounting standard for fair value establishes a fair value hierarchy based on three levels of inputs, the first two of which are considered observable and the last unobservable, that requires an entity to maximize the use of observable inputs and minimize the use of unobservable inputs when measuring fair value. A financial instrument's categorization within the fair value hierarchy is based upon the lowest level of input that is significant to the fair value measurement.

The three levels of Inputs that may be used to measure fair value are as follows:

Level 1 – Observable inputs, such as quoted prices in active markets for identical assets or liabilities.

Level 2 – Observable inputs other than Level 1 prices, such as quoted prices for similar assets or liabilities, or other inputs that are observable or can be corroborated by observable market data for substantially the full term of the assets or liabilities.

Level 3 – Valuations based on unobservable inputs to the valuation methodology and including data about assumptions market participants would use in pricing the asset or liability based on the best information available under the circumstances.

For the years ended December 31, 2021 and 2020, the recorded carrying amounts of cash and cash equivalents, prepaid expenses, accounts payable, and accounts receivable approximates fair value due to their short-term nature. Refer to Note 7 "Fair Value Measurements" for further details.

Property and Equipment, net

Property and equipment are stated at cost less accumulated depreciation and amortization. Depreciation is computed using the straight-line method over the estimated useful lives of the respective assets. Equipment, computer software, furniture, and product manufacturing equipment have estimated useful lives ranging from three to ten years. Leasehold improvements are amortized on a straight-line basis over the lesser of the estimated useful life or the term of the lease with expected renewals.

Costs of maintenance and repairs that do not improve or extend the lives of the respective assets are expensed as incurred. When assets are retired or otherwise disposed of, the cost and related accumulated depreciation are removed from the balance sheet and the resulting gain or loss is reported in cost and expenses, net in the period realized.

Software Development Costs

For development costs related to internal use software projects, the Company capitalizes costs incurred during the application development stage. Costs related to preliminary project activities and post implementation activities are expensed as incurred. Internal-use software is amortized on a straight-line basis over its estimated useful life. The Company did not capitalize internal use software costs during the years ended December 31, 2021 and 2020 as the capitalizable costs were not material.

Lease Obligations

Operating lease right-of-use assets and lease liabilities are recognized at the present value of the future lease payments at commencement date. The interest rate implicit in the Company’s operating leases is not readily determinable, and therefore an incremental borrowing rate is estimated to determine the present value of future payments. The estimated incremental borrowing rate factors in a hypothetical interest rate on a collateralized basis with similar terms, payments, and economic environments. Operating lease right-of-use assets also include any prepaid lease payments and lease incentives.

Certain of the operating lease agreements contain rent concession, rent escalation, and option to renew provisions. Rent concession and rent escalation provisions are considered in determining the straight-line single lease cost to be recorded over the lease term. Single lease cost is recognized on a straight-line basis over the lease term commencing on the date the Company has the right to use the leased property. The lease terms may include options to extend or terminate the lease. The Company generally uses the base, non-cancellable, lease term when recognizing the lease assets and liabilities, unless it is reasonably certain that the renewal option will be exercised.

In addition, certain of the Company’s operating lease agreements contain tenant improvement allowances from its landlords. These allowances are accounted for as lease incentives and decrease the Company’s right-of-use asset and reduce single lease cost over the lease term. Refer to Note 9 for Leases disclosure.

Business Combinations

The Company uses best estimates and assumptions to assign a fair value to the tangible and intangible assets acquired and liabilities assumed in business combinations as of the acquisition date. These estimates are inherently uncertain and subject to refinement. During the measurement period, which may be up to one year from the acquisition date, adjustments to the fair value of these tangible and intangible assets acquired and liabilities assumed may be recorded, with the corresponding offset to goodwill. Upon the conclusion of the

measurement period or final determination of the fair value of assets acquired or liabilities assumed, whichever comes first, any subsequent adjustments are recorded to the Company's consolidated statements of operations and comprehensive loss.

Goodwill

Goodwill represents the excess of the purchase price in a business combination over the fair value of net tangible and intangible assets acquired. Goodwill amounts are not amortized but tested for impairment on an annual basis. There was no impairment of goodwill as of December 31, 2021.

Intangible Assets, net

Intangible assets, including acquired patents, trademarks, customer relationships, and acquired developed technology, are carried at cost and amortized on a straight-line basis over their estimated useful lives, with the exception of customer relationships which is amortized on an accelerated basis. The Company determines the appropriate useful life of the Company's intangible assets by measuring the expected cash flows of acquired assets.

Impairment of Long-Lived Assets

The Company assesses the impairment of long-lived assets, such as property and equipment subject to depreciation and acquired intangibles subject to amortization, when events or changes in circumstances indicate that their carrying amount may not be recoverable. Recoverability of assets to be held and used is measured by a comparison of the carrying amount of an asset to the estimated undiscounted future cash flows expected to be generated by the asset. If the carrying amount of an asset exceeds its estimated future cash flows, an impairment charge is recognized in the amount by which the carrying amount of the asset exceeds the fair value of the asset.

The Company reviews goodwill for impairment at least annually, or more frequently if events or changes in circumstances would more likely than not reduce the fair value of its single reporting unit below its carrying value.

Deferred Revenue

Deferred revenue consists primarily of payments received and accounts receivable recorded in advance of revenue recognition under the Company's subscription arrangements. The Company primarily invoices its customers for its subscription services arrangements in advance. Amounts anticipated to be recognized within one year of the balance sheet date are recorded as deferred revenue, current; the remaining portion is recorded as deferred revenue, noncurrent in the consolidated balance sheets.

Common Stock Warrants

The Company has issued freestanding warrants to purchase shares of common stock in connection with certain debt financing transactions. The warrants are recorded as equity instruments at the grant date fair value using the Black-Scholes option pricing model and are not subject to revaluation at each balance sheet date.

In addition, the Company has issued warrants in connection with the convertible note agreements. The warrants are recorded as equity instruments at the grant date fair value using the Black-Scholes option pricing model. The fair value has been recorded as a debt discount that is being amortized to interest expense under the straight-line method over the term of respective convertible notes.

Stock-Based Compensation

The Company has an equity incentive plan under which various types of equity-based awards including, but not limited to, incentive stock options, non-qualified stock options, restricted stock units, and restricted stock awards, may be granted to employees, nonemployee directors, and nonemployee consultants.

For all equity awards granted to employees, nonemployees and directors, the Company recognizes compensation expense based on the grant-date estimated fair values. The fair value of stock options is determined using the Black-Scholes option pricing model. For restricted stock units and restricted stock awards, the fair value is based on the grant date fair value of the award. The Company recognizes compensation expense for stock option awards, restricted stock units, and restricted stock awards on a straight-line basis over the requisite service period of the award, generally three to four years. Forfeitures are recorded as they occur.

In 2020, the Company granted a market performance award to an executive that is subject to time-based vesting requirements in which vesting is contingent upon the Company's achievement of certain market performance goals. The fair value of such performance awards was determined using a Monte Carlo simulation and is recognized under the accelerated attribution method over a four year period.

In 2021, the Company issued stock options and restricted stock that have performance-based vesting conditions. For awards that include a performance condition, if the performance condition is determined to be probable of being satisfied, the Company recognizes compensation expense related to such awards using the accelerated attribution method over the required performance period. If a performance condition is not probable of being met, no compensation cost is recognized. Refer to Note 15, "Equity Incentive Plan" for further details.

Income Taxes

The Company accounts for income taxes under the asset and liability method. The Company estimates actual current tax exposure together with assessing temporary differences resulting from differences in accounting for reporting purposes and tax purposes for certain items, such as accruals and allowances not currently deductible for tax purposes. These temporary differences result in deferred tax assets and liabilities, which are included in the Company's balance sheets. In general, deferred tax assets represent future tax benefits to be received when certain expenses previously recognized in the Company's statements of operations and comprehensive loss become deductible expenses under applicable income tax laws or when net operating loss or credit carryforwards are utilized. Accordingly, realization of the Company's deferred tax assets is dependent on future taxable income against which these deductions, losses and credits can be utilized.

The Company must assess the likelihood that the Company's deferred tax assets will be recovered from future taxable income, and to the extent the Company believes that recovery is not likely, the Company establishes a valuation allowance. The assessment of whether or not a valuation allowance is required often requires significant judgment including current and historical operating results, the forecast of future taxable income and on-going prudent and feasible tax planning initiatives.

The Company recognizes interest and penalties related to uncertain tax positions in income tax expense. During the years ended December 31, 2021 and 2020, the Company did not accrue any interest or penalties related to income tax positions.

Contingencies

From time to time, the Company may have certain contingent liabilities that arise in the ordinary course of business. The Company evaluates the likelihood of an unfavorable outcome in legal or regulatory proceedings to

which it is a party and records a loss contingency on an undiscounted basis when it is probable that a liability has been incurred and the amount of the loss can be reasonably estimated. These judgments are subjective and based on the status of such legal proceedings, the merits of the Company's defenses, and consultation with legal counsel. Actual outcomes of these legal proceedings may differ materially from the Company's estimates. The Company estimates accruals for legal expenses when incurred as of each balance sheet date based on the facts and circumstances known to the Company at that time.

Segment Information

Operating segments are defined as components of an enterprise about which separate financial information is available that is evaluated regularly by the enterprise's chief operating decision maker ("CODM"), or decision-making Company, in deciding how to allocate resources and in assessing performance. The Company's Chief Executive Officer is the CODM. The Company has concluded that it has two operating segments and one reportable segment.

Net Loss per Share

The Company computes basic and diluted net loss per share attributable to common stockholders in conformity with ASC 260, "Earnings per Share." Basic net loss per share attributable to common stockholders is calculated by dividing the net loss attributable to common stockholders by the weighted-average number of shares of common stock outstanding during the period without consideration for potentially dilutive securities as they do not share in losses. The diluted net loss per share attributable to common stockholders is computed giving effect to all potential dilutive common stock equivalents outstanding for the period. For purposes of this calculation, options to purchase common stock, common stock warrants, common stock convertible notes, and unvested restricted stock units are considered common stock equivalents but have been excluded from the calculation of diluted net loss per share attributable to common stockholders as the effect is antidilutive.

3. Impact of the COVID-19 Pandemic

On January 30, 2020, the World Health Organization (WHO) announced a global health emergency because of a new strain of coronavirus originating in Wuhan, China (the COVID-19 outbreak) and the risks to the international community as the virus spread globally beyond its point of origin. In 2021, as the administration of the vaccine program increased and cases declined, the Company continued to evaluate and refine our strategy to respond to the pandemic. Despite the uncertainty of the impact of the COVID-19 pandemic on our operational and financial performance, the Company has experienced positive performance as conditions improved.

The Company resumed paid user acquisition spend which was deliberately scaled back in response to COVID-19 in prior period and has expanded into new channels such as streaming TV. The Company considered the impact of COVID-19 on the assumptions and estimates used and determined that there were no material adverse impacts on the consolidated financial statements for the year ended December 31, 2021. As events continue to evolve and additional information becomes available, the Company's assumptions and estimates may change materially in future periods.

Paycheck Protection Program

The Company determined that the original eligibility requirements per the guidelines established by the U.S. federal government as part of the CARES Act for the Paycheck Protection Program (the "PPP") were met. As such, in April 2020, the Company received $3.1 million in loans from the PPP. Because the U.S. government subsequently changed its position and guidelines related to the PPP and publicly traded companies, the Company repaid the loans in May 2020.

4. Revenue

Revenue by geography is generally based on the address of the customer as defined in the Company's agreement. The following table sets forth revenue by geographic area (in thousands):

	Year Ended December 31,	
	2021	2020
United States	$ 100,857	$ 69,776
International*	11,786	10,879
Total Revenue	$ 112,643	$ 80,655

* Represents less than 10%

Subscription Revenue

The Company's subscription revenue includes related support and is comprised of Life360 mobile application subscription as well as subscription service plans for the Jiobit hardware tracking device. The Company's subscription contracts with customers are established at the point of mobile application download and purchase as indicated through acceptance of the Company's Standard Service Terms.

The cloud-based subscriptions are considered single combined performance obligations, consisting of multiple features that can be purchased separately, but which are bundled together and delivered to the customer as a combined output. The Company provides its customers with technical support along with unspecified updates and upgrades to the platform on an if and when available basis.

The subscription service plan for the Jiobit hardware tracking device is a distinct and separate performance obligation from the hardware. Subscription fees are fixed and recognized on a straight-line basis over the non-cancellable contractual term of the agreement, generally beginning on the date that the Company's service is made available to the customer.

Subscription revenue for the years ended December 31, 2021 and 2020 was $86.6 million and $58.5 million, respectively.

Other Revenue

Data Revenue

The Company's data revenue is comprised of Life360 data monetization arrangements with certain third parties established through Data Master Service Agreements (collectively, "Data MSAs"), which outline specific terms governing the access and use of data and related fees. The Company determines a contract to exist upon the mutual execution of a Data MSA.

Data revenue is recognized based on the Company's estimate of the total amount of variable consideration estimated without constraint using the expected value method. The Company relies primarily on the review of historical fees collected in developing an estimate of fees to be collected at contract inception and updates its estimates at each reporting date. Data revenue for the years ended December 31, 2021 and 2020 was $18.7 million and $16.0 million, respectively.

Partnership Revenue

Partnership revenue includes agreements with third parties to provide access to advertising on the Company's mobile platform. The Company receives a percentage of the advertising spend as a fee, which is recognized as revenue on a net basis. The variable amounts earned under partnership revenue arrangements are allocable to the month in which the advertising is placed, which is reset on a monthly basis. As such, the Company will recognize revenue monthly based on the advertising placed. Partnership revenue for the years ended December 31, 2021 and 2020 was $6.4 million and $6.0 million, respectively.

Hardware Revenue

The Company derives hardware revenue from sale of the Jiobit hardware location sharing devices and related accessories. For hardware and accessories, revenue is recognized at the time products are delivered. The Company offers limited rights of return and estimates reserves based on historical experience and records the reserves as a reduction of revenue and an accrued liability. Amounts billed to customers for shipping and handling are classified as revenue, and the Company's related shipping and handling costs incurred are classified as cost of revenue. Sales taxes collected from customers and remitted to respective governmental authorities are recorded as liabilities and are not included in revenue.

The Company's hardware and the embedded operating system / platform are one distinct performance obligation and separate from the subscription service plans for the Jiobit hardware tracking device. The Company's embedded operating system / platform is a component of the hardware that is integral to the functionality of the hardware and only together produce the essential functionality of the hardware.

The Company offers extended warranties and hardware protection plans that are recognized over the contractual service period (typically 1 to 2 years).

Hardware revenue for the years ended December 31, 2021 and 2020 was $1.0 million and $0 million, respectively.

5. Deferred Revenue

Deferred revenue, which is a contract liability, consists primarily of payments received and accounts receivable recorded in advance of revenue recognition under the Company's contracts with customers and is recognized as the revenue recognition criteria are met.

Deferred revenue consists of the following (in thousands):

As of December 31, 2021	Subscription revenue	Other revenue	Total
Beginning Balance	$ 11,686	$ 169	$ 11,855
Additions to deferred revenue	88,729	2,815	91,544
Recognized revenue in the period	(86,551)	(2,919)	(89,470)
Ending Balance	**$ 13,864**	**$ 65**	**$ 13,929**
As of December 31, 2020			
Beginning Balance	$ 11,043	$ 42	$ 11,085
Additions to deferred revenue	59,115	420	59,535
Recognized revenue in the period	(58,472)	(293)	(58,765)
Ending Balance	**$ 11,686**	**$ 169**	**$ 11,855**

6. Costs Capitalized to Obtain Contracts

The Company recognizes as an asset the incremental costs of obtaining a contract with a customer if the entity expects to recover those costs. The Company determined that its costs to obtain contracts were both direct and incremental. These costs are attributable to the Company's largest channel partners.

Renewal contracts are considered non-commensurate with new contracts as the Company pays a different commission rate for renewals. Accordingly, the guidance requires that specifically anticipated renewal periods should be taken into consideration in determining the required amortization period. Specifically, under the guidance of ASC 340-40, the Company is required to estimate the specifically anticipated renewals after the initial contract to which the initial commission asset relates. The total amortization period is then equal to the initial contractual term plus all specifically anticipated renewals that relate to the initial commission asset. Based upon its assessment of historical data and other factors, the Company concluded that its average customer life was approximately two years, which is used as the amortization period for all capitalized contract acquisition costs.

The following table represents a rollforward of the Company's Costs Capitalized to Obtain Contracts, net (in thousands)

	December 31, 2021	December 31, 2020
Beginning Balance	$ 3,950	$ 5,731
Additions to deferred commissions	1,713	3,210
Amortization of deferred commissions	(4,014)	(4,991)
Ending Balance	$ 1,649	$ 3,950
Costs Capitalized to Obtain Contracts, current	1,319	3,381
Costs Capitalized to Obtain Contracts, noncurrent	330	569
Total Costs Capitalized to Obtain Contracts	$ 1,649	$ 3,950

7. Fair Value Measurements

The Company measures and reports certain financial instruments as assets and liabilities at fair value on a recurring basis. These liabilities, consisting of convertible notes to purchase shares of the Company's common stock and contingent consideration, are considered Level 3 instruments.

The fair value of these instruments as of December 31, 2021 is classified as follows (in thousands):

	As of December 31, 2021		
	Level 1	Level 2	Level 3
Liabilities:			
Derivative liability (Note 11)	$ —	$ —	$ 1,396
Convertible notes (Note 8 and Note 10)	—	—	12,293
Contingent consideration (Note 8)	—	—	9,500
Total	**$ —**	**$ —**	**$23,189**

The Company had no instruments classified at fair value as of December 31, 2020.

The change in fair value of the convertible notes and contingent liability were as follows (in thousands):

	As of December 31, 2021		
	Derivative liability	Convertible notes (Note 8)	Contingent consideration
Fair value, beginning of the year	$ —	$ —	$ —
Issuance of derivative liability	663	—	—
Issuance of convertible notes	—	11,597	—
Issuance of revesting notes	—	186	—
Issuance of contingent consideration	—	—	5,900
Changes in fair value	733	510	3,600
Fair value, end of year	**$ 1,396**	**$ 12,293**	**$ 9,500**

The Company has recorded a loss associated with the change in fair value of the derivative liability and convertible notes of $0.7 million and $0.5 million, respectively which has been recorded in other (income)/expense in the consolidated statement of operations and comprehensive loss.

The Company has recorded a loss associated with the change in fair value of the contingent consideration of $3.6 million in general and administrative expense in the consolidated statement of operations and comprehensive loss.

8. Business Combination

On September 1, 2021, the Company completed the acquisition of Jiobit, a privately held consumer electronics company that specializes in the production of low powered sensors and wearables. The company is based in Chicago, Illinois with an additional development center in Silicon Valley, California and was founded in 2015. Jiobit has developed a small and long-lasting tracking solution. The mobile app, which is run through a wireless subscription service, offers a comprehensive set of monitoring and notification features. The addition of Jiobit is expected to strengthen and extend the Company's market leadership position by leveraging Jiobit's developed technology and customer relationships to accelerate the Company's own product development and augment the Company with a critical mass of talent with strong tracking/wearables experience. The aggregate purchase consideration was $43.2 million, of which $7.3 million was paid in cash, $5.9 million of contingent consideration was payable upon reaching certain operational goals for 2021 and 2022, $11.6 million representing the fair value of convertible notes (the "September 2021 Convertible Notes"), $4.0 million representing forgiveness of Jiobit's convertible debt held by the Company, $0.6 million comprised of 25,245 vested common stock options issued to Jiobit employees ("replacement awards"), and $13.8 million comprised of 674,516 shares of the Company's common stock. Of the consideration transferred, $0.2 million in cash was placed in an indemnity escrow fund to be held for 18 months after the acquisition date for general representations and warranties.

The September 2021 Convertible Notes issued as part of the purchase consideration can be converted to common stock at any time subsequent to the acquisition at a fixed conversion price of $22.50 per share. On each of the first three annual anniversaries of the issuance date of the September 2021 Convertible Notes, the Company will repay 1/3rd of the unconverted principal plus accrued interest to the holders of such notes. Upon a change of control, the holder may elect to either convert at the fixed conversion price of $22.50 per share or be repaid in full. The Company has elected the fair value option and will remeasure the September 2021 Convertible Notes at their fair value on each reporting date and reflect the changes in fair value in earnings. The estimated fair value

of the September 2021 Convertible Notes is determined using a combination of the present value of the cash flows and the Black-Scholes option pricing model using assumptions as follows:

	September 1, 2021	December 31, 2021
Principal	$ 11,206	$ 11,206
Interest rate	4.5%	4.5%
Common stock fair value per share	20.49	21.16
Conversion price per share	22.50	22.50
Risk-free interest rate	0.45%	0.88%
Time to exercise (in years)	3	2.7
Volatility	37%	43%
Annual dividend yield	0%	0%

The estimated fair value of the September 2021 Convertible Notes upon issuance was $11.6 million. The Company recorded $1,876 as general and administrative expense related to the change in the fair value of September 2021 Convertible Notes during the year ended December 31, 2021.

A total of $6.2 million was excluded from purchase consideration which consists of $1.9 million comprised of 91,217 shares of the Company’s common stock (“Revesting Stock” – Note 15) and $1.6 million comprised of convertible notes (“Revesting Notes”) issued to key employees, retention bonuses of $1.0 million, and $0.5 million comprised of 43,083 unvested common stock options issued to Jiobit employees (“Unvested Replacement Awards – Note 15). The Company incurred transaction related expenses of $1.0 million, which were expensed as incurred and recorded under general and administrative expenses in the consolidated statements of operations and comprehensive loss.

The Revesting Stock and Revesting Notes are restricted and vest with continuous employment of certain key employees over a 3-year period subsequent to the acquisition. The Revesting Stock is recognized in general and administrative as the Revesting Stock vests. The Company recorded $0.2 million as stock-based compensation included in general and administrative expense related to the vesting of the Revesting Stock for the year ended December 31, 2021.

The Company records the Revesting Notes at fair value and will remeasure the Revesting Notes at fair value on each reporting date. The Revesting Notes are recognized in general and administrative expense. As the Revesting Notes vest, the changes in fair value are recorded as general and administrative expense with a corresponding entry to convertibles notes. The estimated fair value of the Revesting Notes is determined using a combination of the present value of the Revesting Notes cash flows and the Black-Scholes option pricing model. The terms of the Revesting Notes are consistent with the terms of the September 2021 Convertible Notes. The Company recorded $0.2 million as general and administrative and a corresponding entry to convertible notes as a result of Revesting Notes vesting and $1,876 as general and administrative expense related to the changes in fair value of Revesting Notes during the year ended December 31, 2021.

The retention bonuses are recognized in the consolidated balance sheet and vest monthly over a period of 24 months and require continuous employment. The expense associated with the Unvested Replacement Awards is recognized as stock-based compensation ratably over the remaining service period.

The 2021 and 2022 contingent consideration is based on the achievement of a Qualifying Units Sold Target for the period January 1, 2021 through December 31, 2021 (“2021 Contingent Consideration”) and for the period

Life360, Inc.

Notes to Consolidated Financial Statements

January 1, 2022 through December 31, 2022 ("2022 Contingent Consideration", collectively, "Contingent Consideration"). The Contingent Consideration consists of 301,261 and 451,891 shares for 2021 and 2022, respectively, with the amount paid equal to the attainment relative to target in each year and settled in shares of the Company's common stock. The Contingent Consideration shares payable is determined based on the percentage achievement relative to the target in each period, respectively, with greater than 100% attainment resulting in 100% payment, 90% to 100% attainment resulting in the number of shares equal to the percentage attainment, and less than 90% attainment equal to no consideration. The Contingent Consideration is held at fair value with changes in fair value recognized in general and administrative expense. The estimated fair value of the Contingent Consideration is determined by using a Monte Carlo Simulation scenario-based analysis that estimates the fair value of the Contingent Consideration based on the probability-weighted present value of the expected future cash flows, considering possible outcomes based on actual and forecasted results. The estimated fair value of the 2021 and 2022 Contingent Consideration upon issuance was $0.1 million and $5.8 million, respectively. The Company recorded $3.6 million as general and administrative expense related to the change in the fair value of the Contingent Consideration during the year ended December 31, 2021.

The acquisition was accounted for as a business combination and the total purchase consideration was allocated to the net tangible and intangible assets and liabilities based on their fair values on the acquisition date and the excess was recorded to goodwill. The values assigned to the assets acquired and liabilities assumed are based on preliminary estimates of fair value available as of the date of these financial statements and may be adjusted during the measurement period of up to 12 months from the date of acquisition as further information becomes available. Any changes in the fair values of the assets acquired and liabilities assumed during the measurement period may result in adjustments to goodwill.

The assets acquired and liabilities assumed in connection with the acquisition were recorded at their fair value on the date of acquisition as follows (in thousands):

	September 1, 2021
Net tangible assets	$ 5,986
Intangible assets	8,400
Goodwill	30,363
Liabilities assumed	(1,551)
Total acquisition consideration	**$ 43,198**

The following table sets forth the components of identifiable intangible assets acquired and their estimated useful lives as of the date of acquisition:

	September 1, 2021	
	Total	Useful life (in years)
Developed technology	$4,030	5
Trade name	3,380	10
Customer relationship	990	10
Intangible assets	**$8,400**	

Goodwill represents the future economic benefits arising from other assets that could not be individually identified and separately recognized, such as the acquired assembled workforce of Jiobit. In addition, goodwill

represents the future benefits as a result of the acquisition that will enhance the Company's product available to both new and existing customers and increase the Company's competitive position. The goodwill is not deductible for tax purposes.

The Company estimated and recorded a net deferred tax liability of $0.1 million after offsetting the acquired available tax attributes with the intangible assets shown in the table above. Refer to Note 16 "Income Taxes" for discussion of the partial release of the Company's valuation allowance relating to the deferred tax liability.

The results of operations of Jiobit are included in the accompanying consolidated statements of operations and comprehensive loss from the date of acquisition.

9. Balance Sheet Components

Inventory

Inventory consists of the following (in thousands):

	December 31, 2021	December 31, 2020
Raw materials	$ 1,298	$ —
Finished goods	711	—
Total	**$ 2,009**	**$ —**

Prepaid Expenses and Other Current Assets

Prepaid expenses and other current assets consist of the following (in thousands):

	December 31, 2021	December 31, 2020
Prepaid expenses	$ 9,798	$ 9,997
Other receivables	792	20
Total	**$ 10,590**	**$ 10,017**

Prepaid expenses primarily consist of certain cloud platform and customer service program costs.

Property and Equipment, net

Property and equipment, net consists of the following (in thousands):

	December 31, 2021	December 31, 2020
Computer equipment	$ 479	$ 461
Leasehold improvements	923	921
Production manufacturing equipment	378	—
Furniture and fixtures	422	423
Total Property and equipment	2,202	1,805
Less accumulated depreciation	(1,622)	(1,004)
Property and equipment, net	**$ 580**	**$ 801**

Depreciation expense was $0.5 million and $0.5 million for the years ended December 31, 2021 and 2020, respectively.

Prepaid Expenses and Other Assets, noncurrent

Prepaid expenses and other assets, noncurrent consist of the following (in thousands):

	December 31, 2021	December 31, 2020
Prepaid expenses	$ 3,324	$ 2,154
Other assets	367	30
Total	**$ 3,691**	**$ 2,184**

Prepaid expenses primarily consist of cloud platform costs.

Leases

The Company currently leases real estate space under non-cancelable operating lease agreements for its corporate headquarters in San Francisco and San Diego, California and Chicago, Illinois. The operating leases have remaining lease terms ranging from 1 to 4 years, some of which include the option to extend the lease.

The Company has recognized operating ROU assets, short term and long term lease liabilities of $1.6 million, $1.6 million and $0.3 million in “Prepaid expenses and other assets, noncurrent”, “Accrued expenses and other liabilities” and “other noncurrent liabilities”, respectively, on the Company’s consolidated balance sheet as of December 31, 2021. As of December 31, 2021, the Company did not have any finance leases.

Operating lease costs were as follows (in thousands):

	Year Ended December 31,	
	2021	2020
Operating lease cost (1)	$ 1,470	$ 1,422

(1) Amounts include short-term leases, which are immaterial.

As of December 31, 2021, the weighted-average remaining term of the Company’s operating leases was 1.3 years and the weighted-average discount rate used to measure the present value of the operating lease liabilities was 4.75% as of adoption date of January 1, 2020.

Maturities of the Company’s operating lease liabilities, which do not include short-term leases, as of December 31, 2021 were as follows (in thousands):

	Operating leases
2022	$ 1,628
2023	237
2024	61
Total future minimum lease payments	1,926
Less imputed interest	(63)
Total liability	**$ 1,863**

Payments for operating leases included in cash from operating activities was $1.6 million for the year ended December 31, 2021.

Intangible Assets, net

Intangibles, net consists of the following (in thousands):

	December 31, 2021	December 31, 2020
Intellectual property	$ 225	$ 225
Licenses	237	237
Developed technologies	255	255
Trade name	3,380	—
Technology	4,030	—
Customer relationships	990	—
Total Intangible assets	9,117	717
Less accumulated amortization	(1,131)	(717)
Intangible assets, net	**$ 7,986**	**$ —**

Amortization expense was $0.4 million and $0.2 million for the years ended December 31, 2021 and 2020, respectively.

As of December 31, 2021, estimated remaining amortization expense for intangible assets by fiscal year is as follows (in thousands):

	Amount
2022	$1,243
2023	1,243
2024	1,243
2025 and beyond	4,257
Total	**$7,986**

The detail of intangible assets, net is as follows (in thousands):

As of December 31, 2021	Intellectual property	Licenses	Developed technologies	Trade name	Technology	Customer relationships
Total intangible assets	$ 225	$ 237	$ 255	$3,380	$ 4,030	$ 990
Less accumulated amortization	(225)	(237)	(255)	(113)	(268)	(33)
Intangible assets, net	**$ —**	**$ —**	**$ —**	**$3,267**	**$ 3,762**	**$ 957**

As of December 31, 2020	Intellectual property	Licenses	Developed technologies
Total intangible assets	$ 225	$ 237	$ 255
Less accumulated amortization	(225)	(237)	(255)
Intangible assets, net	**$ —**	**$ —**	**$ —**

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Goodwill

Goodwill consists of the following (in thousands):

	December 31, 2021	December 31, 2020
Beginning balance	$ 764	$ 764
Acquisitions	30,363	—
Ending balance	**$ 31,127**	**$ 764**

Accruals and Other Current Liabilities

Accruals and other current liabilities consist of the following (in thousands):

	December 31, 2021	December 31, 2020
Accrued vendor expenses	$ 7,478	$ 1,950
Accrued compensation	1,324	1,825
Other current liabilities	171	—
Lease liability	1,574	1,460
Total	**$ 10,547**	**$ 5,235**

Other Non-Current Liabilities

Other non-current liabilities consist of the following (in thousands):

	December 31, 2021	December 31, 2020
Other deposit liabilities	$ 916	$ 701
Lease liability	289	1,607
Total	**$ 1,205**	**$ 2,308**

10. Convertible Notes

In July 2021, the Company issued convertible notes (“July 2021 Convertible Notes”) to investors with an underlying principal amount of $2.1 million. The July 2021 Convertible Notes accrue simple interest at an annual rate of 4%, and mature on July 1, 2026. The July 2021 Convertible Notes may be settled under the following scenarios at the option of the holder: (i) at any time into common shares equal to the conversion amount of outstanding principal and any accrued but unpaid interest divided by the conversion price of $11.96; (ii) at the option of the holder upon a liquidation event a) paid in cash equal to the outstanding principal and any accrued but unpaid interest or b) into common shares equal to the conversion amount of outstanding principal and any accrued but unpaid interest divided by the conversion price of $11.96; or (iii) upon maturity, settlement in cash at the outstanding accrued interest and principal amount.

Certain conversion and redemption features of the July 2021 Convertible Notes were determined to not be clearly and closely associated with the risk of the debt-type host instrument and were required to be separately accounted for as derivative financial instruments. The Company bifurcated these embedded conversion and redemption (“embedded derivatives”) features and classified these as liabilities measured at fair value. The fair value of the derivative liability of $0.7 million was recorded separate from the July 2021 Convertible Notes with an offsetting

amount recorded as a debt discount. The debt discount is amortized over the estimated life of the debt using the straight-line method, as the value attributable to the July 2021 Convertible Notes was zero upon issuance.

As of December 31, 2021 the unamortized amount and net carrying value of the July 2021 Convertible Notes is $1.9 million and $0.2 million, respectively. The amount by which July 2021 Convertible Notes if-converted value exceeds its principal is $1.6 million as of December 31, 2021.

In connection with the July 2021 Convertible Notes, the Company issued warrants to purchase 88,213 shares of the Company's common stock with an exercise price of $0.01 per share and a term of one year (Warrant Tranche 1), 44,106 shares of the Company's common stock with an exercise price of $11.96 per share and a term of 5 years (Warrant Trance 2), and 44,106 shares of the Company's common stock which is exercisable starting twelve months from the issuance date with an exercise price of $11.96 per share and a term of 5 years (Warrant Tranche 3).

The fair value of the warrants was determined using the Black-Scholes option-pricing method, with the following assumptions:

	Warrants Tranche 1	Warrants Tranche 2	Warrants Tranche 3
Fair market value of common stock	$ 15.36	$ 15.36	$ 15.36
Expected dividend yield	— %	— %	— %
Risk-free interest rate	0.09%	0.89%	0.89%
Expected volatility	52.0%	47.4%	47.4%
Expected term (in years)	1	5	5

The warrants were recorded to additional paid-in capital during the year ended December 31, 2021. The relative fair value of the warrants issued in connection with the July 2021 Convertible Notes was $0.8 million, and was recorded as a debt discount that is being amortized to interest expense under the straight-line method over the term of respective convertible notes.

As a result of the beneficial conversion feature associated with the July 2021 Convertible Notes, $0.6 million was added to additional paid-in capital during the year ended December 31, 2021. The beneficial conversion feature was recorded as a debt discount and is being amortized to interest expense under the straight-line method over the term of the respective notes.

The Company recognized a total of $0.2 million in non-cash interest expense related to the July 2021 Convertible Notes during the year ended December 31, 2021.

The Company has also issued convertible notes, September 2021 Convertible Notes, in connection with an acquisition. Refer to Note 8 "Business Combinations" for further details.

Convertible notes, current and noncurrent consist of the following (in thousands):

	December 31, 2021	December 31, 2020
Convertible notes, current:		
September 2021 Convertible Notes	$ 4,160	$ —
Revesting Notes	62	—
Convertible notes, noncurrent:		
July 2021 Convertible Notes	213	—
September 2021 Convertible Notes	7,947	—
Revesting Notes	124	—
Total	**$ 12,506**	**$ —**

11. Derivative Liability

The Company's derivative liability represents embedded share-settled redemption features bifurcated from its July 2021 Convertible Notes and is carried at fair value. The changes in the fair value of the derivative liability are recorded in other (income)/expense of the Company's consolidated statements of operations and comprehensive loss.

Estimating fair values of derivative financial instruments requires the development of significant and subjective estimates that may, and are likely to, change over the duration of the instrument with related changes in internal and external market factors. Since derivative financial instruments are initially and subsequently carried at fair value, the Company's income will reflect the volatility in these estimate and assumption changes.

The features embedded in the July 2021 Convertible Notes are combined into one compound embedded derivative. The fair value of the embedded derivative was estimated based on the present value of the redemption discount applied to the principal amount of the July 2021 Convertible Notes adjusted to reflect the weighted probability of exercise. The discount rate was based on the risk-free interest rate.

Upon the issuance of the convertible notes, the Company recorded a derivative liability of $0.7 million at fair value using inputs classified as Level 3 in the fair value hierarchy. Refer to Note 7 for further details.

12. Commitments and Contingencies

Purchase Commitments

The Company has certain commitments from outstanding purchase orders primarily related to technology support, facilities, marketing and branding and professional services. These agreements, which total $11.0 million and $21.0 million for the years ended December 2021 and 2020, respectively, are cancellable at any time with the Company required to pay all costs incurred through the cancellation date.

Contingencies

From time to time, the Company may have certain contingent liabilities that arise in the ordinary course of business activities. The Company accrues a liability for such matters when it is probable that future expenditures will be made, and such expenditures can be reasonably estimated. The Company is not subject to any current pending legal matters or claims that would have a material adverse effect on its financial position, results of operations or cash flows.

Indemnification

The Company enters into standard indemnification agreements in the ordinary course of business. Pursuant to these arrangements, the Company indemnifies, holds harmless, and agrees to reimburse the indemnified parties for losses suffered or incurred by the indemnified party, in connection with any trade secret, copyright, patent or other intellectual property infringement claim by any third party with respect to its technology. The term of these indemnification agreements is generally perpetual after the execution of the agreement. The maximum potential amount of future payments the Company could be required to make under these agreements is not determinable because it involves claims that may be made against the Company in the future but have not yet been made. The Company has not incurred costs to defend lawsuits or settle claims related to these indemnification agreements.

The Company has entered into indemnification agreements with its directors and officers that may require the Company to indemnify its directors and officers against liabilities that may arise by reason of their status or service as directors or officers, other than liabilities arising from willful misconduct of the individual. No amounts associated with such indemnifications have been recorded to date.

13. Common Stock

As of December 31, 2021 and 2020, the Company was authorized to issue up to 100,000,000 shares of par value $0.001 per share common stock.

As of December 31, 2021 and 2020, the Company had 108,592 shares of common stock subject to the Company’s right to repurchase.

The Company has also issued shares of common stock as a result of stock option exercises throughout its existence. Common stockholders are entitled to dividends when and if declared by the Board of Directors. The holder of each share of common stock is entitled to one vote. The common stockholders voting as a class are entitled to elect three members to the Company’s Board of Directors. No dividends have been declared in the Company’s existence.

In December 2021, the Company issued a total of 7,779,014 common shares raising proceeds before issuance costs of $198.7 million.

The Company had reserved shares of common stock, on an as if converted basis, for issuance as follows:

As of December 31,	2021	2020
Issuances under stock incentive plan	6,972,376	7,794,313
Issuances upon exercise of common stock warrants	272,001	140,576
Issuances upon vesting of restricted stock units	2,523,122	2,299,417
Issuances of convertible notes	686,926	—
Shares reserved for shares available to be granted but not granted yet	4,071,403	2,507,307
	14,525,828	**12,741,613**

14. Warrants

As of December 31, 2021 and 2020, the Company had outstanding warrants to purchase 272,001 shares and 140,576 of Company common stock, respectively with exercise prices ranging from $0.01 to $11.96 and expiry dates ranging from 2022 to 2028. Refer to Note 10 “Convertible Notes” for further details.

15. Equity Incentive Plan

2011 Equity Incentive Plan

The Company’s 2011 Stock Plan was originally adopted by our Board of Directors on July 27, 2011 and our stockholders on October 11, 2011, and most recently amended by our Board on September 7, 2018 and our stockholders (as restated, the “Plan”). The Plan allows us to grant restricted stock units, restricted stock and stock options to employees and consultants of the Company and any of the Company’s parent, subsidiaries or affiliates, and to the members of our Board of Directors. Options granted under the Plan may be either incentive stock options or nonqualified stock options. Incentive stock options, or ISOs, may be granted only to employees of the Company or any of the Company’s parent or subsidiaries (including officers and directors who are also employees). Nonqualified stock options, or NSOs, may be granted to any person eligible for grants under our Plan.

Under the Plan, the Board of Directors determines the per share exercise price of each stock option, which for ISOs shall not be less than 100% of the fair market value of a share on the date of grant; provided that the exercise price of an ISO granted to a stockholder who at the time of grant owns stock representing more than 10% of the voting power of all classes of stock (a “10% stockholder”) shall not be less than 110% of the fair market value of a share on the date of grant.

The Board of Directors determines the period over which options vest and become exercisable. Options granted to new employees generally vest over a 4-year period: 25% of the shares vest on the first anniversary from the vesting commencement date of the option and an additional 1/48th of the shares vest on each monthly anniversary thereafter, subject to the employee’s continuous service through each vesting date. Options granted to continuing employees generally vest monthly over a 4-year period.

The Board of Directors also determines the term of options, provided the maximum term for ISOs granted to a 10% stockholder must be no longer than 5 years from date of grant and the maximum term for all other options must be no longer than 10 years from date of grant. If an option holder’s service terminates, options generally terminate 3 months from the date of termination except under certain circumstances such as death or disability.

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The following summary of stock option activity for the periods presented is as follows:

	Number of Shares Underlying Outstanding Options	Weighted Average Exercise Price per Share	Weighted Average Remaining Contractual Life (in Years)	Aggregate Intrinsic Value
Balance as of December 2019	8,580,697	$ 4.06	8.38	$ 24,576
Options granted	2,119,428	5.52		
Options exercised	(889,321)	1.66		4,772
Options cancelled/forfeited	(2,016,491)	5.71		
Balance as of December 31 , 2020	7,794,313	4.30	8.00	34,869
Options granted	1,416,329	13.05		
Options exercised	(1,056,352)	3.19		
Options cancelled/forfeited	(1,181,914)	7.85		
Balance as of December 31, 2021	6,972,376	5.61	6.71	108,426
Exercisable as of December 31, 2021	4,738,526	$ 4.15	6.74	$ 80,608

As of December 31, 2021 and 2020, the Company had 24,283,359 and 21,781,589 shares authorized for issuance under the Plan. As of December 31, 2021 and 2020, the Company had 4,071,403 shares and 2,507,307 shares available for issuance under the Plan. Stock options granted during the twelve months ended December 31, 2021 and 2020 had a weighted average grant date fair value of $12.65 and $4.91 per share, respectively.

The intrinsic values of outstanding, vested and exercisable options were determined by multiplying the number of shares by the difference in exercise price of the options and the fair value of the common stock as of December 31, 2021 and 2020 of $21.16 and $8.77 per share, respectively. The intrinsic value of the options exercised represents the difference between the exercise price and the fair market value on the date of exercise.

The following summary of Restricted Stock Units (RSU) activity for the periods presented is as follows:

	Number of Shares	Weighted average grant date fair value
Balance as of December 31, 2019	618,115	$ 7.20
RSU granted	2,398,274	6.31
RSU vested and settled	(440,883)	7.67
RSU cancelled/forfeited	(276,089)	6.24
Balance as of December 31, 2020	2,299,417	6.52
RSU granted	1,678,982	14.86
RSU vested and settled	(819,295)	17.04
RSU cancelled/forfeited	(635,982)	7.97
Balance as of December 31, 2021	**2,523,122**	**$ 11.53**

The number of RSU vested and settled includes shares of common stock that the Company withheld on behalf of employees to satisfy the minimum statutory tax withholding requirements.

Stock Options Granted to Employees

The fair value of the employee stock options granted is estimated using the Black-Scholes option-pricing model. The following weighted-average assumptions were used during the years ended December 31, 2021, and 2020:

	2021	2020
Expected terms (in years)	4.24	5.68
Expected volatility	49%	43%
Risk-free interest rate	0.68%	0.60%
Expected dividend rate	0%	0%

Fair Value of Common Stock: As the Company's stock is traded on the public market, the fair value on the date of the grant is used.

Expected Term: The expected term for employees is based on the simplified method, as the Company's stock options have the following characteristics: (i) granted at-the-money; (ii) exercisability is conditional upon service through the vesting date; (iii) termination of service prior to vesting results in forfeiture; (iv) limited exercise period following termination of service; and (v) options are non-transferable and non-hedgeable, or "plain vanilla" options, and the Company has limited history of exercise data. The expected term for non-employees is based on the remaining contractual term.

Expected Volatility: As the Company has limited historical trading data regarding the volatility of its common stock, the expected volatility is based on volatility of a Company of similar entities and the Company's trading data since IPO. In evaluating similarity, the Company considered factors such as industry, stage of life cycle and size. The Company will continue to analyze the historical stock price volatility and expected term assumptions as more historical data for the Company's common stock becomes available.

Risk-Free Interest Rate: The risk-free interest rate is based on U.S. Treasury constant maturity rates with remaining terms similar to the expected term of the options.

Expected Dividend Rate: The Company has never paid any dividends and does not plan to pay dividends in the foreseeable future, and, therefore, an expected dividend rate of zero is used in the valuation model.

Forfeitures: The Company accounts for forfeitures as they occur.

Stock-Based Compensation

Stock-based compensation expense was allocated as follows during the years ended December 31, 2021 and 2020 (in thousands):

	2021	2020
Cost of revenue	$ 522	$ 371
Research and development	7,457	5,504
General and administrative	3,207	1,792
Sales and marketing	752	424
Total stock based compensation expense	**$11,938**	**$8,091**

As of December 31, 2021, there was total unrecognized compensation cost for outstanding stock options of $7.0 million to be recognized over a period of approximately 2.6 years. As of December 31, 2020, there was total unrecognized compensation cost for outstanding stock options of $10.2 million to be recognized over a period of approximately 2.3 years.

As of December 31, 2021, there was unrecognized compensation cost for outstanding restricted stock units of $26.6 million to be recognized over a period of approximately 3.2 years. As of December 31, 2020, there was unrecognized compensation cost for outstanding restricted stock units of $16.2 million to be recognized over a period of approximately 3.2 years.

There were no capitalized stock-based compensation costs or recognized stock-based compensation tax benefits during the years ended December 31, 2021 and 2020.

Equity Awards Issued in Connection with Business Combination

In connection with the Jiobit transaction in September 2021, the Company issued 91,217 shares of restricted common stock with an aggregate fair value of $1.9 million to be recognized as post combination stock-based compensation ratably with continuous employment of certain employees over a 3-year period.

As of December 31, 2021, there was $1.7 million of unrecognized compensation expense related to this restricted common stock which is expected to be recognized over the remaining weighted average life of 2.7 years.

Additionally, the Company granted 43,083 service-based stock options under the Plan to certain Jiobit employees with an aggregate fair value of $0.5 million which vests ratably over the requisite service period. As of December 31, 2021, there was $0.5 million of unrecognized compensation expense related to unvested assumed stock options, which is expected to be recognized over the remaining weighted average life of 2.0 years.

16. Income Taxes

The Company has incurred net operating losses only in the United States since its inception.

An income tax benefit of $0.1 million was recorded for the year ended December 31, 2021, and no provision or benefit for income taxes was recorded for the year ended December 31, 2020. In accordance with ASC 805, a change in the acquirer's valuation allowance that stems from a business combination should be recognized as an element of the acquirer's income tax expense or benefit in the period of the acquisition. Accordingly, for the year ended December 31, 2021, the Company recorded a $0.1 million partial release of its valuation allowance and a corresponding income tax benefit stemming from the Jiobit acquisition.

The reconciliation of our effective tax rate to the U.S. statutory federal income tax rate was as follows:

	Year Ended December 31,	
	2021	2020
	(%)	(%)
Statutory federal income tax rate	21	21
Research and development tax credits	2	4
Stock-based compensation	6	3
Fair value adjustment	(3)	—
Permanent differences	(1)	—
Change in valuation allowance	(25)	(28)
Effective tax rate	—	—

The significant components of net deferred income tax assets were as follows (in thousands):

	Year Ended December 31,	
	2021	2020
Deferred tax assets:		
Reserves and allowances	$ 314	$ 309
Lease liability	432	721
Depreciable assets	157	147
Net operating loss carryforward	36,826	25,589
Stock-based compensation	2,561	1,805
Credits carryforward	8,017	6,035
Total deferred tax assets	48,307	34,606
Deferred tax liabilities:		
Right-of-use asset	(378)	(620)
Acquired intangibles	(1,018)	—
Total deferred tax liabilities	(1,396)	(620)
Less: Valuation allowance and other reserves	(46,911)	(33,986)
Net deferred tax asset	**$ —**	**$ —**

The Company has provided a full valuation allowance on the net deferred tax assets. The valuation allowance increased by $12.9 million during 2021 and $6.5 million during 2020.

At December 31, 2021, the Company had approximately $158.2 million and $53.8 million of federal and state net operating loss carryforwards, respectively, available to offset future taxable income. Such carryforwards expire in varying amounts beginning in 2031. The federal net operating loss carryforwards of $97.0 million arising after December 31, 2017 do not expire.

The Company also had federal and state research and development credit carryforwards of $7.4 million and $6.0 million, respectively. The federal tax credits expire in varying amounts beginning in 2034. The state tax credits do not expire.

The Tax Reform Act of 1986 limits the use of net operating loss carryforwards in certain situations where changes occur in the stock ownership of a Company. The annual limitation may result in the expiration of net operating losses and credits before utilization. The Company performed a Section 382 analysis through December 31, 2021. We do not expect any previous ownership changes (as defined under Sections 382 and 383 of the Internal Revenue Code of 1986, as amended) to result in a limitation that will materially reduce the total amount of net operating loss carryforwards and credits that can be utilized. Subsequent ownership changes may affect the limitation in future years.

The Company files income tax returns in the U.S. federal jurisdiction and various state jurisdictions. In the normal course of business, the Company is subject to examination by taxing authorities throughout the nation. The Company is not currently under audit by the Internal Revenue Service or other similar state and local authorities. All tax years remain open to examination by major taxing jurisdictions to which the Company is subject.

As of December 31, 2021 and 2020, the Company had $4.6 million and $3.6 million, respectively of gross unrecognized tax benefits related to federal and state research credits. As of December 31, 2021 all unrecognized tax benefits, if recognized, will not affect the Company's effective tax rate. The Company does not anticipate any unrecognized tax benefits in the next 12 months that would result in a material change to our financial position.

The aggregate changes in the balance of gross unrecognized tax benefits were as follows (in thousands):

Balance as of December 31, 2019	$	2,456
Additions based on tax positions related to 2020		1,128
Balance as of December 31, 2020	$	3,584
Additions based on tax positions related to 2021		1,004
Balance as of December 31, 2021	**$**	**4,588**

17. Related-Party Transactions

The Company has entered into secondary financing transactions and other transactions with certain executive officers and Board members of the Company. A summary of the transactions is detailed below:

Notes Due From Affiliates (Contra Equity)

In February 2016, the Company issued an aggregate of $0.6 million in secured partial recourse promissory notes ("partially secured loan") to the Chief Executive Officer, Non-Executive Director (Previously President), Chief Operating Officer and an officer of the Company. In November 2017, the Company issued an additional $1.2 million in partially secured loan with three executive officers.

The Company accounted for the 2016 and 2017 partially secured loan as consideration received for the exercise of the related equity award, because even after the original options are exercised or the shares are purchased, an employee could decide not to repay the loan if the value of the shares declines below the outstanding loan amount and could instead choose to return the shares in satisfaction of the loan. The result would be similar to an employee electing not to exercise an option whose exercise price exceeds the current share price. When shares are exchanged for a partially secured loan, the principal and interest are viewed as part of the exercise price of the "option" and no interest income is recognized. Additionally, compensation cost is recognized over any requisite service period, with an offsetting credit to additional paid-in capital. Periodic principal and interest payments, if any, are treated as deposit liabilities until the note is paid off, at which time, the note balance is settled and the deposit liability balance is transferred to additional paid-in capital. As of December 31, 2021 and 2020, the Company had deposit liability balances of $0.9 million, in connection with the 2016 and 2017 partially secured loan and other early exercises of equity awards. Principal amounts due under the 2016 and 2017 partially secured loan, or $0.9 million, are included in Notes Due From Affiliates as a reduction in stockholders' equity on the balance sheets.

Related Party Revenue

On July 11, 2017, the Company and ADT LLC ("ADT") which was a related party pursuant to ADT's ownership of shares of the Company's common stock, entered into the Master Services and Licensing Agreement under which ADT would receive a license to the Company's technology through an integrated mobile application offered by ADT to its end customers. Pursuant to the agreement, the Company and ADT would contribute their proprietary mobile application technology to develop ADT Anywhere Basic and ADT Anywhere Premium. The

Company was entitled to receive fees based on the number of active users on each mobile application platform.

The following table represents revenue and accounts receivable received from ADT (in thousands):

	Revenue		Accounts Receivable	
	Year Ended December 31,		As of December 31,	
	2021	2020	2021	2020
ADT	$ —	$ 195	$ —	$ 1

Other Related Party Transactions

Non-executive director, James Synge, is a Principal and Partner of Carthona Capital. During the years ended December 31, 2021 and 2020 cash payments of $31,000 and $30,063, respectively were paid to Carthona Capital for the directors' fees for a non-executive director. During the year ended December 31, 2021, the Company entered into a consultancy agreement with Carthona Capital. Under this agreement, Carthona Capital agreed to provide consultancy services to the Company in relation to capital raising matters. For the year ended December 31, 2021, Carthona Capital has received consideration of $100,000.

During the year ended December 31, 2021, a cash payment of $61,343 was paid to Pathzero for carbon emissions reporting. Non-executive director, James Synge, is a Principal and Partner of Carthona Capital which is a venture fund that has invested in Pathzero.

Annika Hulls is the spouse of the CEO and Executive Director, Chris Hulls. During the year ended December 31, 2021, a cash payment of $20,150 was paid to Annika Hulls for services relating to a marketing campaign.

18. Defined Contribution Plan

The Company sponsors a defined contribution plan under Section 401(k) of the Internal Revenue Code covering substantially all employees over the age of 21 years. Contributions made by the Company are voluntary and are determined annually by the Board of Directors on an individual basis subject to the maximum allowable amount under federal tax regulations. The Company has made no contributions to the plan since its inception.

19. Net Loss Per Share Attributable to Common Shareholders

The following table sets forth the computation of basic and diluted net loss per share attributable to common stockholders as of December 31, 2021 and 2020 (in thousands):

	As of	
	December 31, 2021	December 31, 2020
Net loss attributable to common shareholders	$ (33,557)	$ (16,334)
Weighted-average shares used in computing net loss per share attributable to common shareholders, basic and diluted	51,656	49,346
Net loss per share attributable to common shareholders, basic and diluted	**$ (0.65)**	**$ (0.33)**

The potential shares of 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 antidilutive as of December 31, 2021 and 2020 are as follows:

As of December 31,	2021	2020
Issuances under stock incentive plan	6,972,376	7,794,313
Issuances upon exercise of common stock warrants	272,001	140,576
Issuances upon vesting of restricted stock units	2,523,122	2,299,417
Issuances of convertible notes	686,926	—
Shares reserved for shares available to be granted but not granted yet	4,071,403	2,507,307
	14,525,828	**12,741,613**

20. Subsequent Events

The Company evaluated subsequent events through April 26, 2022.

Tile Acquisition

On January 5, 2022, the Company acquired all the ownership interests of Tile, Inc ("Tile") for a total consideration of up to $188.5 million. Tile is the provider of Bluetooth enabled devices that enable its customers to locate Tiled objects. The total consideration of up to $188.5 million is comprised of $158 million of cash, subject to customary adjustments, $15.5 million in shares of the Company's common stock, and contingent consideration of up to $15 million conditional on achieving certain financial hurdles. In addition, the Company has issued up to $35.0 million in retention equity awards for Tile employees.

Placer.ai Agreement

In January 2022, the Company executed a new partnership agreement with Placer.ai ("Placer"), a prominent provider of aggregated analytics for the retail ecosystem. As part of this partnership, Placer will provide valuable data processing and analytics services to Life360 and will have the right to commercialize aggregated data related to place visits during the term of the agreement. This partnership marked the beginning of Life360's exit from its legacy data sales model and transition to commercialize solely aggregated data. The Company has begun terminating existing relationship with certain legacy data sales partners. The Placer agreement includes a minimum revenue guarantee based on the size of the Life360's active user base for the duration of the three-year agreement.

Jiobit Contingent Consideration

In April 2022, the Board approved an amendment to the 2021 contingent consideration of the Jiobit acquisition. The 2021 contingent consideration has been amended to 50% of the total potential amount (376,576 shares of Life360 Common Stock in total).

Report of Independent Auditors

To the Management and Board of Directors of Tile, Inc.

We have audited the accompanying consolidated financial statements of Tile, Inc. and its subsidiaries, which comprise the consolidated balance sheets as of March 31, 2021 and 2020, and the related consolidated statements of operations and comprehensive loss, of stockholders' deficit and of cash flows for the years then ended.

Management's Responsibility for the Consolidated Financial Statements

Management is responsible for the preparation and fair presentation of the consolidated financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

Auditors' Responsibility

Our responsibility is to express an opinion on the consolidated financial statements based on our audits. We conducted our audits in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the consolidated financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the consolidated financial statements. The procedures selected depend on our judgment, including the assessment of the risks of material misstatement of the consolidated financial statements, whether due to fraud or error. In making those risk assessments, we consider internal control relevant to the Company's preparation and fair presentation of the consolidated financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the consolidated financial statements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion, the consolidated financial statements referred to above present fairly, in all material respects, the financial position of Tile, Inc. and its subsidiaries as of March 31, 2021 and 2020, and the results of their operations and their cash flows for the years then ended in accordance with accounting principles generally accepted in the United States of America.

Emphasis of Matter

As discussed in Note 1 to the consolidated financial statements, the Company changed the manner in which it accounts for revenue from contracts with customers in fiscal year 2021. Our opinion is not modified with respect to this matter.

/s/ PricewaterhouseCoopers LLP
San Jose, California
November 11, 2021

Tile, Inc.
Consolidated Balance Sheets
March 31, 2021 and 2020
(in thousands, except per share values)

	March 31,	
	2021	2020
Assets		
Current assets:		
Cash and cash equivalents	$ 35,587	$ 21,914
Restricted cash	400	—
Accounts receivable, net	7,780	6,108
Inventories	5,031	15,780
Deferred cost of revenue, current portion	3,677	3,257
Prepaid expenses and other current assets	2,667	4,935
Total current assets	55,142	51,994
Property and equipment, net	407	949
Intangible assets, net	322	537
Deferred cost of revenue, non-current portion	291	788
Other assets	385	522
Total assets	$ 56,547	$ 54,790
Liabilities, convertible preferred stock, and stockholders' deficit		
Current liabilities:		
Accounts payable	$ 6,296	$ 3,577
Deferred revenues	8,880	7,198
Accrued liabilities	12,308	11,263
Accrued product returns	898	1,988
Term loan, current portion	6,850	—
Other current liabilities	1,632	1,046
Total current liabilities	36,864	25,072
Long-term debt, non-current portion, net	13,455	17,137
Warrant liability	579	598
Deferred revenues, non-current portion	636	1,241
Other long-term liabilities	39	105
Total liabilities	$ 51,573	$ 44,153
Commitments and contingencies (Note 6)		
Redeemable convertible preferred stock: $0.0001 par value; 41,334 shares authorized as of March 31, 2021 and 2020; and 36,535 shares issued and outstanding as of March 31, 2021 and 2020, respectively (Liquidation value: $119,802 as of March 31, 2021 and 2020, respectively)	119,564	119,564
Stockholders' deficit:		
Common stock, 72,000 and 55,000 authorized shares, $0.0001 par value, 11,555 and 11,461 shares issued and outstanding as of March 31, 2021 and 2020	1	1
Additional paid-in capital	5,969	4,628
Accumulated deficit	(120,587)	(113,550)
Accumulated other comprehensive income (loss)	27	(6)
Total stockholders' deficit	(114,590)	(108,927)
Total liabilities, convertible preferred stock and stockholders' deficit	$ 56,547	$ 54,790

The accompanying notes are an integral part of these consolidated financial statements.

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Tile, Inc.
Consolidated Statements of Operations
Years Ended March 31, 2021 and 2020
(in thousands, except share and per share data)

	March 31,	
	2021	2020
Revenue		
Hardware	$82,333	$ 83,063
Subscriptions and other	11,676	7,460
Total revenue	$94,009	$ 90,523
Cost of revenue		
Cost of hardware	42,705	51,094
Cost of subscriptions and other	7,165	5,467
Total cost of revenue	49,870	56,561
Gross profit	44,139	33,962
Operating expenses:		
Research and development	20,547	18,667
Sales and marketing	17,943	25,343
General and administrative	10,569	8,153
Total operating expenses	49,059	52,163
Operating loss	$ (4,920)	$(18,201)
Interest expense	2,582	2,575
Loss on extinguishment of promissory note	—	516
Other (income)/expense, net	(401)	462
Loss before income tax (benefit) / expense	$ (7,101)	$(21,754)
Income tax (benefit)/expense	(64)	69
Net loss	$ (7,037)	$(21,823)

The accompanying notes are an integral part of these consolidated financial statements.

Tile, Inc.
Consolidated Comprehensive Statements of Operations
Years Ended March 31, 2021 and 2020
(in Thousands)

	March 31,	
	2021	2020
Net loss	$(7,037)	$(21,823)
Other comprehensive income (loss)		
Foreign currency adjustments	33	(6)
Comprehensive loss	$(7,004)	$(21,829)

The accompanying notes are an integral part of these consolidated financial statements.

Tile, Inc.
Consolidated Statements of Redeemable Convertible Preferred Stock and Stockholders' Deficit
Years Ended March 31, 2021 and 2020
(in thousands, except share data)

	Redeemable Convertible Preferred Stock		Common Stock		Additional Paid-In Capital	Accumulated Deficit	Accumulated Other Comprehensive Income (Loss)	Total Stockholders' Deficit
	Shares	Amount	Shares	Amount				
Balances as of March 31, 2019	**24,105**	**$ 72,841**	**11,282**	**$ 1**	**$ 3,414**	**$ (91,727)**	**$ —**	**$ (88,312)**
Exercise of stock options	—	—	179	—	126	—	—	126
Stock-based compensation expense	—	—	—	—	1,088	—	—	1,088
Issuance of Series C Preferred Stock at $3.7822, net of issuance costs of $290	11,065	41,562	—	—	—	—	—	—
Issuance of Series C-1 Preferred Stock at $3.7822, net of issuance costs of $0	1,365	5,161	—	—	—	—	—	—
Net loss	—	—	—	—	—	(21,823)	—	(21,823)
Cumulative translation adjustment	—	—	—	—	—	—	(6)	(6)
Balances as of March 31, 2020	**36,535**	**$ 119,564**	**11,461**	**$ 1**	**$ 4,628**	**$ (113,550)**	**$ (6)**	**$ (108,927)**
Exercise of stock options	—	—	93	—	66	—	—	66
Stock-based compensation expense	—	—	—	—	1,275	—	—	1,275
Net loss	—	—	—	—	—	(7,037)	—	(7,037)
Cumulative translation adjustment	—	—	—	—	—	—	33	33
Balances as of March 31, 2021	**36,535**	**$ 119,564**	**11,554**	**$ 1**	**$ 5,969**	**$ (120,587)**	**$ 27**	**$ (114,590)**

The accompanying notes are an integral part of these consolidated financial statements.

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Tile, Inc.
Consolidated Statements of Cash Flows
(in thousands)

	March 31,	
	2021	**2020**
Operating activities		
Net loss	$ (7,037)	$ (21,823)
Adjustments to reconcile net loss to net cash used in operating activities		
Depreciation and amortization	939	1,319
Amortization of debt issuance costs	662	—
Stock-based compensation	1,275	1,088
Loss on extinguishment of promissory note	—	516
Interest on the conversion of promissory note to preferred stock	—	39
Loss on disposal of property and equipment	—	(23)
Changes in assets and liabilities:		
Accounts receivable, net	(1,672)	4,728
Inventories	10,749	(9,049)
Deferred cost of revenue	77	(1,070)
Prepaid expenses and other current assets	2,268	(3,304)
Other assets	137	(320)
Accounts payable	2,725	(10,244)
Deferred revenue	1,077	1,902
Accrued liabilities	1,045	4,176
Accrued product returns	(1,090)	1,440
Other liabilities	520	(1,890)
Net cash provided by/(used in) operating activities	11,675	(32,515)
Investing activities		
Purchase of property and equipment	(182)	(1,146)
Net cash used in investing activities	(182)	(1,146)
Financing activities		
Proceeds from issuance of Series C preferred stock, net of issuance costs	—	41,562
Proceeds from issuance of promissory note	—	4,606
Payments on working capital line of credit, net	—	(2,335)
Proceeds from term loan	—	18,988
Repayment on term loan	—	(12,892)
Proceeds from PPP loan	2,506	—
Debt issuance costs on term loan	—	(1,851)
Warrants on borrowings on term loan	(19)	598
Proceeds from exercise of employee stock options	66	126
Net cash provided by financing activities	2,553	48,802
Foreign currency effect on cash and cash equivalents	27	(6)
Net increase in cash and cash equivalents	14,046	15,141
Cash, cash equivalents and restricted cash at beginning of year	21,914	6,779
Cash, cash equivalents and restricted cash at end of year	$ 35,987	$ 21,914
Reconciliation of cash, cash equivalents, and restricted cash to the consolidated cash and cash equivalents	$ 35,587	$ 21,914
Restricted cash	400	—
Total cash, cash equivalents, and restricted cash	$ 35,987	$ 21,914
Supplemental cash flow information		
Cash paid for interest	$ 1,838	$ 1,964
Cash paid for income taxes	$ 167	$ 68
Supplemental disclosure of noncash financing and investing activities		
Conversion of promissory note to 1,364,564 shares of Series C-1 convertible preferred	$ —	$ 4,645

The accompanying notes are an integral part of these consolidated financial statements.

Tile, Inc.

Notes to the Consolidated Financial Statements

1. Description of the Business and Basis of Presentation

Business

Tile, Inc. (“Tile” or the “Company”) was incorporated in September 2012, in the state of Delaware. Tile is a smart location company. Tile’s product is a Bluetooth enabled device that works in tandem with the Tile Application (the “Application”), available on iOS or Android, to enable its customers to locate Tiled objects. The Tile itself operates like a buoy, transmitting a beacon that can be received by any phone or tablet with the Application installed. Operating in the background, the Application routinely uploads location information to a centralized server that maps the last location a Tile was seen. When a Tiled item is lost, a user may utilize the Application to ring the Tile if within Bluetooth range, access a map to identify the last known location of the Tile, or report a lost Tile to the server and ask the Tile community to help search for the lost item. Tile is based in San Mateo, California.

Basis of Presentation and Consolidation

The consolidated financial statements and accompanying notes have been prepared in accordance with accounting principles generally accepted in the United States of America (U.S. GAAP) and include the accounts of Tile, Inc. and its subsidiaries, Tile Europe Ltd and Tile Network Canada ULC. All inter-company transactions and balances have been eliminated.

Risks and Uncertainties

The Company’s business, operations, and financial results are subject to various risks and uncertainties, including adverse global economic conditions, including novel coronavirus (COVID-19), and competition in our industry that could adversely affect our business, financial condition, results of operations and cash flows. These important factors, among others, could cause our actual results to differ materially from any future results.

The ongoing and full extent of the impact of the COVID-19 pandemic on the Company’s business, operational, and financial performance is uncertain and will depend on many factors outside the Company’s control. Should the COVID-19 pandemic or global economic slowdown not improve or worsen, or if the Company’s attempt to mitigate its impact on its operations and costs is not successful, the Company’s business, results of operations, financial condition and prospects may be adversely affected.

The Company has financed its operations to date primarily with proceeds from the term loan facility. The Company’s long-term success is dependent upon its ability to successfully market its products and services; generate revenue; maintain or reduce its operating costs and expenses; meet its obligations; obtain additional capital when needed; and ultimately, achieve profitable operations. Management believes that existing cash and investments as of March 31, 2021 will be sufficient to fund operating and capital expenditure requirements.

2. Summary of Significant Accounting Policies

Use of Estimates

The preparation of consolidated financial statements in conformity with U.S. GAAP requires management to make certain estimates, judgments, and assumptions that affect the reported amounts of assets and liabilities and the related disclosures at the date of the consolidated financial statements, as well as the reported amounts of revenues and expenses during the periods presented. Estimates are used for determining the selling prices for elements sold in multiple-element arrangements, period over which revenue is recognized for certain arrangements, estimated delivery dates for orders with title transfer upon delivery, allowance for doubtful accounts, product returns, promotional and

marketing allowances, stock-based compensation, inventory valuation, fair value of stock awards issued, useful lives of property and equipment, uncertain income tax positions, and income tax valuation allowance. To the extent there are material differences between these estimates, judgments, or assumptions and actual results, the Company's consolidated financial statements will be affected.

Revenue from Contracts with Customers

On April 1, 2020, the Company adopted the new accounting standards codification ("ASC") 606, *Revenue from Contracts with Customers*, for all open contracts and related amendments using the full retrospective method. The Company recognizes revenue in accordance with ASC 606, the core principle of which is that an entity should recognize revenue to depict the transfer of promised goods or services to customers in an amount that reflects the consideration to which the entity expects to be entitled to receive in exchange for those goods or services. To achieve this core principle, five basic criteria must be met before revenue can be recognized:

- Identification of the contract, or contracts, with a customer;
- Identification of the performance obligations in the contract;
- Determination of the transaction price;
- Allocation of the transaction price to the performance obligations in the contract; and
- Recognition of revenue when, or as, the Company satisfies a performance obligation.

The majority of the company's revenue is comprised of Tile hardware device sales. The Company recognizes hardware revenue in the consolidated statement of operations when it satisfies performance obligations under the terms of its contracts and upon transfer of control at a point in time when title transfer either upon shipment to or receipt by the customer as determined by the contractual shipping terms of the contract, net of accrual for estimated sales returns and allowances. The next largest stream is made up of the Company's Premium Subscription, which is a monthly subscription allowing the user to have smart alerts, unlimited sharing, location history, battery replacement, premium customer support and more. The remaining revenue streams are immaterial.

The Company offers its software under a cloud-based delivery model, where it provides access to its software on a hosted basis as a service and customers do not have the contractual right to take possession of the software. All of the Company's revenue and trade receivables are generated from contracts with customers. Revenue is recognized when control of the promised services is transferred to the Company's customers at an amount that reflects the consideration the Company expects to be entitled to in exchange for those services.

Performance Obligations

A performance obligation is a promise in a contract to transfer a distinct good or service to the customer and is the unit of account under Topic 606. The transaction price is allocated to each distinct performance obligation recognized as revenue when, or as, the performance obligation is satisfied by transferring the promised good or service to the customer. The Company identifies and tracks the performance obligations at contract inception so that the Company can monitor and account for the performance obligations over the life of the contract.

The Company's sales arrangements typically contain multiple performance obligations, consisting of the hardware sale, application usage, hardware support, and in some cases, the Premium Subscription. For arrangements with multiple performance obligations where the contracted price differs from the standalone selling price ("SSP") for any distinct good or service, the Company may be required to allocate the transaction price to each performance obligation using its best estimate for the SSP. For B2B hardware sales, the Company will estimate the expected consideration amount after credits and discounts.

Tile, Inc.

Notes to the Consolidated Financial Statements

The Company generally offers a limited warranty to end-users covering a period of twelve months for products and obligates the Company to repair or replace products for manufacturing defects or hardware component failures. The warranty is not sold separately and does not represent a separate performance obligation. Therefore, such warranties are accounted for under ASC 460, *Guarantees*, and the estimated costs of warranty claims are generally accrued as cost of revenue in the period the related revenue is recorded. See Note 6 – Commitments and Contingencies for further details.

Revenue from the Company's Premium Subscription continues to generally be recognized as the Company transfers control of its services to its customers (i.e. over time), which approximates the previously used revenue recognition method of accounting used by the Company. Tile's Premium Subscription contracts are recognized ratably over the subscription term. Sales of hardware device will have point-in-time with a portion of the consideration being allocated to application usage (maintenance) and support.

More judgments and estimates are required under Topic 606 than were required under Topic 605. Due to the complexity of certain contracts, the actual revenue recognition treatment required under Topic 606 for the Company's arrangements may be dependent on contract-specific terms and may vary in some instances.

Customer payment terms vary by arrangement although payments are typically due within 15—45 days of invoicing. The timing between the satisfaction of the performance obligations and the payment is not significant and the Company currently does not have any significant financing components or significant payment terms.

Remaining Performance Obligations

Remaining performance obligations represent the amount of contracted future revenue not yet recognized as the amounts relate to undelivered performance obligations, including both deferred revenue and non-cancelable contracted amounts that will be invoiced and recognized as revenue in future periods. Revenue expected to be recognized from remaining performance obligations is primarily expected to be recognized over the next twelve months.

Practical Expedients and Exemptions

There are several practical expedients and exemptions allowed under Topic 606 that impact timing of revenue recognition and the Company's disclosures. Below is a list of practical expedients the Company applied in the adoption and application of Topic 606:

- The Company does not evaluate a contract for a significant financing component if payment is expected within one year or less from the transfer of the promised items to the customer.
- The Company generally expenses sales commissions when incurred when the amortization period would have been one year or less. These costs are recorded within selling, general, and administrative in the Statement of Operations.
- The Company is permitted to recognize revenue at the amount to which it has the right to invoice for services performed if the Company's right to payment is for an amount that corresponds directly with the value provided to the customer.
- The Company was not required to restate revenue from contracts that began and were completed within the same annual reporting period. The Company did not apply this practical expedient if a contract extended between two annual reporting periods.

Tile, Inc.

Notes to the Consolidated Financial Statements

- For completed contracts that had variable consideration, the Company used the transaction price at the date the contract was completed rather than estimating the variable consideration amounts in the comparative reporting periods.
- For contract modifications, the Company reflected the aggregate effect of all modifications that occurred prior to the adoption date when identifying the satisfied and unsatisfied performance obligations, determining the transaction price and allocating the transaction price to satisfied and unsatisfied performance obligations for the modified contract at transition.

Deferred Revenue

Deferred revenue primarily consists of billings or payments received in advance of revenue recognition from services described above and is recognized as the revenue recognition criteria are met. Deferred revenue that will be recognized during the succeeding 12-month period is recorded as current deferred revenue and the remaining portion is recorded as noncurrent.

Contract Costs

The Company has determined that the only incremental costs incurred to obtain contracts with customers within the scope of Topic 606 are sales commissions paid to its employees on hardware sales. The expected cost recovery period on sales commissions is less than one year. As a practical expedient, the incremental costs of obtaining a contract may be expensed when incurred if the amortization period of the asset that the entity otherwise would have recognized is one year or less.

Segment Reporting

The Company operates as one reportable and operating segment because its chief operating decision maker ("CODM"), which is its Chief Executive Officer, reviews its financial information on a consolidated basis for purposes of making decisions regarding allocating resources and assessing performance. The Company has no segment managers who are held accountable by the CODM for operations, operating results, and planning for levels of components below the consolidated unit level. The Company's long-lived assets, which are comprised of property and equipment, are based in the United States and China.

The Company sells its products and services worldwide and attributes revenue to the geography where the product was shipped to and services provided as it believes it best depicts how the nature, amount, timing, and uncertainty of revenue and cash flows are affected by economic factors (presented in thousands).

	Year ended March 31,			
	2021		2020	
	Hardware	Subscription and other	Hardware	Subscription and other
North America, including United States	$ 71,726	$ 9,249	$ 72,227	$ 6,049
Europe, Middle East, and Africa	7,903	1,023	7,804	761
Asia and Pacific	2,704	1,404	3,032	650
Total	$ 82,333	$ 11,676	$ 83,063	$ 7,460

Tile, Inc.

Notes to the Consolidated Financial Statements

Cash and Cash Equivalents

The Company considers highly liquid investments with original maturities of three months or less to be cash equivalents. Cash and cash equivalents consist principally of demand deposits and money market funds and are held with a domestic financial institution with a high credit standing.

Restricted Cash

Restricted cash relates to cash deposits restricted under letters of credit issued on behalf of the Company in support of indebtedness to trade creditors incurred in the ordinary course of business.

Fair Value Measurements

Assets and liabilities recorded at fair value on the consolidated balance sheets are categorized based upon the level of judgment associated with inputs used to measure their fair value. The categories are as follows:

Level 1 – Inputs are unadjusted quoted prices in active markets for identical assets or liabilities.

Level 2 – Inputs are quoted prices for similar assets or liabilities in active markets or inputs that are observable for the assets or liabilities, either directly or indirectly through market corroboration, for substantially the full term of the financial instruments.

Level 3 – Inputs are unobservable based on the Company's own assumptions used to measure assets and liabilities at fair value. The inputs require significant management judgment or estimation.

The Company's Cash and cash equivalents (including its money market funds), Accounts receivable, and Prepaid expenses and other current assets and Other liabilities as of March 31, 2021 and 2020, are equal to their carrying value due to the short-term nature of those assets and liabilities. Investments in money market funds are classified within Level 1 because they are valued using quoted market prices. The fair value for long-term debt is estimated based upon discounted future cash flows at prevailing market interest rates. Based on this, the Company believes the fair value of long-term debt approximates its carrying value as of March 31, 2021 and 2020. There were no transfers of assets and liabilities between levels in the fair value hierarchy during the years ended March 31, 2021 and 2020.

Accounts Receivable and Allowance for Doubtful Accounts

Accounts receivable is recorded at the invoiced amount and are non-interest-bearing. The Company evaluates the collectability of its Accounts receivable based on review of its past-due balances, known collection risks and historical experience. In circumstances where the Company is aware of a specific customer's potential inability to meet its financial obligations to the Company (e.g., bankruptcy filings or substantial downgrading of credit ratings), the Company records a specific reserve for bad debts against amounts due to reduce the net recognized receivable to the amount it reasonably believes will be collected. The Company also incurs "chargebacks" (reversal of payment) from credit card vendors for unauthorized transactions. These chargebacks and the reserve for uncollectable amounts are expensed as a bad debt expense based upon management's estimates. Bad debt expense totaled less than $0.1 million for the year ended March 31, 2021 and a benefit of $0.6 million was recognized for the year ended March 31, 2020 as a result of reversal of prior bad debt reserve. These amounts were presented as General and administrative expense. The Allowance for doubtful accounts was $0.1 million as of March 31, 2021 and 2020, respectively.

Tile, Inc.

Notes to the Consolidated Financial Statements

Inventory and Contract Manufacturing

Inventory is stated at the lower of cost or net realizable value. Cost is computed on a weighted average basis. The determination of market value requires the use of numerous judgments including estimated average selling prices based upon recent sales volumes, industry trends, existing customer orders and current contract prices. These estimates are dependent on the Company's assessment of current and expected orders from its customers. The Company evaluates its ending inventories for excess quantities and obsolescence primarily based on forecasted demand within specific time horizons and technological obsolescence. The estimate for excess and obsolete inventory is recorded to Cost of revenue when identified.

The Company outsources all of its manufacturing to independent contract manufacturers in China. A significant portion of its Cost of revenue consists of inventory purchased from these manufacturers. The Company's manufacturers procure components and manufacture the Company's products based on the demand forecasts provided. These forecasts are based on estimates of future demand for the Company's products, which are in turn based on historical trends and an analysis from the Company's sales and marketing organizations, adjusted for overall market conditions. Shipments of inventory from the contract manufacturer are recorded as finished goods inventory upon shipment when title and the significant risks and rewards of ownership have passed to the Company.

Property and Equipment, Net

Property and equipment are stated at cost less accumulated depreciation and amortization. Property and equipment are depreciated for financial reporting purposes using the straight-line method over the estimated useful lives of the assets, which are between one and five years. Amortization of leasehold improvements is computed using the shorter of the estimated useful life or the remaining lease term. Maintenance and repairs that do not extend the life or improve the asset are expensed in the year incurred.

Property and equipment are reviewed for impairment whenever events or changes in circumstances indicate the carrying amount of an asset may not be recoverable. Recoverability of these assets is measured by a comparison of the carrying amounts to the future undiscounted cash flows the assets are expected to generate. If Property and equipment are considered to be impaired, the impairment to be recognized equals the amount by which the carrying value of the asset exceeds its fair value. No impairment to any long-lived assets has been recorded in any of the periods presented.

Website and Mobile Application Development Costs

The Company evaluates the costs to develop its website and mobile application to determine whether the costs meet the criteria for capitalization. Costs related primarily to project activities and post implementation activities are expensed as incurred. As of March 31, 2021, and 2020, the Company had not capitalized any costs related to the development of its website or mobile application.

Concentration of Credit Risk

Financial instruments that potentially subject the Company to concentrations of credit risk consist principally of trade accounts receivable.

The Company performs ongoing credit evaluations of its customers to assess the probability of accounts receivable collection based on several factors, including past transaction experience with the customer, evaluation of their credit history, and review of the invoicing terms of the contract. The Company generally does not require collateral. The Company maintains reserves for potential credit losses on customer accounts when deemed necessary. In FY 2021, the Company secured a policy to insure 90% of the accounts receivable balance to mitigate losses.

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As of March 31, 2021, the Company had three customers that accounted for 54%, 14%, and 11% of total accounts receivable. As of March 31, 2020, the Company had four customers that accounted for 22%, 17%, 14% and 12% of total accounts receivable. No other customer accounted for more than 10% of accounts receivable as of March 31, 2021 and 2020.

Customer Concentration

During the year ended March 31, 2021, the Company had one customer that accounted for 59% of revenue. For the year ended March 31, 2020, the Company had one customer that accounted for 45% of revenue. No other customers accounted for more than 10% of net revenues for the years ended March 31, 2021 and 2020.

Cost of Revenue

Cost of revenue for hardware consists of raw materials costs and associated freight, contract manufacture costs, overhead and other direct costs related to those sales recognized as product revenue in the period. Period costs include logistics costs, manufacturing ramp-up costs, personnel costs, warranty obligations and stock-based compensation. Provision costs consist of adjustments for inventory obsolescence and to reflect the lower of cost or net realizable value. Both period and provision costs are recognized in the period in which they are incurred.

Cost of revenue for subscriptions includes hosting, payment processor fees, allocated overhead costs, and customer support service costs.

Deferred Revenue and Deferred Cost of Revenue

Deferred revenue includes two components: 1) customer payments for sales orders that have yet to be delivered; and 2) sales orders pending completion of services (i.e., Application and server connectivity or remaining Premium subscription term). Current Deferred revenue relating to these items was $8.9 million and $7.2 million as of March 31, 2021 and 2020, respectively. The non-current portion of Deferred revenue was $0.6 million and $1.2 million as of March 31, 2021 and 2020, respectively. Deferred costs are recognized as cost of revenues in the same period that the related revenues are recognized.

Research and Development Costs

Research and development costs include labor and material costs of building and developing prototypes for new products, as well as design and engineering costs. Such costs are charged to Research and development expense as incurred.

Advertising Expenses

Advertising costs consist of costs associated with print, television and e-commerce media advertisements and are expensed as incurred. Total advertising expenses incurred were $7.3 million and $11.9 million for the years ended March 31, 2021 and 2020, respectively, and presented in Sales and marketing expense.

Stock-Based Compensation

Stock-based compensation granted to employees, including grants of employee stock options, are recognized in the statements of operations based on their fair values. The Company recognizes stock-based compensation on a straight-line basis using the single-option attribution method over the service period of the award, which is

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generally four years, net of actual forfeitures. The Company estimates the fair value of employee stock options using the Black-Scholes valuation model. The determination of the fair value of a stock-based award is affected by the deemed fair value of the underlying stock price on the grant date, as well as other assumptions including the risk-free interest rate, the estimated volatility of the Company's stock price over the term of the awards, the estimated period of time that the Company expects employees to hold their stock options, and the expected dividend rate.

Income Taxes

The Company accounts for income taxes under the asset and liability method, which requires the recognition of deferred tax assets and liabilities for temporary differences between the consolidated financial statement and tax basis of assets and liabilities using the enacted tax rates in effect for the years in which the differences are expected to reverse. The effect on deferred taxes of a change in income tax rates is recognized in the statements of operations in the period that includes the enactment date. Valuation allowances are established when necessary to reduce deferred tax assets to the amounts that are more likely than not to be recognized.

The Company recognizes tax benefits from uncertain tax positions only if it believes that it is more likely than not that the tax position will be sustained on examination by the taxing authorities based on the technical merits of the position. The tax benefits recognized in the consolidated financial statements from such positions are then measured based on the largest benefit that has a greater than 50% likelihood of being realized upon settlement.

Net Loss per Share

Basic net loss per share is calculated by dividing net loss by the weighted-average number of common shares outstanding during the period, without consideration of common stock equivalents. Diluted net loss per share is computed by dividing net loss by the weighted-average number of common share equivalents outstanding for the period determined using the treasury stock method. Potentially dilutive securities, consisting of preferred stock, options to purchase common stock, common stock warrants, and restricted stock units are considered to be common stock equivalents and were excluded from the calculation of diluted net loss per share because their effect would be antidilutive for all periods presented.

New Accounting Pronouncements

In May 2014, the Financial Accounting Standards Board ("FASB") issued Accounting Standards Update ("ASU") No. 2014-09, Revenue from Contracts with Customers (Topic 606), which superseded nearly all existing revenue recognition guidance. Under ASU 2014-09, an entity is required to recognize revenue upon transfer of promised goods or services to customers in an amount that reflects the expected consideration received in exchange for those goods or services. ASU No. 2014-09 defines a five-step process in order to achieve this core principle, which may require the use of judgment and estimates, and also requires expanded qualitative and quantitative disclosures related to the nature, amount, timing and uncertainty of revenue and cash flows arising from contracts with customers, including significant judgments and estimates used. The Company may adopt ASU No. 2014-09 either by using (i) a full retrospective approach for all periods presented in the period of adoption or (ii) a modified retrospective approach with the cumulative effect of initially applying ASU No. 2014-09 recognized at the date of initial application and providing certain additional disclosures. Initially, ASU No. 2014-09 was effective for private companies for annual reporting periods beginning after December 15, 2018. In May 2020, the FASB voted to allow nonpublic entities that have not adopted Topic 606 to defer the adoption by an additional year. The Company adopted this new accounting standard and the related amendments on April 1, 2020 using the full retrospective method. See Note 2 – Revenue from Contracts with Customers for further details.

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In February 2016, the FASB issued ASU No. 2016-02, Leases (Topic 842). This standard introduces the new leases standard that applies a right-of-use (“ROU”) model and requires a lessee to record, for all leases with a lease term of more than 12 months, an asset representing its right to use the underlying asset and a liability to make lease payments. For leases with a term of 12 months or less, a practical expedient is available whereby a lessee may elect, by class of underlying asset, not to recognize an ROU asset or lease liability. At inception, lessees must classify all leases as either finance or operating based on five criteria. Balance sheet recognition of finance and operating leases is similar, but the pattern of expense recognition in the income statement, as well as the effect on the statement of cash flows, differs depending on the lease classification. Initially, this ASU was effective for fiscal years beginning after December 15, 2019, with early adoption permitted. In May 2020, the FASB voted to defer the effective date of Topic 842 for nonpublic business entities for an additional year. The standard will be effective for the Company for fiscal year ended March 31, 2022, and the Company is evaluating the impact of the adoption of Topic 842 on its consolidated financial statements. At a minimum, the Company expects that material leases will be reported on the consolidated balance sheets.

In June 2016, the FASB issued ASU No. 2016-13, “Financial Instruments – Credit Losses (Topic 326): Measurement of Credit Losses on Financial Instruments,” and has since released various amendments including ASU No. 2019-10. The guidance modifies the measurement of expected credit losses on certain financial instruments. This standard will be effective for the Company for fiscal year ending March 31, 2024. Early adoption is permitted. The Company is currently assessing the impact of the guidance on it consolidated financial statements and disclosures.

In June 2018, the FASB issued ASU No. 2018-07, “Compensation—Stock Compensation (Topic 718): Improvements to Non-employee Share-Based Payment Accounting.” The updated guidance simplifies the accounting for non-employee share-based payment transactions. The amendments in the new guidance specify that Topic 718 applies to all share-based payment transactions in which a grantor acquires goods or services to be used or consumed in a grantor’s own operations by issuing share-based payment awards. The Company adopted this new standard as of April 1, 2020 and the impact was immaterial to the Company’s consolidated financial statements.

In July 2018, the FASB issued ASU No. 2018-09, “Codification Improvements”, which clarifies, corrects errors in and makes improvements to several topics in the FASB Accounting Standard Codification. The transition and effective date guidance is based on the facts and circumstances of each amendment. Some of the amendments do not require transition guidance and were effective upon issuance of the ASU. This ASU is effective for the Company for its fiscal year ended March 31, 2021. The Company adopted this new standard as of April 1, 2020 and the impact was immaterial to the Company’s consolidated financial statements.

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”. This standard requires a customer in a hosting arrangement that is a service contract to capitalize certain implementation costs as if the arrangement was an internal-use software project, which requires capitalization of certain costs incurred only during the application development stage and costs to be expensed during the preliminary project and post-implementation stage. This ASU is effective for the Company beginning in its fiscal year ended March 31, 2022. The Company is currently assessing the potential impact of the new standard on the Company’s consolidated financial statements.

In August 2018, the FASB issued ASU 2018-13, “Disclosure Framework—Changes to the Disclosure Requirements for Fair Value Measurement (Topic 820)”. ASU 2018-13 modifies the disclosure requirements for fair value measurements by removing, modifying, or adding certain disclosures. The ASU is effective for the

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Company beginning in its fiscal year ended March 31, 2021. The Company adopted this new standard as of April 1, 2020 and the impact was immaterial to the Company's consolidated financial statements.

In December 2019, the FASB issued ASU No. 2019-12, Income Taxes (Topic 740): Simplifying the Accounting for Income Taxes ("ASU 2019-12"). The guidance eliminates certain exceptions related to the approach for intraperiod tax allocation, the methodology for calculating income taxes in an interim period, and the recognition of deferred tax liabilities for outside basis differences related to changes in ownership of equity method investments and foreign subsidiaries. The guidance also simplifies aspects of accounting for franchise taxes and enacted changes in tax laws or rates and clarifies the accounting for transactions that result in a step-up in the tax basis of goodwill. ASU 2019-12 is effective for public business entities for fiscal years beginning after December 15, 2020, and interim periods within those fiscal years and December 15, 2021 for all other entities. Early adoption is permitted, including adoption in any interim period for which financial statements have not been issued. The Company will not adopt ASU No. 2019-12 until fiscal year ended on March 31, 2022. The Company is currently assessing the potential impact of the new standard on the Company's consolidated financial statements.

We do not believe that any other recently issued, but not yet effective accounting standards, if adopted, would have a material impact on our consolidated financial statements.

3. Prepaid expenses and other current assets

Prepaid expenses and other current assets consist of the following (in thousands):

	March 31,	
	2021	2020
Prepaid tariffs	$ 120	$3,249
Other current assets	2,547	1,686
Total prepaid expenses and other current assets	$2,667	$4,935

4. Property and Equipment, Net

Property and equipment, net consist of the following (in thousands):

	March 31,		
	2021	2020	Estimated Useful Life
Computer and computer software	$ 601	$ 1,115	2 to 5 years
Manufacturing equipment	42	6,003	1.5 years
Furniture and fixtures	9	742	5 years
Leasehold Improvements	86	86	Shorter of lease term or useful life
Total property and equipment	$ 738	$ 7,946	
Accumulated depreciation	(331)	(6,997)	
Property and equipment, net	$ 407	$ 949	

Depreciation expense was $0.7 million and $1.1 million for the years ended March 31, 2021 and 2020, respectively.

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5. Intangibles and Other Assets, net

During the year ended March 31, 2018, the Company acquired a domain name for cash and shares of the Company's common stock. The domain name is amortized over its useful life of five years. The gross carrying amount of the intangible asset was $1.1 million, and accumulated amortization was $0.7 million and $0.5 million, for the years ended March 31, 2021 and 2020, respectively. Amortization expense was $0.2 million for both years ended March 31, 2021 and 2020.

The approximate future amortization expense of intangible assets at March 31, 2021 is as follows (in thousands):

	Amount
FY 2022	$ 215
FY 2023	107
FY 2024	—
FY 2025	—
FY 2026	—
Thereafter	—
Total	$ 322

6. Commitments and Contingencies

Purchase Commitments

The Company had no non-cancelable outstanding purchase orders of finished goods to be delivered by its contract manufacturer as of March 31, 2021 or 2020, respectively.

Operating Lease

The Company's primary operating lease commitment is related to its headquarters in San Mateo, California, and requires monthly lease payments through September 30, 2022.

Rent expense for all facility leases was $0.9 million and $0.7 million for the years ended March 31, 2021 and 2020, respectively.

The approximate future minimum lease commitment under the non-cancelable operating leases at March 31, 2021 is as follows (in thousands):

	Amount
FY 2022	$ 447
FY 2023	—
FY 2024	—
FY 2025	—
FY 2026	—
Thereafter	—
Total	$ 447

Litigation

On March 12, 2019, a former competitor of Tile, Cellwitch, Inc, filed a patent infringement claim against the Company in the US District Court, Northern District of California ("Court"). On May 2, 2019, the Company filed

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a motion to dismiss the case. The plaintiff amended its complaint on May 16, 2019, and the Company filed a renewed motion to dismiss the amended complaint on May 30, 2019. On November 21, 2019, the Court issued an order denying Tile's motion to dismiss the case but finding the underlying patent to be directed to an abstract idea. On December 5, 2019, Tile filed an inter partes review petition challenging the validity of the patent. On December 24, 2019, Tile filed a motion to stay pending the review of the patent. On January 17, 2020, the Court granted Tile's motion to stay and ordered the parties to file a joint status report on June 30, 2020. This case is still currently stayed pending full resolution of Tile's inter partes' review petition, now currently on appeal.

Separately, another former competitor of Tile, Linquet Technologies, also sued Tile for patent infringement. In mid-September 2021, the Court dismissed Linquet Technologies' complaint in its entirety with leave to amend, although stating that given the patent at issue the Court did not believe they could state a valid claim. Linquet filed their amended complaint on October 8, 2021. The Company moved to dismiss the claim on October 22, 2021.

The Company is unable to predict the outcome of the above matters or estimate the range of possible loss, if any. Although the proceedings are subject to uncertainties inherent in the litigation process and the ultimate disposition of these proceedings is not presently determinable, the Company intends to vigorously defend the matters

Warranties

The Company's products are generally warranted to be free from material defects with a battery life of 12 months. Customers may purchase an extended warranty for devices with replaceable batteries for 36 months. As of March 31, 2021 and 2020, the Company's product warranty expense has not been material.

7. Accrued liabilities

Accrued liabilities consist of the following (in thousands):

	March 31,	
	2021	2020
Customer related promotions and discounts	$ 3,720	$ 4,425
Payroll and related expenses	4,457	1,201
Other expenses	2,328	3,642
Product warranty	1,804	1,995
Total accrued liabilities	$ 12,309	$ 11,263

8. Debt Facility

Line of Credit

In May 2015, the Company entered into a Loan and Security agreement with Silicon Valley Bank for a working capital line of credit and a term loan facility. The agreement has been reviewed and amended as needed each year.

In August 2018, the Company amended its working capital line of credit to extend the maturity date based upon achievement of extension milestones, which are determined based on proceeds received in a qualified financing or subordinated debt of at least $5.0 million and contingent upon the Company being in compliance with the

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financial covenants including (1) maintaining a minimum current ratio as defined in the agreement and (2) achieve minimum gross profit targets in each fiscal year. The amendment also amended the interest rate to be equal to the prime rate plus 2.0%.

At March 31, 2019, the Company was in violation of its debt agreement with Silicon Valley Bank for the periods of January, February, and March 2019. In May 2019, Silicon Valley Bank agreed to waive its right to call the debt as a result of that violation. Also, in May 2019, the Company paid off the line of credit balance of $13.2 million.

$10.0 million and $11.2 million was available to the Company under the term loan based on eligible inventory and accounts receivable as of March 31, 2021 and March 31, 2020, respectively. No amounts have been drawn under the term loan.

Term Loan

In July 2017, the Company signed a Mezzanine Loan and Security Agreement ("Mezzanine Loan") with Silicon Valley Bank that made available a new term loan available in two tranches. The first tranche of $5.0 million was available upon execution. Borrowing against the second tranche of $10.0 million was available based on 80% of eligible inventory that remains after considering eligible inventory applied towards other borrowings. The interest rate was based on prime rate plus 4.5% and includes an annual commitment fee of $0.2 million. The Mezzanine Loan is collateralized by substantially all of the Company's assets and there are non-financial covenants and no required financial covenants. The Company used cash on hand and the proceeds from the Mezzanine Loan to pay down the remaining balance on its previous term loan. In connection with the Mezzanine Loan and Security Agreement, the Company issued the lender and two other parties warrants to purchase a total of 78,210 shares of the Company's Common Stock with an exercise price of $0.98 per share and a determined fair value at issuance of $0.1 million. The Company initially recorded the fair value of the warrants as deferred financing costs and amortized as interest expense over the term of the loan.

In August 2018, the Company amended its Mezzanine Loan and Security Agreement with Silicon Valley Bank. The amendment called for monthly payments of $0.3 million plus accrued interest until the term loan maturity date of February 11, 2019, with provisions allowing for the extension of the maturity date, which the Company extended through August 2019. The interest rate was unchanged by the amendment. This amendment also amends the previously issued warrants and issued new warrants, allowing the warrant holders to purchase 447,111 additional shares of the Company's Common Stock with an exercise price of $0.98 per share and a determined fair value at issuance of $0.3 million. The Company initially recorded the fair value of the warrants as deferred financing costs and amortized as interest expense over the term of the loan.

In May and June of 2019, the Company issued convertible promissory notes to six lenders for a collective total of $4.6 million in principal, an annual interest rate of 5.0%, and a maturity date of September 30, 2019. The notes contained four provisions for conversion or redemption of the principal and any unpaid interest into equity securities. Three of these features were contingent on certain events occurring prior to the maturity date, namely additional financing or a change of control. The fourth feature stipulated for conversion upon the maturity date. In July 2019, the $4.6 million notes were converted, and the Company issued Series C-1 at an issuance price of $3.404 per share which represents a 10% discount of the issuance price paid by new investors in that same round. The Company, however, accounted for the share settlement as a debt extinguishment rather than a conversion. As a result, the conversion share price at the time of conversion, meaning the reacquisition price, is the fair value of the shares issued. Due to the discount offered to note holders at conversion, there was a difference of $0.5 million between the fair value amount of the preferred shares and the carrying amount of the debt at conversion. The

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Company recorded this difference as a Loss on Extinguishment. The Company credited the carrying value of the notes to the respective temporary equity accounts presented outside of permanent equity in the mezzanine section of the consolidated balance sheets, effectively removing the full convertible note through the variable issuance of preferred shares with the difference going to Loss on Extinguishment. See Note 10 for further information about the accounting for preferred stock.

In May 2019, the Company entered into a Loan and Security Agreement with Pinnacle Ventures and issued term loans for an aggregate principal of $17.5 million, where $13.2 million was used to replace the Company’s existing line of credit with Silicon Valley Bank. The interest rate for the payments not including the final payment of the loan is the greater of the prime rate based on the federal funds rate determined on each date 15 days before the applicable payment date plus 500 basis points, or 10.5% per annum. The final payment interest rate will be the greater of the prime rate determined as of 15 days before the date of the final payment plus 300 basis points and 8.5%. The loan is collateralized by substantially all assets of the Company and contains financial and non-financial covenants with the loan maturing in May 2023. The Company is currently in compliance with all debt covenants. In addition, the Company assessed the loan to determine if there are any derivatives embedded which require bifurcation and separate accounting. The Company determined the feature of a mandatory prepayment of the loan on change of control or IPO meets the definition of an embedded feature requiring bifurcation. However, Management has determined that there are no plans on doing an IPO and ascribed no value to the embedded feature. Management will reassess on an annual basis if the embedded feature needs an allocation. In connection with the Loan and Security Agreement, the Company issued the lender warrants to purchase a total of $0.6 million worth of shares of the Company’s common stock. The exercise price of the warrants is the lesser of (i) $0.95 and (ii) the value of the Company’s common stock as determined by the next 409A valuation that is completed after May 24, 2019 and prior to the exercise of any portion of the warrants. The Company analyzed the warrants and determined the warrants were detachable and classified as liabilities and measured at fair value on a recurring basis. The Company initially recorded the fair value of the warrants as deferred financing costs and amortized as interest expense over the term of the loan.

Paycheck Protection Program (“PPP”) Loan

On April 30, 2020, the Company received loan proceeds in the amount of approximately $2.5 million under the Paycheck Protection Program (“PPP”) Division A, Title I of the Coronavirus Aid, Relief and Economic Security Act (“CARES Act”), which was enacted March 27, 2020. The PPP, established as part of the CARES Act, provides for loans to qualifying businesses for amounts up to 2.5 times of the average monthly payroll expenses of the qualifying business. The loans and accrued interest are forgivable after eight weeks as long as the borrower uses the loan proceeds for eligible purposes, including payroll, benefits, rent and utilities, and maintains its payroll levels. The amount of loan forgiveness will be reduced if the borrower terminates employees or reduces salaries during the eight-week period.

The unforgiven portion of the PPP loan is payable over two years at an interest rate of 1%, with a deferral of payments for the first six months. The Company used the proceeds for purposes consistent with the PPP. While the Company currently believes that its use of the loan proceeds will meet the conditions for forgiveness of the loan, we cannot assure the Company will not take actions that could cause the Company to be ineligible for forgiveness of the loan, in whole or in part.

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Long-term debt consists of the following as of March 31 (in thousands):

	March 31,	
	2021	2020
Long-term debt	$21,494	$18,988
Less: unamortized deferred financing costs	(1.189)	(1,851)
Total debt, net of unamortized deferred issuance costs	20,305	17,137
Less: current portion of long-term debt, net	(6,850)	—
Long-term debt, net	$13,455	$17,137

The Company amortizes its deferred financing costs related to the long-term debt over the life of the loan as a reduction in the total value of the debt.

9. Share-based Compensation Plans and Awards

Common Stock

Shares of common stock reserved for future issuance, on an as-if converted basis, were as follows (in thousands):

	March 31,	
	2021	2020
Outstanding stock options	9,447	9,934
Stock options available for future grant	2,447	2,054
Warrants—Common Stock	1,143	1,143
Restricted stock units	5,288	5,288
Convertible preferred stock	36,715	36,535
Total common stock reserved for future issuance	55,040	54,954

2013 Stock Option Plan

In 2013, the Board of Directors approved the 2013 Stock Plan (the Plan), which provides for the granting of incentive and nonstatutory stock options and stock purchase rights to employees, directors, and consultants. Under the Plan, the Board of Directors (the Plan Administrator) determines various terms and conditions of option grants, including option expiration dates (generally ten years from the date of grant), vesting terms (generally over a four-year period, with 25% vesting at the end of the first year and the balance vesting ratably on a monthly basis over the remaining period), and payment terms. The Plan provides for stock option grants at an exercise price as determined by the Plan Administrator, but in the case of incentive stock options, no less than 100% of the fair market value of the common stock subject to the option on the date of grant as determined by the Board of Directors and not less than 85% of fair market value for nonstatutory stock options. Options granted to owners of 10% or more of the Company's common stock have an exercise price no less than 110% of the fair market value of the common stock on the date of grant as determined by the Board of Directors.

The Plan allows for early exercise of options prior to vesting with Board approval. In connection with the early exercise of stock options, the Company has the right, but not the obligation, to repurchase unvested shares of common stock upon termination of the individual's service to the Company at the original purchase price per share.

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A summary of employee and non-employee activities under the Plan for the years ended March 31, 2021 and 2020, is as follows (amounts in thousands, except per share amounts):

	Number of Shares	Weighted-Average Exercise Price per Share	Weighted-Average Remaining Contractual Life	Aggregate intrinsic value (in thousands)
Balance at March 31, 2019	7,166	$ 1.03	8.7	$ 367
Options authorized	—	—		
Options granted	3,977	0.95		
Options exercised	(179)	0.70		
Options canceled	(1,030)	2.20		
Balance at March 31, 2020	9,934	$ 1.00	8.3	$ 174
Options authorized	—	—		
Options granted	1,933	0.45		
Options exercised	(93)	0.71		
Options canceled	(2,327)	1.56		
Balance at March 31, 2021	**9,447**	**0.49**	**7.3**	**$ 52**

	Number of Shares	Weighted-Average Exercise Price per Share	Weighted-Average Remaining Contractual Term (Years)	Aggregate intrinsic value (in thousands)
Employee	5,260	0.52	6.4	13
Non-employee	232	0.31	4.3	40
Options exercisable at March 31, 2021	**5,492**	**$ 0.52**	**6.3**	**$ 53**

The total intrinsic value of options exercised, and the total intrinsic value of options vested for the years ending March 31, 2021 and 2020 were not significant.

Valuation of Awards

The fair value of options granted to each employee during the years ended March 31, 2020 and 2021, was estimated using the Black-Scholes option-pricing model with the following assumptions:

	Year Ended March 31,	
	2021	2020
Expected dividend yield	—	—
Expected life (years)	5.82 – 6.06	5.63 – 6.30
Risk-free interest rate	0.37 – 0.66	1.48 – 2.29
Expected volatility	60% - 62%	51%

The weighted-average estimated grant-date fair value of employee stock options granted during the years ended March 31, 2021 and 2020, was $0.45 and $0.95 per share, respectively.

The Company has generally obtained contemporaneous valuation analyses prepared by an unrelated third-party valuation firm in order to assist the Company's Board of Directors in determining the fair value of the Company's common stock and related exercise prices of option awards on the date such awards were granted. The Company has also used these contemporaneous third-party valuations for purposes of determining the fair value of the Company's share-based payment awards and the related stock-based compensation expense.

The Company currently has no history or expectation of paying cash dividends on its common stock. The Company estimates the volatility of its common stock at the date of grant based on the historical and implied

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volatility of the stock prices of a peer group of publicly traded companies for a period equal to the expected life of its stock options. The risk-free interest rate is based on the U.S. Treasury yield for a term consistent with the expected term of the awards in effect at the time of grant. The expected term represents the weighted-average period the stock options are expected to remain outstanding. The expected term was determined using the simplified approach based on the vesting terms and contractual life of the options.

Stock-based compensation expense was as follows (amounts in thousands):

	Year Ended March 31,	
	2021	2020
Cost of revenue	$ 129	$ 86
Research and development	598	412
Sales and marketing	292	293
General and administrative	256	297
Total	$ 1,275	$ 1,088

As of March 31, 2021, there was $1.5 million of total unrecognized compensation costs related to non-vested stock options, which is expected to be recognized over a weighted-average period of 1.19 years.

Non-employee Awards

During the years ended March 31, 2021 and 2020, the Company issued 20,000 and 99,904 stock options, respectively, exercisable into its common stock to consultants in exchange for services rendered. These options were revalued at each reporting date using the Black-Scholes option pricing model with the same assumptions as those used for employee awards with the exception of expected term. The expected term for non-employee awards is the contractual term of 10 years.

Restricted Stock Units

The Company did not grant any Restricted Stock Units (“RSUs”) during the year ended March 31, 2021. During the year ended March 31, 2020, the Company granted 376,483 RSUs with a grant date fair value of $0.95. The awards were granted to employees of the Company and include both a service-based vesting condition and a Performance Vesting Condition. The service-based vesting period for this award is four years, beginning with a cliff vesting period of one year and continuing to vest quarterly thereafter. The Performance Vesting Condition is satisfied on the earlier of (i) an acquisition or change in control of the Company; (ii) 180 days after an initial public offering “IPO” by the Company or; (iii) March 15 of the calendar year following the year in which the Company’s IPO is declared effective. As of March 31, 2021 and 2020, all compensation expense related to RSUs remained unrecognized because the Performance Vesting Condition was not satisfied. At the time the Performance Vesting Condition becomes probable, the Company will recognize the cumulative stock-based compensation expense for the RSUs that have met their service-based vesting condition using the accelerated attribution method.

10. Redeemable Convertible Preferred Stock

On July 11, 2019, the Company entered into the Series C Preferred Stock financing agreement with Francisco Partners Agility, L.P. providing for the issuance of 10,575,855 shares of Series C Preferred stock at $3.7822 per share. In addition, the $4.6 million principal amount and accrued interest of the 2019 Convertible Promissory Notes were converted into Company issued Series C-1 at a conversion price of $3.404 per share.

Tile, Inc.

Notes to the Consolidated Financial Statements

The following is a schedule of authorized, issued, and outstanding shares, amounts and aggregate liquidation preferences of Preferred Stock as of March 31, 2021 and 2020 (in thousands, except per share data):

	Shares Authorized	Conversion Price per Share	Shares Issued and Outstanding	Aggregated Liquidation Preference	Carrying Value
Series A	10,720	$ 1.99	10,720	$ 21,302	$ 21,180
Series B	5,268	3.42	5,268	18,000	17,823
Series B-l	8,117	4.19	8,117	34,003	33,838
Series C Preferred Stock	15,864	3.78	11,065	41,852	41,562
Series C-l Preferred Stock	1,364	3.40	1,364	4,643	5,161

The Company's Preferred Stock is not mandatorily redeemable. Certain of the rights, privileges and restrictions granted to and imposed on the Series A, B, B-1, C, and C-1 Preferred Stock are summarized as follows:

Voting Rights – On any matter presented to the stockholders, each holder of outstanding shares of Preferred Stock has the right to cast the number of votes equal to the number of whole shares of common stock into which the shares of Preferred Stock are convertible.

Dividends – The Company shall not pay or set aside any dividends on shares of its common stock (other than dividends on shares of common stock payable in shares of common stock) in any calendar year unless the holders of the Preferred Stock then outstanding shall first receive a dividend equal to 6% of the original issue price per share (or approximately $0.12 per share for Series A Preferred Stock, approximately $0.21 per share for Series B Preferred Stock , approximately $0.25 per share for Series B-1 Preferred Stock, approximately $0.23 per share for Series C Preferred Stock and approximately $0.20 per share for Series C-1 Preferred Stock). The foregoing dividends shall not be cumulative and shall be paid when, as and if declared by the Company's Board of Directors. In the case of Series A, B, B-1, C and C-1 Preferred Stock, the original issue price shall mean $1.987, $3.417, $4.189, $3.7822, and $3.4040 per share, respectively, subject to appropriate adjustment in the event of any stock splits and combinations of shares and for dividends paid on each such series of the Preferred Stock in shares of such stock.

If, after dividends in the full preferential amount for the Preferred Stock that have been paid or set apart for payment in any calendar year, the Company's Board of Directors declares additional dividends out of funds legally available in that calendar year, then such additional dividends shall be declared pro rata on the common stock and the Preferred Stock on a pari passu basis according to the number of shares of common stock held by such holders. For this purpose, each holder of shares of Preferred Stock shall be treated as holding the number of shares of common stock then issuable upon conversion of all shares of Preferred Stock.

Liquidation Preference – In the event of a voluntary or involuntary liquidation, dissolution or winding up of the Company, before any payment shall be made to the holders of common stock, Series A, B and B-1 Preferred Stock, on a pari passu basis, the holders of Series C and C-1 Preferred Stock (together, the "Senior Preferred Stock") shall be entitled to be paid out of the funds and assets available for distribution to its stockholders, an amount per share equal to the greater of (a) the Original Issue Price for such series of Senior Preferred Stock, plus any dividends declared but unpaid thereon, or (b) such amount per share as would have been payable had all shares of such series of Senior Preferred Stock been converted into Common Stock immediately prior to such liquidation, dissolution, or winding up. If the funds and assets available for distribution to the stockholders shall be insufficient to pay the holders of shares of Senior Preferred Stock the full amounts to which they are entitled, the holders shall share ratably in any distribution of the funds and assets available for distribution in proportion to the respective amounts that would otherwise be payable.

Tile, Inc.

Notes to the Consolidated Financial Statements

After the payment of all preferential amounts required to be paid to the holders of shares of Senior Preferred Stock, and before any payment shall be paid to the holders of common stock, on a pari passu basis, the holders of shares of Series A, B, and B-1 Preferred Stock (together, the "Junior Preferred Stock") shall be entitled to be paid out of the funds and assets of the funds and assets available for distribution to its stockholders, an amount per share equal to the greater of (a) the Original Issue Price for such series of Junior Preferred Stock, plus any dividends declared but unpaid thereon, or (b) such amount per share as would have been payable had all shares of such series of Junior Preferred Stock been converted into Common Stock immediately prior to such liquidation, dissolution, or winding up. If the funds and assets available for distribution to the stockholders shall be insufficient to pay the holders of shares of Junior Preferred Stock the full amounts to which they are entitled, the holders shall share ratably in any distribution of the funds and assets available for distribution in proportion to the respective amounts that would otherwise be payable. After the payment of all preferential amounts required to be paid to the holders of shares of Preferred Stock, the remaining funds and assets available for distribution to the stockholders shall be distributed pro rata among the holders of Common Stock.

Conversion Rights – Each share of Preferred Stock shall be convertible, at the option of the holder, at any time, and without the payment of additional consideration, into such number of fully paid and nonassessable shares of Common Stock. The conversion price is determined by dividing the original issue price by the applicable conversion price for such series of Preferred Stock, adjusted for any anti-dilution adjustment. As of March 31, 2021, the Company's Preferred Stock is convertible into the Company's shares of common stock on a one-for-one basis.

Shares of Preferred Stock shall automatically be converted into shares of common stock at the then effective conversion rate for such share, upon earlier to occur of: (a) the closing of the sale of shares of the Company's common stock to the public in a firm-commitment underwritten public offering pursuant to an effective registration statement resulting in at least $50.0 million of gross proceeds or (b) (i) with respect to the Series C and C-1 Preferred Stock, the date and time, or the occurrence of an event, specified by vote or written consent of the holders of at least a majority of the outstanding shares of Series C and C-1 Preferred Stock, voting together as a single class on an as-converted basis, and (ii) with respect to the Series A, B and B-1 Preferred Stock, the date and time, or the occurrence of an event, specified by vote or written consent of the holders of at least a majority of the outstanding shares of Series A, B and B-1 Preferred Stock , voting together as a single class on an as-converted basis.

Redemption and Balance Sheet Classification – While the Preferred Stock does not have mandatory redemptions provisions, the deemed liquidation preference provisions of the Preferred Stock are considered contingent redemption provisions that are not solely within the Company's control. These elements primarily relate to deemed liquidation events such as change of control. Accordingly, the Company's Preferred Stock has been presented outside of permanent equity in the mezzanine section of the consolidated balance sheets.

11. Income Taxes

The domestic pre-tax book loss for the years ended March 31, 2021 and March 31, 2020 are as follows (in thousands):

	March 31,	
	2021	2020
Domestic	$(7,101)	$(21,754)
Foreign	—	—
Loss before income tax (benefit) / expense	$(7,101)	$(21,754)

Tile, Inc.

Notes to the Consolidated Financial Statements

The components of income tax (benefit) / expense for the year ended March 31, 2021 and March 31, 2020 are as follows (in thousands):

	March 31,	
	2021	2020
Current:		
Federal	$ —	$—
State	(20)	24
Foreign	(44)	45
Total current income tax (benefit) / expense	$(64)	$ 69
Deferred:		
Federal	—	—
State	—	—
Foreign	—	—
Total deferred income taxes	$ —	$—
Total income tax (benefit) / expense	$ (64)	$ 69

The Company had an effective tax rate of 0.90% for the year ended March 31, 2021 and (0.31)% for the year ended March 31, 2020. The effective tax rate is lower than the federal statutory rate largely due to a valuation allowance on U.S. losses. The tax expense for the year ended March 31, 2021 is primarily related to the Texas margin tax.

The tax effects of temporary differences and related deferred tax assets and liabilities as of March 31, 2021 and March 31, 2020 are presented as follows (in thousands):

	March 31,	
	2021	2020
Deferred tax assets:		
Net operating loss carryforward	$ 22,788	$ 19,917
Research and development and minimum credits	3	3
Depreciation and amortization	(66)	369
Reserves and accruals	3,220	3,953
Gross deferred tax assets	25,945	24,242
Valuation allowance	(25,945)	(24,242)
Net deferred tax assets	—	—
Total deferred tax liabilities	—	—
Net deferred tax assets	$ —	$ —

In assessing the realizability of deferred tax assets, the Company considers whether it is more likely than not that some portion or all of the deferred tax assets will not be realized. As a result, it has established a full valuation allowance against its deferred tax assets to the extent they are not offset by liabilities from uncertain tax positions based on the Company's history of losses. The valuation allowance increased by $1.7 million at March 31, 2021 and $4.5 million at March 31, 2020.

As of March 31, 2021, the Company had net operating loss carryforwards of approximately $97.7 million for federal income taxes and $34.1 million for state income taxes. If not utilized, these carryforwards will begin

Tile, Inc.

Notes to the Consolidated Financial Statements

expiring in fiscal year 2033 for federal and state tax purposes. Federal NOLs generated after March 31, 2018 have an indefinite carryforward period subject to 80% deduction limitation based upon pre-NOL deduction taxable income.

In addition, as of March 31, 2021, the Company also had research and development credit carryforwards of approximately $4.9 million for federal tax purposes and $4.4 million for state tax purposes. The federal research and development tax credit carryforwards will begin expiring in 2036 if not utilized. The state research and development tax credit carryforwards do not expire.

Utilization of the net operating loss carryforwards and credits may be subject to substantial annual limitation due to the ownership change limitations provided by Section 382 of the Internal Revenue Code of 1986, as amended, and similar state provisions. The annual limitation may result in the expiration of the net operating losses and credits before utilization.

The Company records liabilities related to its uncertain tax positions. The Company recognizes the tax benefits from an uncertain tax position only if it is more likely than not that the position is sustainable by the taxing authority, based on technical merits. The Company has recorded liabilities relating to these positions of approximately $9.3 million as of March 31, 2021. The Company's policy is to classify interest and penalties associated with uncertain tax positions, if any, as a component of its income tax provision. Interest and penalties were not material during the year ended March 31, 2021.

The Company's uncertain tax positions stem from U.S. Federal and California research and development ("R&D") tax credits. As of March 31, 2021, Tile continues to record a historical 100% reserve on U.S. and California R&D tax credits. Tile's unrecognized tax benefit at March 31, 2021 year end is $9.3 million, which represents an increase of $1.9 million relative to the uncertain tax benefit at March 31, 2020 of $7.4 million. The change in the uncertain tax benefit relates to the increased Federal and California R&D credits generated.

A reconciliation of the gross unrecognized tax benefits is as follows (in thousands):

	March 31,	
	2021	**2020**
Gross amount of unrecognized tax benefits as of the beginning of the period	$7,413	$5,649
Increases related to prior year tax positions	—	—
Decrease related to prior year tax positions	—	—
Increase related to current year tax positions	1,921	1,764
Gross amount of unrecognized tax benefits as of the end of the period	$9,334	$7,413

The Company files tax returns in the United States for Federal, California, and other states. All tax years remain open to examination for both federal and state purposes as a result of our net operating losses and carryforwards.

12. Subsequent Events

The Company has evaluated subsequent events through November 11, 2021, the date at which the consolidated financial statements were available to be issued.

On June 10, 2021, the U.S. Small Business Administration completed its review of the Company's PPP Loan and has agreed with the recommendation to forgive the entire PPP loan of $2,506,100.

On September 8, 2021, the Company settled a loan in the amount of $17,925,943 with Pinnacle Ventures, LLC.

Tile, Inc.

Notes to the Consolidated Financial Statements

On September 9, 2021, the Company entered into a secured term loan with Capital IP Investment Partners, LLC in an aggregate principal amount $40 million with a maturity date of September 9, 2026. The term loan consists of two terms: Term A with an aggregate principal of $33 million, and Term B will be $7 million. The Loans shall bear interest on the outstanding principal amount thereof from the Closing Date (or, in the case of the Term B Loans, from the Term B Funding Date), for any Interest Period, at a rate per annum equal to the sum of (i) the greater of (A) LIBOR for such Interest Period and (B) one-quarter of one percent (0.25%), plus (ii) the Applicable Margin.

On January 5, 2022, the Company was acquired by Life360 for a purchase price of $170.0 million plus up to $35.0 million in retention equity awards for Tile employees, representing total consideration of $205.0 million. The purchase price includes payment of outstanding debt to Capital IP for $29M. The acquisition expands Life360's vision of expanding its platform and suite of family services. The acquisition remains subject to customary closing conditions, which are expected to be satisfied during the first quarter of 2022.

Tile, Inc.
Condensed Consolidated Balance Sheets
(in thousands, except per share values)

	December 31, 2021 (Unaudited)	March 31, 2021
Assets		
Current assets:		
Cash and cash equivalents	$ 31,305	$ 35,587
Restricted cash	1,050	400
Accounts receivable, net	31,415	7,780
Inventories	7,638	5,031
Deferred cost of revenue, current portion	3,698	3,677
Prepaid expenses and other current assets	10,604	2,667
Total current assets	85,710	55,142
Property and equipment, net	575	407
Intangible assets, net	161	322
Deferred cost of revenue, non-current portion	407	291
Other assets	484	385
Total assets	$ 87,337	$ 56,547
Liabilities, convertible preferred stock, common stock, and stockholders' deficit		
Current liabilities:		
Accounts payable	$ 20,925	$ 6,296
Deferred revenues	8,758	8,880
Accrued liabilities	17,495	12,308
Accrued product returns	2,612	898
Term loan, current portion	—	6,850
Other liabilities	3,242	1,632
Total current liabilities	53,032	36,864
Long-term debt, non-current portion, net	31,866	13,455
Warrant liability	579	579
Deferred revenues, non-current portion	825	636
Other long-term liabilities	—	39
Total liabilities	$ 86,302	$ 51,573
Commitments and contingencies (Note 6)		
Redeemable convertible preferred stock: $0.0001 par value; 41,334 shares authorized as of December 31, 2021 and March 31, 2021; and 36,535 shares issued and outstanding as of December 31, 2021 and March 31, 2021, respectively (Liquidation value: $119,802 as of December 31, 2021 and March 31, 2021, respectively)	119,564	119,564
Stockholders' deficit:		
Common stock, 72,000 and 55,000 authorized shares, $0.0001 par value, 11,691 and 11,554 shares issued and outstanding as of December 31, 2021 and March 31, 2021, respectively	1	1
Additional paid-in capital	6,878	5,969
Accumulated deficit	(125,431)	(120,587)
Accumulated other comprehensive income	23	27
Total stockholders' deficit	(118,529)	(114,590)
Total liabilities and stockholders' deficit	$ 87,337	$ 56,547

The accompanying notes are an integral part of these condensed consolidated financial statements.

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Tile, Inc.
Condensed Consolidated Statements of Operations (unaudited)
Nine Months Ended December 31, 2021 and 2020
(in thousands, except share and per share data)

	Nine Months Ended December 31,	
	2021	2020
Revenue		
Hardware	$77,782	$70,027
Subscriptions and other	11,391	7,562
Total revenue	$89,173	$77,589
Cost of revenue		
Cost of hardware	42,863	35,381
Cost of subscription and other	6,328	4,859
Total cost of revenue	49,191	40,240
Gross profit	39,982	37,349
Operating expenses:		
Research and development	18,233	14,822
Sales and marketing	17,323	14,169
General and administrative	7,862	6,762
Total operating expenses	43,418	35,753
Operating (loss) income	$ (3,436)	$ 1,596
Interest expense	3,922	1,860
PPP loan forgiveness	(2,507)	—
Other income, net	(7)	(434)
(Loss) income before provision for income taxes	$ (4,844)	$ 170
Provision for income taxes	—	—
Net (loss) income	$ (4,844)	$ 170

The accompanying notes are an integral part of these condensed consolidated financial statements.

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Tile, Inc.
Condensed Consolidated Comprehensive Statements of Operations (unaudited)
Nine Months Ended December 31, 2021 and 2020
(in thousands)

	Nine Months Ended December 31,	
	2021	2020
Net loss	$ (4,844)	$ 170
Other comprehensive (loss) income		
Foreign currency adjustments	(4)	27
Comprehensive (loss) income	$ (4,848)	$ 197

The accompanying notes are an integral part of these condensed consolidated financial statements.

Tile, Inc.
Condensed Consolidated Statements of Changes in Redeemable Convertible Preferred Stock and Stockholders' Deficit (unaudited)
Nine Months Ended December 31, 2021 and 2020
(in thousands, except share data)

	Redeemable Convertible Preferred Stock		Common Stock		Additional Paid-In Capital	Accumulated Deficit	Accumulated Other Comprehensive (Loss) Income	Total Stockholders' Deficit
	Shares	Amount	Shares	Amount				
Balances as of March 31, 2020	**36,535**	**$ 119,564**	**11,461**	**$ 1**	**$ 4,628**	**$ (113,550)**	**$ (6)**	**$ (108,927)**
Exercise of stock options	—	—	61	—	53	—	—	53
Stock-based compensation expense	—	—	—	—	702	—	—	702
Net loss	—	—	—	—	—	170	—	170
Cumulative translation adjustment	—	—	—	—	—	—	27	27
Balances as of December 31, 2020	**36,535**	**$ 119,564**	**11,522**	**$ 1**	**$ 5,383**	**$ (113,380)**	**$ 21**	**$ (107,975)**

	Convertible Preferred Stock		Common Stock		Additional Paid-In Capital	Accumulated Deficit	Accumulated Other Comprehensive Income (Loss)	Total Stockholders' Deficit
	Shares	Amount	Shares	Amount				
Balances as of March 31, 2021	**36,535**	**$119,564**	**11,554**	**$ 1**	**$ 5,969**	**$ (120,587)**	**$ 27**	**$ (114,590)**
Exercise of stock options	—	—	137	—	60	—	—	60
Stock-based compensation expense	—	—	—	—	849	—	—	849
Net loss	—	—	—	—	—	(4,844)	—	(4,844)
Cumulative translation adjustment	—	—	—	—	—	—	(4)	(4)
Balances as of December 31, 2021	**36,535**	**$ 119,564**	**11,691**	**$ 1**	**$ 6,878**	**$ (125,431)**	**$ 23**	**$ (118,529)**

The accompanying notes are an integral part of these condensed consolidated financial statements.

Tile, Inc.
Condensed Consolidated Statements of Cash Flows (unaudited)
Nine Months Ended December 31, 2021 and 2020
(in thousands)

	Nine Months Ended December 31,	
	2021	**2020**
Operating activities		
Net (loss) income	$ (4,844)	$ 170
Adjustments to reconcile net loss to net cash used in operating activities		
Depreciation and amortization	407	781
Amortization of debt issuance costs	55	461
Stock-based compensation	849	702
Forgiveness of PPP loan	(2,506)	—
Changes in assets and liabilities:		
Accounts receivable, net	(23,635)	(22,680)
Inventories	(2,607)	10,174
Deferred cost of revenue	(137)	442
Prepaid expenses and other current assets	(7,937)	2,128
Other assets	(99)	96
Accounts payable	14,629	6,246
Deferred revenue	67	76
Accrued liabilities	5,187	6,483
Accrued product returns	1,714	325
Other liabilities	1,571	967
Net cash (used in) provided by operating activities	(17,286)	6,371
Investing activities		
Purchase of property and equipment:	(414)	(117)
Net cash used in investing activities	(414)	(117)
Financing activities		
Proceeds from term loan	33,000	—
Repayment of notes payable	(18,988)	—
Proceeds from PPP loan	—	2,506
Proceeds from exercise of employee stock options	60	53
Net cash provided by financing activities	14,072	2,559
Foreign currency effect on cash and cash equivalents	(4)	27
Net (decrease) increase in cash and cash equivalents	(3,628)	8,813
Cash, cash equivalents and restricted cash at beginning of year	35,987	21,914
Cash, cash equivalents and restricted cash at end of year	$ 32,355	$ 30,752
Reconciliation of cash, cash equivalents, and restricted cash to the consolidated balance sheets		
Cash and cash equivalents	$ 31,305	$ 30,352
Restricted cash	1,050	400
Total cash, cash equivalents, and restricted cash	$ 32,355	$ 30,752
Supplemental cash flow information		
Cash paid for interest	$ 17	$ 1,378
Cash paid for income taxes	$ 38	$ 167

The accompanying notes are an integral part of these condensed consolidated financial statements.

Tile, Inc.

Notes to the Condensed Consolidated Financial Statements

1. Description of the Business

Business

Tile, Inc. (“Tile” “the Company” or “our”) was incorporated in September 2012, in the state of Delaware. Tile is a smart location company. Tile’s product is a Bluetooth enabled device that works in tandem with the Tile Application (the “Application”), available on iOS or Android, to enable its customers to locate Tiled objects. The Tile itself operates like a buoy, transmitting a beacon that can be received by any phone or tablet with the Application installed. Operating in the background, the Application routinely uploads location information to a centralized server that maps the last location a Tile was seen. When a Tiled item is lost, a user may utilize the Application to ring the Tile if within Bluetooth range, access a map to identify the last known location of the Tile, or report a lost Tile to the server and ask the Tile community to help search for the lost item. Tile is based in San Mateo, California.

Basis of Presentation

The accompanying unaudited condensed consolidated financial statements and notes have been prepared in accordance with accounting principles generally accepted in the United States of America (U.S. GAAP) for interim financial information and include the accounts of Tile, Inc. and its subsidiaries, Tile Europe Ltd and Tile Network Canada ULC. Certain information or footnote disclosures normally included in financial statements prepared in accordance with U.S. GAAP have been condensed or omitted. Accordingly, they do not include all the information and footnotes necessary for a complete presentation of financial position, results or operations, or cash flows. In the opinion of management, the accompanying unaudited condensed consolidated financial statements include all adjustments, consisting of a normal recurring nature, which are necessary for a fair presentation of the financial position, operating results and cash flows for the periods presented.

Risks and Uncertainties

The Company’s business, operations, and financial results are subject to various risks and uncertainties, including adverse global economic conditions, including novel coronavirus (COVID-19), and competition in our industry that could adversely affect our business, financial condition, results of operations and cash flows. These important factors, among others, could cause our actual results to differ materially from any future results.

The ongoing and full extent of the impact of the COVID-19 pandemic on the Company’s business, operational, and financial performance is uncertain and will depend on many factors outside the Company’s control. Should the COVID-19 pandemic or global economic slowdown not improve or worsen, or if the Company’s attempt to mitigate its impact on its operations and costs is not successful, the Company’s business, results of operations, financial condition and prospects may be adversely affected.

The Company has financed its operations to date primarily with proceeds from the term loan facility. The Company’s long-term success is depended upon its ability to successfully market its products and services; generate revenue; maintain or reduce its operating costs and expenses; meet its obligations; obtain additional capital when needed; and ultimately, achieve profitable operations. Management believes that the Company’s existing cash and investments as of December 31, 2021 will be sufficient to fund operating and capital expenditure requirements.

Tile, Inc.

Notes to the Condensed Consolidated Financial Statements

2. Summary of Significant Accounting Policies

Principals of Consolidation

Our unaudited condensed consolidated financial statements include our accounts and the accounts of our wholly-owned subsidiaries. All inter-company transactions and balances have been eliminated.

Use of Estimates

The preparation of the condensed consolidated financial statements in conformity with U.S. GAAP requires management to make certain estimates, judgments, and assumptions that affect the reported amounts of assets and liabilities and the related disclosures at the date of the condensed consolidated financial statements, as well as the reported amounts of revenues and expenses during the periods presented. Estimates are used for determining the selling prices for elements sold in multiple-element arrangements, period over which revenue is recognized for certain arrangements, estimated delivery dates for orders with title transfers upon delivery, allowance for doubtful accounts, product returns, promotional and marketing allowances, stock-based compensation, inventory valuation, fair value of stock awards issued, useful lives of property and equipment, uncertain income tax positions, and income tax valuation allowance. To the extent there are material differences between these estimates, judgments, or assumptions and actual results, the Company's condensed consolidated financial statements will be affected.

Revenue from Contracts with Customers

On April 1, 2020, the Company adopted the new accounting standards codification ("ASC") 606, *Revenue from Contracts with Customers*, for all open contracts and related amendments using the full retrospective method. The Company recognizes revenue in accordance with ASC 606, the core principle of which is that an entity should recognize revenue to depict the transfer of promised goods or services to customers in an amount that reflects the consideration to which the entity expects to be entitled to receive in exchange for those goods or services. To achieve this core principle, five basic criteria must be met before revenue can be recognized:

- Identification of the contract, or contracts, with a customer;
- Identification of the performance obligations in the contract;
- Determination of the transaction price;
- Allocation of the transaction price to the performance obligations in the contract; and
- Recognition of revenue when, or as, the Company satisfies a performance obligation.

The majority of the company's revenue is comprised of Tile hardware device sales. The Company recognizes hardware revenue in the condensed consolidated statement of operations when it satisfies performance obligations under the terms of its contracts and upon transfer of control at a point in time when title transfer either upon shipment to or receipt by the customer as determined by the contractual shipping terms of the contract, net of accrual for estimated sales returns and allowances. Sales returns and allowances were $3.9 million and $2.7 million for the nine months ended December 31, 2021 and 2020, respectively. The next largest stream is made up of the Company's Premium Subscription, which is a monthly subscription allowing the user to have smart alerts, unlimited sharing, location history, battery replacement, premium customer support and more. The remaining revenue streams are immaterial.

The Company offers its software under a cloud-based delivery model, where it provides access to its software on a hosted basis as a service and customers do not have the contractual right to take possession of the software. All

Tile, Inc.

Notes to the Condensed Consolidated Financial Statements

of the Company's revenue and trade receivables are generated from contracts with customers. Revenue is recognized when control of the promised services is transferred to the Company's customers at an amount that reflects the consideration the Company expects to be entitled to in exchange for those services.

Performance Obligations

A performance obligation is a promise in a contract to transfer a distinct good or service to the customer and is the unit of account under Topic 606. The transaction price is allocated to each distinct performance obligation recognized as revenue when, or as, the performance obligation is satisfied by transferring the promised good or service to the customer. The Company identifies and tracks the performance obligations at contract inception so that the Company can monitor and account for the performance obligations over the life of the contract.

The Company's sales arrangements typically contain multiple performance obligations, consisting of the hardware sale, application usage, hardware support, and in some cases, the Premium Subscription. For arrangements with multiple performance obligations where the contracted price differs from the standalone selling price ("SSP") for any distinct good or service, the Company may be required to allocate the transaction price to each performance obligation using its best estimate for the SSP. For B2B hardware sales, the Company will estimate the expected consideration amount after credits and discounts.

The Company generally offers a limited warranty to end-users covering a period of twelve months for products and obligates the Company to repair or replace products for manufacturing defects or hardware component failures. The warranty is not sold separately and does not represent a separate performance obligation. Therefore, such warranties are accounted for under ASC 460, *Guarantees*, and the estimated costs of warranty claims are generally accrued as cost of revenue in the period the related revenue is recorded. See Note 6—Commitments and Contingencies for further details.

Revenue from the Company's Premium Subscription continues to generally be recognized as the Company transfers control of its services to its customers (i.e. over time), which approximates the previously used revenue recognition method of accounting used by the Company. Tile's Premium Subscription contracts are recognized ratably over the subscription term. Sales of hardware device will have point-in-time with a portion of the consideration being allocated to application usage (maintenance) and support.

More judgments and estimates are required under Topic 606 than were required under Topic 605. Due to the complexity of certain contracts, the actual revenue recognition treatment required under Topic 606 for the Company's arrangements may be dependent on contract-specific terms and may vary in some instances.

Customer payment terms vary by arrangement although payments are typically due within 15—45 days of invoicing. The timing between the satisfaction of the performance obligations and the payment is not significant and the Company currently does not have any significant financing components or significant payment terms.

Remaining Performance Obligations

Remaining performance obligations represent the amount of contracted future revenue not yet recognized as the amounts relate to undelivered performance obligations, including both deferred revenue and non-cancelable contracted amounts that will be invoiced and recognized as revenue in future periods. Revenue expected to be recognized from remaining performance obligations is primarily expected to be recognized over the next twelve months.

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Notes to the Condensed Consolidated Financial Statements

Practical Expedients and Exemptions

There are several practical expedients and exemptions allowed under Topic 606 that impact timing of revenue recognition and the Company's disclosures. Below is a list of practical expedients the Company applied in the adoption and application of Topic 606:

- The Company does not evaluate a contract for a significant financing component if payment is expected within one year or less from the transfer of the promised items to the customer.
- The Company generally expenses sales commissions when incurred when the amortization period would have been one year or less. These costs are recorded within selling, general, and administrative in the Statement of Operations.
- The Company is permitted to recognize revenue at the amount to which it has the right to invoice for services performed if the Company's right to payment is for an amount that corresponds directly with the value provided to the customer.
- The Company was not required to restate revenue from contracts that began and were completed within the same annual reporting period. The Company did not apply this practical expedient if a contract extended between two annual reporting periods.
- For completed contracts that had variable consideration, the Company used the transaction price at the date the contract was completed rather than estimating the variable consideration amounts in the comparative reporting periods.
- For contract modifications, the Company reflected the aggregate effect of all modifications that occurred prior to the adoption date when identifying the satisfied and unsatisfied performance obligations, determining the transaction price and allocating the transaction price to satisfied and unsatisfied performance obligations for the modified contract at transition.

Deferred Revenue

Deferred revenue primarily consists of billings or payments received in advance of revenue recognition from services described above and is recognized as the revenue recognition criteria are met. Deferred revenue that will be recognized during the succeeding 12-month period is recorded as current deferred revenue and the remaining portion is recorded as noncurrent.

Contract Costs

The Company has determined that the only incremental costs incurred to obtain contracts with customers within the scope of Topic 606 are sales commissions paid to its employees on hardware sales. The expected cost recovery period on sales commissions is less than one year. As a practical expedient, the incremental costs of obtaining a contract may be expensed when incurred if the amortization period of the asset that the entity otherwise would have recognized is one year or less.

Segment Reporting

The Company operates as one reportable and operating segment because its chief operating decision maker ("CODM"), which is its Chief Executive Officer, reviews its financial information on a consolidated basis for purposes of making decisions regarding allocating resources and assessing performance. The Company has no segment managers who are held accountable by the CODM for operations, operating results, and planning for levels of components below the consolidated unit level. The Company's long- lived assets, which are comprised of property and equipment, are based in the United States and China.

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The Company sells its products and services worldwide and attributes revenue to the geography where the product was shipped and services provided as it believes it best depicts how the nature, amount, timing, and uncertainty of revenue and cash flows are affected by economic factors (presented in thousands).

	Nine Months Ended December 31,			
	2021		2020	
	Hardware	Subscription and other	Hardware	Subscription and other
North America, including United State	$ 69,864	$ 9,109	$ 61,014	$ 5,936
Europe, Middle East, and Africa	5,173	1,004	6,881	674
Asia and Pacific	2,739	1,278	2,132	952
Total	$ 77,782	$ 11,391	$ 70,027	$ 7,562

Cash and Cash Equivalents

The Company considers highly liquid investments with original maturities of three months or less to be cash equivalents. Cash and cash equivalents consist principally of demand deposits and money market funds and are held with a domestic financial institution with a high credit standing.

Restricted Cash

Restricted cash relates to cash deposits restricted under letters of credit issued on behalf of the Company in support of indebtedness to trade creditors incurred in the ordinary course of business.

Fair Value Measurements

Assets and liabilities recorded at fair value on the condensed consolidated balance sheets are categorized based upon the level of judgment associated with inputs used to measure their fair value. The categories are as follows:

Level 1 – Inputs are unadjusted quoted prices in active markets for identical assets or liabilities.

Level 2 – Inputs are quoted prices for similar assets or liabilities in active markets or inputs that are observable for the assets or liabilities, either directly or indirectly through market corroboration, for substantially the full term of the financial instruments.

Level 3 – Inputs are unobservable based on the Company's own assumptions used to measure assets and liabilities at fair value. The inputs require significant management judgment or estimation.

The Company's Cash and cash equivalents (including its money market funds), Accounts receivable, and Prepaid expenses and other current assets and Other liabilities as of December 31, 2021 and March 31, 2021 are equal to their carrying value due to the short-term nature of those assets and liabilities. Investments in money market funds are classified within Level 1 because they are valued using quoted market prices. The fair values for long-term debt is estimated based upon discounted future cash flows at prevailing market interest rates. Based on this, the Company believes the fair value of long-term debt approximates its carrying value as of December 31, 2021 and March 31, 2021. There were no transfers of assets and liabilities between levels in the fair value hierarchy during the nine months ended December 31, 2021 and 2020.

Accounts Receivable and Allowance for Doubtful Accounts

Accounts receivable are recorded at the invoiced amount and are non-interest-bearing. The Company evaluates the collectability of its Accounts receivable based on review of its past-due balances, known collection risks and

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historical experience. In circumstances where the Company is aware of a specific customer's potential inability to meet its financial obligations to the Company (e.g., bankruptcy filings or substantial downgrading of credit ratings), the Company records a specific reserve for bad debts against amounts due to reduce the net recognized receivable to the amount it reasonably believes will be collected. The Company also incurs "chargebacks" (reversal of payment) from credit card vendors for unauthorized transactions. These chargebacks and the reserve for uncollectable amounts are expensed as a bad debt expense based upon management's estimates. Bad debt expense totaled less than $0.1 million for the nine months ended December 31, 2021 and 2020 and is included in General and administrative expense. The Allowance for doubtful accounts was $0.1 million as of December 31, 2021 and March 31, 2021, respectively.

Inventory and Contract Manufacturing

Inventory is stated at the lower of cost or net realizable value. Cost is computed on a weighted average basis. The determination of market value requires the use of numerous judgments including estimated average selling prices based upon recent sales volumes, industry trends, existing customer orders and current contract prices. These estimates are dependent on the Company's assessment of current and expected orders from its customers. The Company evaluates its ending inventories for excess quantities and obsolescence primarily based on forecasted demand within specific time horizons and technological obsolescence. The estimate for excess and obsolete inventory is recorded to Cost of revenue when identified.

The Company outsources its manufacturing to a foreign independent contract manufacturer. A significant portion of the Company's Cost of revenue consists of inventory purchased from this manufacturer. The Company's manufacturer procures components and manufactures the Company's products based on the demand forecasts provided. These forecasts are based on estimates of future demand for the Company's products, which are in turn based on historical trends and an analysis from the Company's sales and marketing organizations, adjusted for overall market conditions. Shipments of inventory from the contract manufacturer are recorded as finished goods inventory upon shipment when title and the significant risks and rewards of ownership have passed to the Company.

Property and Equipment, Net

Property and equipment are stated at cost less accumulated depreciation and amortization. Property and equipment are depreciated for financial reporting purposes using the straight-line method over the estimated useful lives of the assets, which are between one and five years. Amortization of leasehold improvements is computed using the shorter of the estimated useful life or the remaining lease term. Maintenance and repairs that do not extend the life or improve the asset are expensed in the year incurred.

Property and equipment are reviewed for impairment whenever events or changes in circumstances indicate the carrying amount of an asset may not be recoverable. Recoverability of these assets is measured by a comparison of the carrying amounts to the future undiscounted cash flows the assets are expected to generate. If Property and equipment are considered to be impaired, the impairment to be recognized equals the amount by which the carrying value of the asset exceeds its fair value. No impairment to any long-lived assets has been recorded in any of the periods presented.

Website and Mobile Application Development Costs

The Company evaluates the costs to develop its website and mobile application to determine whether the costs meet the criteria for capitalization. Costs related primarily to project activities and post implementation activities

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are expensed as incurred. As of December 31, 2021 and March 31, 2021, the Company had not capitalized any costs related to the development of its website or mobile application.

Concentration of Credit Risk

Financial instruments that potentially subject the Company to concentrations of credit risk consist principally of trade accounts receivable.

The Company performs ongoing credit evaluations of its customers to assess the probability of accounts receivable collection based on several factors, including past transaction experience with the customer, evaluation of their credit history, and review of the invoicing terms of the contract. The Company generally does not require collateral. The Company maintains reserves for potential credit losses on customer accounts when deemed necessary. In FY 2021, the Company secured a policy to insure 90% of the accounts receivable balance to mitigate losses.

As of December 31, 2021, the Company had four customers that accounted for 22%, 22%, 13%, and 11% of total accounts receivable. As of March 31, 2021, the Company had three customers that accounted for 54%, 14%, and 11% total accounts receivable. No other customer accounted for more than 10% of accounts receivable as of December 31, 2021 and March 31, 2021.

Customer Concentration

During the nine months ended December 31, 2021, the Company had one customer that accounted for 59% of revenue. For the nine months ended December 31, 2020, the Company had one customer that accounted for 51% of revenue. No other customers accounted for more than 10% of net revenues for the nine months ended December 31, 2021 and 2020.

Cost of Revenue

Cost of revenue for hardware consists of raw materials costs and associated freight, contract manufacture costs, overhead and other direct costs related to those sales recognized as product revenue in the period. Period costs include logistics costs, manufacturing ramp-up costs, personnel costs, warranty obligations and stock-based compensation. Provision costs consist of adjustments for inventory obsolescence and to reflect the lower of cost or net realizable value. Both period and provision costs are recognized in the period in which they are incurred.

Cost of revenue for subscriptions includes hosting, payment processor fees, allocated overhead costs, and customer support service costs.

Deferred Revenue and Deferred Cost of Revenue

Deferred revenue includes two components: 1) customer payments for sales orders that have yet to be delivered; and 2) sales orders pending completion of services (i.e. Application and server connectivity or remaining Premium subscription term). Current deferred revenue relating to these items was $8.8 million and $8.9 million as of December 31, 2021 and March 31, 2021, respectively. The non-current portion of Deferred revenue was $0.8 million and $0.6 million as of December 31, 2021 and March 31, 2021, respectively. Deferred costs are recognized as cost of revenues in the same period that the related revenues are recognized.

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Research and Development Costs

Research and development costs include labor and material costs of building and developing prototypes for new products, as well as design and engineering costs. Such costs are charged to Research and development expense as incurred.

Advertising Expenses

Advertising costs consist of costs associated with print, television and e-commerce media advertisements and are expensed as incurred. Total advertising expenses incurred were $6.9 million and $6.3 million for the nine months ended December 31, 2021 and 2020, respectively, and presented in Sales and marketing expense.

Stock-Based Compensation

Stock-based compensation granted to employees, including grants of employee stock options, are recognized in the statements of operations based on their fair values. The Company recognizes stock-based compensation on a straight-line basis using the single-option attribution method over the service period of the award, which is generally four years, net of actual forfeitures. The Company estimates the fair value of employee stock options using the Black-Scholes valuation model. The determination of the fair value of a stock-based award is affected by the deemed fair value of the underlying stock price on the grant date, as well as other assumptions including the risk-free interest rate, the estimated volatility of the Company's stock price over the term of the awards, the estimated period of time that the Company expects employees to hold their stock options, and the expected dividend rate.

Income Taxes

The Company accounts for income taxes under the asset and liability method, which requires the recognition of deferred tax assets and liabilities for temporary differences between the condensed consolidated financial statement and tax basis of assets and liabilities using the enacted tax rates in effect for the years in which the differences are expected to reverse. The effect on deferred taxes of a change in income tax rates is recognized in the statements of operations in the period that includes the enactment date. Valuation allowances are established when necessary to reduce deferred tax assets to the amounts that are more likely than not to be recognized.

The Company recognizes tax benefits from uncertain tax positions only if it believes that it is more likely than not that the tax position will be sustained on examination by the taxing authorities based on the technical merits of the position. The tax benefits recognized in the consolidated financial statements from such positions are then measured based on the largest benefit that has a greater than 50% likelihood of being realized upon settlement.

Net (Loss) Income per Share

Basic net (loss) income per share is calculated by dividing net (loss) income by the weighted-average number of common shares outstanding during the period, without consideration of common stock equivalents. Diluted net (loss) income per share is computed by dividing net (loss) income by the weighted-average number of common share equivalents outstanding for the period determined using the treasury stock method and the potential dilutive securities, consisting of preferred stock, options to purchase common stock, common stock warrants, and restricted stock units. In periods in which the Company reports a net loss, diluted net loss per share is the same as basic net loss per share because dilutive shares are not assumed to have been issued if their effect is anti-dilutive.

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New Accounting Pronouncements

In May 2014, the Financial Accounting Standards Board ("FASB") issued Accounting Standards Update ("ASU") No. 2014-09, Revenue from Contracts with Customers (Topic 606), which superseded nearly all existing revenue recognition guidance. Under ASU 2014-09, an entity is required to recognize revenue upon transfer of promised goods or services to customers in an amount that reflects the expected consideration received in exchange for those goods or services. ASU No. 2014-09 defines a five-step process in order to achieve this core principle, which may require the use of judgment and estimates, and also requires expanded qualitative and quantitative disclosures related to the nature, amount, timing and uncertainty of revenue and cash flows arising from contracts with customers, including significant judgments and estimates used. The Company may adopt ASU No. 2014-09 either by using (i) a full retrospective approach for all periods presented in the period of adoption or (ii) a modified retrospective approach with the cumulative effect of initially applying ASU No. 2014-09 recognized at the date of initial application and providing certain additional disclosures. Initially, ASU No. 2014-09 was effective for private companies for annual reporting periods beginning after December 15, 2018. In May 2020, the FASB voted to allow nonpublic entities that have not adopted Topic 606 to defer the adoption by an additional year. The Company adopted this new accounting standard and the related amendments on April 1, 2020 using the full retrospective method. See Note 2—Revenue from Contracts with Customers for further details.

In February 2016, the FASB issued ASU No. 2016-02, Leases (Topic 842). This standard introduces the new leases standard that applies a right-of-use ("ROU") model and requires a lessee to record, for all leases with a lease term of more than 12 months, an asset representing its right to use the underlying asset and a liability to make lease payments. For leases with a term of 12 months or less, a practical expedient is available whereby a lessee may elect, by class of underlying asset, not to recognize an ROU asset or lease liability. At inception, lessees must classify all leases as either finance or operating based on five criteria. Balance sheet recognition of finance and operating leases is similar, but the pattern of expense recognition in the income statement, as well as the effect on the statement of cash flows, differs depending on the lease classification. Initially, this ASU was effective for fiscal years beginning after December 15, 2019, with early adoption permitted. In May 2020, the FASB voted to defer the effective date of Topic 842 for nonpublic business entities for an additional year. The standard will be effective for the Company for the fiscal year ended March 31, 2022, and the Company is evaluating the impact of the adoption of Topic 842 on its consolidated financial statements. At a minimum, the Company expects that material leases will be reported on the consolidated balance sheets.

In June 2016, the FASB issued ASU No. 2016-13, "Financial Instruments—Credit Losses (Topic 326): Measurement of Credit Losses on Financial Instruments," and has since released various amendments including ASU No. 2019-10. The guidance modifies the measurement of expected credit losses on certain financial instruments. This standard will be effective for the Company for the fiscal year ended March 31, 2024. Early adoption is permitted. The Company is currently assessing the impact of the guidance on it consolidated financial statements and disclosures.

In June 2018, the FASB issued ASU No. 2018-07, "Compensation—Stock Compensation (Topic 718): Improvements to Non-employee Share-Based Payment Accounting." The updated guidance simplifies the accounting for non-employee share-based payment transactions. The amendments in the new guidance specify that Topic 718 applies to all share-based payment transactions in which a grantor acquires goods or services to be used or consumed in a grantor's own operations by issuing share-based payment awards. The Company adopted this new standard as of April 1, 2020 and the impact was immaterial to the Company's consolidated financial statements.

In July 2018, the FASB issued ASU No. 2018-09, "Codification Improvements", which clarifies, corrects errors in and makes improvements to several topics in the FASB Accounting Standard Codification. The transition and

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effective date guidance is based on the facts and circumstances of each amendment. Some of the amendments do not require transition guidance and were effective upon issuance of the ASU. This ASU is effective for the Company for its fiscal year ended March 31, 2021. The Company adopted this new standard as of April 1, 2020 and the impact was immaterial to the Company's consolidated financial statements.

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". This standard requires a customer in a hosting arrangement that is a service contract to capitalize certain implementation costs as if the arrangement was an internal-use software project, which requires capitalization of certain costs incurred only during the application development stage and costs to be expensed during the preliminary project and postimplementation stage. This ASU is effective for the Company beginning in its fiscal year ended March 31, 2022. The Company is currently assessing the potential impact of the new standard on the Company's consolidated financial statements.

In August 2018, the FASB issued ASU 2018-13, "Disclosure Framework—Changes to the Disclosure Requirements for Fair Value Measurement (Topic 820)". ASU 2018-13 modifies the disclosure requirements for fair value measurements by removing, modifying, or adding certain disclosures. The ASU is effective for the Company beginning in its fiscal year ended March 31, 2021. The Company adopted this new standard as of April 1, 2020 and the impact was immaterial to the Company's consolidated financial statements.

In December 2019, the FASB issued ASU No. 2019-12, Income Taxes (Topic 740): Simplifying the Accounting for Income Taxes ("ASU 2019-12"). The guidance eliminates certain exceptions related to the approach for intraperiod tax allocation, the methodology for calculating income taxes in an interim period, and the recognition of deferred tax liabilities for outside basis differences related to changes in ownership of equity method investments and foreign subsidiaries. The guidance also simplifies aspects of accounting for franchise taxes and enacted changes in tax laws or rates and clarifies the accounting for transactions that result in a step-up in the tax basis of goodwill. ASU 2019-12 is effective for public business entities for fiscal years beginning after December 15, 2020, and interim periods within those fiscal years and December 15, 2021 for all other entities. Early adoption is permitted, including adoption in any interim period for which financial statements have not been issued. The Company will not adopt ASU No. 2019-12 until fiscal year ended March 31, 2022. The Company is currently assessing the potential impact of the new standard on the Company's consolidated financial statements.

We do not believe that any other recently issued, but not yet effective accounting standards, if adopted, would have a material impact on our consolidated financial statements.

3. Prepaid expenses and other current assets

Prepaid expenses and other current assets consist of the following (in thousands):

	December 31, 2021	March 31, 2021
Prepaid interest	$ 5,922	$ —
Prepaid expenses	1,074	998
Prepaid tariffs and taxes	1,227	729
Other current assets	2,381	940
Total Prepaid expenses and other current assets	$ 10,604	$ 2,667

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4. Property and Equipment, Net

Property and equipment, net consist of the following (in thousands):

	December 31, 2021	March 31, 2021	Estimated Useful Life
Computer and computer software	$ 805	$ 601	2 to 5 years
Manufacturing equipment	252	42	1.5 to 5 years
Furniture and fixtures	9	9	5 years
Leasehold Improvements	86	86	Shorter of lease term or useful life
Total property and equipment	$ 1,152	$ 738	
Accumulated depreciation	(577)	(331)	
Property and equipment, net	$ 575	$ 407	

Depreciation expense was $0.2 million and $0.6 million for the nine months ended December 31, 2021 and 2020, respectively.

5. Intangibles and Other Assets, net

During the year ended March 31, 2018, the Company acquired a domain name for cash and shares of the Company's common stock. The domain name is amortized over its useful life of five years. The gross carrying amount of the intangible asset was $1.1 million and $1.1 million, and accumulated amortization was $0.9 million and $0.8 million as of December 31, 2021 and March 31, 2021, respectively. Amortization expense was $0.1 million and $0.1 million for the nine months ended December 31, 2021 and 2020, respectively.

The approximate future amortization expense of intangible assets at December 31, 2021 is as follows (in thousands):

	Amount
FY 2022	$ 54
FY 2023	107
FY 2024	—
FY 2025	—
FY 2026	—
Thereafter	—
Total	$ 161

6. Commitments and Contingencies

Purchase Commitments

The Company had no non-cancelable outstanding purchase orders of finished goods to be delivered by its contract manufacturer as of December 31, 2021 or March 31, 2021, respectively.

Operating Lease

The Company's primary operating lease commitment is related to its headquarters in San Mateo, California, and requires monthly lease payments through September 30, 2022.

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Rent expense for all facility leases was $0.7 million and $0.7 million for the nine months ended December 31, 2021 and 2020, respectively.

The approximate future minimum lease commitment under the non-cancelable operating leases at December 31, 2021 is as follows (in thousands):

	Amount
FY 2022	$ 206
FY 2023	411
FY 2024	—
FY2025	—
FY 2026	—
Thereafter	—
Total	$ 617

Litigation

On March 12, 2019, a former competitor of Tile, Cellwitch, Inc, filed a patent infringement claim against the Company in the US District Court, Northern District of California ("Court"). On May 2, 2019, the Company filed a motion to dismiss the case. The plaintiff amended its complaint on May 16, 2019, and the Company filed a renewed motion to dismiss the amended complaint on May 30, 2019. On November 21, 2019, the Court issued an order denying Tile's motion to dismiss the case but finding the underlying patent to be directed to an abstract idea. On December 5, 2019, Tile filed an inter partes review petition challenging the validity of the patent. On December 24, 2019, Tile filed a motion to stay pending the review of the patent. On January 17, 2020, the Court granted Tile's motion to stay and ordered the parties to file a joint status report on June 30, 2020. This case is still currently stayed pending full resolution of Tile's inter partes' review petition, now currently on appeal.

Separately, another former competitor of Tile, Linquet Technologies, also sued Tile for patent infringement. In mid-September 2021, the Court dismissed Linquet Technologies' complaint in its entirety with leave to amend, although stating that given the patent at issue the Court did not believe they could state a valid claim. Linquet filed their amended complaint on October 8, 2021. The Company moved to dismiss the claim on October 22, 2021.

The Company is unable to predict the outcome of the above matters or estimate the range of possible loss, if any. Although the proceedings are subject to uncertainties inherent in the litigation process and the ultimate disposition of these proceedings is not presently determinable, the Company intends to vigorously defend the matters.

Warranties

The Company's products are generally warranted to be free from material defects with a battery life of 12 months. Customers may purchase an extended warranty for devices with replaceable batteries for 36 months. As of December 31, 2021 and March 31, 2021, the Company's product warranty expense has not been material.

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7. Accrued liabilities

Accrued liabilities consist of the following (in thousands):

	December 31, 2021	March 31, 2021
Customer related promotions and discounts	$ 10,457	$ 3,720
Payroll and related expenses	3,632	4,457
Other expenses	1,510	2,327
Product warranty	1,896	1,804
Total accrued liabilities	$ 17,495	$ 12,308

8. Debt Facility

Term Loan

In May 2019, the Company entered into a Loan and Security Agreement with Pinnacle Ventures and issued term loans for an aggregate principal of $17.5 million, where $13.2 million was used to replace an existing line of credit with Silicon Valley Bank. The interest rate for the payments not including the final payment of the loan is the greater of the prime rate based on the federal funds rate determined on each date 15 days before the applicable payment date plus 500 basis points, or 10.5% per annum. The final payment interest rate will be the greater of the prime rate determined as of 15 days before the date of the final payment plus 300 basis points and 8.5%. The loan was collateralized by substantially all assets of the Company and contains financial and non-financial covenants with the loan maturing in May 2023. In September 2021, the Company settled the loan in the amount of $17.9 million and recognized $0.9 million as Interest expense in the condensed consolidated statements of operation during the nine months ended December 31, 2021 related to the loan's prepayment penalty.

In connection with the Loan and Security Agreement, the Company issued the lender warrants to purchase a total of $0.6 million worth of shares of the Company's common stock. The exercise price of the warrants is the lesser of (i) $0.95 and (ii) the value of the Company's common stock as determined by the next 409A valuation that is completed after May 24, 2019 and prior to the exercise of any portion of the warrants. The Company analyzed the warrants and determined the warrants were detachable and classified as liabilities and measured at fair value on a recurring basis. The Company initially recorded the fair value of the warrants as deferred financing costs and amortized as interest expense over the term of the loan.

Paycheck Protection Program ("PPP") Loan

On April 30, 2020, the Company received loan proceeds in the amount of approximately $2.5 million under the Paycheck Protection Program ("PPP") Division A, Title I of the Coronavirus Aid, Relief and Economic Security Act ("CARES Act"), which was enacted March 27, 2020. The PPP, established as part of the CARES Act and administered by the U.S. Small Business Administration (the "SBA"), provides for loans to qualifying businesses for amounts up to 2.5 times of the average monthly payroll expenses of the qualifying business. The loans and accrued interest are forgivable after eight weeks as long as the borrower uses the loan proceeds for eligible purposes, including payroll, benefits, rent and utilities, and maintains its payroll levels. The amount of loan forgiveness was subject to reduction borrower terminates employees or reduces salaries during the eight-week period.

The Company applied for forgiveness of the entire amount of the SBA PPP loan. In June 10, 2021, the Company received notification from the SBA that the PPP funds were used appropriately, and the entire principal amount of $2.5 million was forgiven. In accordance with ASC 405—*Liabilities,* the Company derecognized the liability

at the point in time the liability was extinguished through a legal release of the obligation. Accordingly, the Company recognized the forgiveness of the loan as PPP loan forgiveness in the condensed consolidated statements of operation during the nine months ended December 31, 2021.

Secured Term Loan

In September 2021, the Company entered into a secured term loan with Capital IP Investment Partners, LLC for an aggregate principal amount of $40.0 million with a maturity date in September 2026. The term loan consists of Term A with an aggregate principal of $33.0 million and Term B with an aggregate principal of $7.0 million. The term loans bear interest on outstanding principal amount from the closing date, or in the case of the Term B loan, from the Term B funding date, at a rate per annum equal to the sum of the greater of LIBOR for such period and one-quarter of one percent plus applicable margin. The loan was collateralized by substantially all assets of the Company and contains financial and non-financial covenants. The secured term loan was repaid in January 2022 as part of Life360's acquisition of Tile.

Long-term debt consists of the following as of December 31, 2021 and March 31, 2021 (in thousands):

	December 31, 2021	March 31, 2021
Long-term debt	$ 33,000	$ 21,494
Less: unamortized deferred financing costs	(1,134)	(1,189)
Total debt, net of unamortized deferred issuance costs	31,866	20,305
Less: current portion of long-term debt, net	—	(6,850)
Long-term debt, net	$ 31,866	$ 13,455

The Company amortizes its deferred financing costs related to the long-term debt over the life of the loan as a reduction in the total value of the debt.

9. Share-based Compensation Plans and Awards

Common Stock

The Company reserved the following number of shares of common stock as of December 31 and March 31, 2021, for the potential conversion of outstanding redeemable convertible preferred stock and the exercise of stock options (in thousands):

	December 31, 2021	March 31, 2021
Outstanding stock options	11,434	9,447
Stock options available for future grant	3,322	2,447
Warrants—Common Stock	1,143	1,143
Restricted stock units	5,288	5,288
Convertible preferred stock	36,715	36,535
Total common stock reserved for future issuance	57,902	54,860

2013 Stock Option Plan

In 2013, the Board of Directors approved the 2013 Stock Plan (the Plan), which provides for the granting of incentive and nonstatutory stock options and stock purchase rights to employees, directors, and consultants.

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Under the Plan, the Board of Directors (the Plan Administrator) determines various terms and conditions of option grants, including option expiration dates (generally ten years from the date of grant), vesting terms (generally over a four-year period, with 25% vesting at the end of the first year and the balance vesting ratably on a monthly basis over the remaining period), and payment terms. The Plan provides for stock option grants at an exercise price as determined by the Plan Administrator, but in the case of incentive stock options, no less than 100% of the fair market value of the common stock subject to the option on the date of grant as determined by the Board of Directors and not less than 85% of fair market value for nonstatutory stock options. Options granted to owners of 10% or more of the Company’s common stock have an exercise price no less than 110% of the fair market value of the common stock on the date of grant as determined by the Board of Directors.

The Plan allows for early exercise of options prior to vesting with Board approval. In connection with the early exercise of stock options, the Company has the right, but not the obligation, to repurchase unvested shares of common stock upon termination of the individual’s service to the Company at the original purchase price per share.

A summary of employee and non-employee activities under the Plan as of December 31, 2021 and March 31, 2021 is as follows (amounts in thousands, except per share amounts):

	Number of Shares	Weighted-Average Exercise Price per Share	Weighted-Average Remaining Contractual Life	Aggregate intrinsic value (in thousands)
Balance at March 31, 2020	9,934	$ 1.00	8.3	$ 174
Options authorized	—	—		
Options granted	1,933	0.45		
Options exercised	(93)	0.71		
Options canceled	(2,327)	1.56		
Balance at March 31, 2021	9,447	$ 0.49	7.3	$ 52
Options authorized	—	—		
Options granted	3,307	0.96		
Options exercised	(137)	0.42		
Options canceled	(1,165)	0.83		
Balance at December 31, 2021	11,452	$ 0.60	7.7	$ 4,058

	Number of Shares	Weighted-Average Exercise Price per Share	Weighted-Average Remaining Contractual Term (Years)	Aggregate intrinsic value (in thousands)
Employee	5,960	$ 0.48	6.6	$ 2,905
Non-employee	48	0.46	5.5	24
Options exercisable at December 31, 2021	6,008	$ 0.48	6.6	$ 2,929

The total intrinsic value of options exercised was $0.7 million for the nine months ended December 31, 2021 and was not significant for the nine months ended December 31, 2020. The total intrinsic value of options vested for the nine months ended December 31, 2021 and 2020 was not significant.

Tile, Inc.

Notes to the Condensed Consolidated Financial Statements

Valuation of Awards

The fair value of options granted to each employee during the nine months ended December 31, 2020 and 2021, was estimated using the Black-Scholes option-pricing model with the following assumptions:

	Nine Months Ended December 31,	
	2021	2020
Expected dividend yield (%)	—	—
Expected life (years)	5.87 - 6.27	5.82 - 6.06
Risk-free interest rate (%)	0.93 - 1	0.37 - 0.51
Expected volatility (%)	59 - 60	57 - 58

The weighted-average estimated grant-date fair value of employee stock options granted during the nine months ended December 31, 2021 and 2020, was $0.96 and $0.45 per share, respectively.

The Company has generally obtained contemporaneous valuation analyses prepared by an unrelated third-party valuation firm in order to assist the Company's Board of Directors in determining the fair value of the Company's common stock and related exercise prices of option awards on the date such awards were granted. The Company has also used these contemporaneous third-party valuations for purposes of determining the fair value of the Company's share-based payment awards and the related stock-based compensation expense.

The Company currently has no history or expectation of paying cash dividends on its common stock. The Company estimates the volatility of its common stock at the date of grant based on the historical and implied volatility of the stock prices of a peer group of publicly traded companies for a period equal to the expected life of its stock options. The risk-free interest rate is based on the U.S. Treasury yield for a term consistent with the expected term of the awards in effect at the time of grant. The expected term represents the weighted-average period the stock options are expected to remain outstanding. The expected term was determined using the simplified approach based on the vesting terms and contractual life of the options.

Stock-based compensation expense was as follows (amounts in thousands):

	Nine Months Ended December 31,	
	2021	2020
Cost of revenue	$ 82	$ 69
Research and Development	376	322
Sales and Marketing	206	158
General and administrative	185	153
Total	$ 849	$ 702

As of December 31, 2021, there was $2.4 million of total unrecognized compensation costs related to nonvested stock options, which is expected to be recognized over a weighted-average period of 0.48 years.

Non-employee Awards

During the nine months ended December 31, 2021, the Company did not grant any stock options to consultants. During the nine months ended December 31, 2020, the Company issued 20,000 stock options exercisable into its

common stock to consultants in exchange for services rendered. These options were revalued at each reporting date using the Black-Scholes option pricing model with the same assumptions as those used for employee awards with the exception of expected term. The expected term for nonemployee awards is the contractual term of 10 years.

Restricted Stock Units

The Company did not grant any Restricted Stock Units ("RSUs") during the nine months ended December 31, 2021 and 2020. RSUs may be granted to employees of the Company and include both a service-based vesting condition and a Performance Vesting Condition. The service-based vesting period for this award is four years, beginning with a cliff vesting period of one year and continuing to vest quarterly thereafter. The Performance Vesting Condition is satisfied on the earlier of (i) an acquisition or change in control of the Company; (ii) 180 day after an initial public offering "IPO" by the Company or; (ii) March 15 of the calendar year following the year in which the Company's IPO is declared effective. As of December 31, 2021 and March 31, 2021, all compensation expense related to RSUs remained unrecognized because the Performance Vesting Condition was not satisfied. At the time the Performance Vesting Condition becomes probable, the Company will recognize the cumulative stock-based compensation expense for the RSUs that have met their service-based vesting condition using the accelerated attribution method.

10. Redeemable Convertible Preferred Stock

The following is a schedule of authorized, issued, and outstanding shares, amounts and aggregate liquidation preferences of Preferred Stock as of December 31, 2021 and March 31, 2021 (in thousands, except per share data):

	Shares Authorized	Conversion Price per Share	Shares Issued and Outstanding	Aggregated Liquidation Preference	Carrying Value
Series A	10,720	$ 1.99	10,720	$ 21,302	$ 21,180
Series B	5,268	3.42	5,268	18,000	17,823
Series B-l	8,117	4.19	8,117	34,003	33,838
Series C Preferred Stock	15,864	3.78	11,065	41,852	41,562
Series C-l Preferred Stock	1,365	3.40	1,365	4,645	5,161

The Company's Preferred Stock is not mandatorily redeemable. Certain of the rights, privileges and restrictions granted to and imposed on the Series A, B, B-1, C, and C-1 Preferred Stock are summarized as follows:

Voting Rights — On any matter presented to the stockholders, each holder of outstanding shares of Preferred Stock has the right to cast the number of votes equal to the number of whole shares of common stock into which the shares of Preferred Stock are convertible.

Dividends—The Company shall not pay or set aside any dividends on shares of its common stock (other than dividends on shares of common stock payable in shares of common stock) in any calendar year unless the holders of the Preferred Stock then outstanding shall first receive a dividend equal to 6% of the original issue price per share (or approximately $0.12 per share for Series A Preferred Stock, approximately $0.21 per share for Series B Preferred Stock , approximately $0.25 per share for Series B- 1 Preferred Stock, approximately $0.23 per share for Series C Preferred Stock and approximately $0.20 per share for Series C-1 Preferred Stock). The foregoing dividends shall not be cumulative and shall be paid when, as and if declared by the Company's Board of Directors. In the case of Series A, B, B-1, C and C-1 Preferred Stock, the original issue price shall mean $1.987,

Tile, Inc.

Notes to the Condensed Consolidated Financial Statements

$3.417, $4.189, $3.7822, and $3.4040 per share, respectively, subject to appropriate adjustment in the event of any stock splits and combinations of shares and for dividends paid on each such series of the Preferred Stock in shares of such stock.

If, after dividends in the full preferential amount for the Preferred Stock that have been paid or set apart for payment in any calendar year, the Company's Board of Directors declares additional dividends out of funds legally available in that calendar year, then such additional dividends shall be declared pro rata on the common stock and the Preferred Stock on a pari passu basis according to the number of shares of common stock held by such holders. For this purpose, each holder of shares of Preferred Stock shall be treated as holding the number of shares of common stock then issuable upon conversion of all shares of Preferred Stock.

Liquidation Preference — In the event of a voluntary or involuntary liquidation, dissolution or winding up of the Company, before any payment shall be made to the holders of common stock, Series A, B and B-1 Preferred Stock, on a pari passu basis, the holders of Series C and C-1 Preferred Stock (together, the "Senior Preferred Stock") shall be entitled to be paid out of the funds and assets available for distribution to its stockholders, an amount per share equal to the greater of (a) the Original Issue Price for such series of Senior Preferred Stock, plus any dividends declared but unpaid thereon, or (b) such amount per share as would have been payable had all shares of such series of Senior Preferred Stock been converted into Common Stock immediately prior to such liquidation, dissolution, or winding up. If the funds and assets available for distribution to the stockholders shall be insufficient to pay the holders of shares of Senior Preferred Stock the full amounts to which they are entitled, the holders shall share ratably in any distribution of the funds and assets available for distribution in proportion to the respective amounts that would otherwise be payable.

After the payment of all preferential amounts required to be paid to the holders of shares of Senior Preferred Stock, and before any payment shall be paid to the holders of common stock, on a pari passu basis, the holders of shares of Series A, B, and B-1 Preferred Stock (together, the "Junior Preferred Stock") shall be entitled to be paid out of the funds and assets of the funds and assets available for distribution to its stockholders, an amount per share equal to the greater of (a) the Original Issue Price for such series of Junior Preferred Stock, plus any dividends declared but unpaid thereon, or (b) such amount per share as would have been payable had all shares of such series of Junior Preferred Stock been converted into Common Stock immediately prior to such liquidation, dissolution, or winding up. If the funds and assets available for distribution to the stockholders shall be insufficient to pay the holders of shares of Junior Preferred Stock the full amounts to which they are entitled, the holders shall share ratably in any distribution of the funds and assets available for distribution in proportion to the respective amounts that would otherwise be payable. After the payment of all preferential amounts required to be paid to the holders of shares of Preferred Stock, the remaining funds and assets available for distribution to the stockholders shall be distributed pro rata among the holders of Common Stock.

Conversion Rights — Each share of Preferred Stock shall be convertible, at the option of the holder, at any time, and without the payment of additional consideration, into such number of fully paid and nonassessable shares of Common Stock. The conversion price is determined by dividing the original issue price by the applicable conversion price for such series of Preferred Stock, adjusted for any anti-dilution adjustment. As of March 31, 2021, the Company's Preferred Stock is convertible into the Company's shares of common stock on a one-for-one basis.

Shares of Preferred Stock shall automatically be converted into shares of common stock at the then effective conversion rate for such share, upon earlier to occur of: (a) the closing of the sale of shares of the Company's common stock to the public in a firm-commitment underwritten public offering pursuant to an effective registration statement resulting in at least $50.0 million of gross proceeds or (b) (i) with respect to the Series C

and C-1 Preferred Stock, the date and time, or the occurrence of an event, specified by vote or written consent of the holders of at least a majority of the outstanding shares of Series C and C-1 Preferred Stock, voting together as a single class on an as-converted basis, and (ii) with respect to the Series A, B and B-1 Preferred Stock, the date and time, or the occurrence of an event, specified by vote or written consent of the holders of at least a majority of the outstanding shares of Series A, B and B-1 Preferred Stock, voting together as a single class on an as-converted basis.

Redemption and Balance Sheet Classification — While the Preferred Stock does not have mandatory redemptions provisions, the deemed liquidation preference provisions of the Preferred Stock are considered contingent redemption provisions that are not solely within the Company's control. These elements primarily relate to deemed liquidation events such as change of control. Accordingly, the Company's Preferred Stock has been presented outside of permanent equity in the mezzanine section of the condensed consolidated balance sheets.

11. Income Taxes

Income tax (benefit)/expense was not material during the nine months ended December 31, 2021 and 2020.

Deferred tax assets and deferred tax liabilities are determined based on temporary difference between the financial reporting and tax bases of assets and liabilities and are measured using the enacted tax rates and laws that will be in effect when the differences are expected to reverse. A valuation allowance is recorded against deferred tax assets if it is more likely than not that some portion or all of the deferred tax asset will not be realized

In assessing the realizability of deferred tax assets, the Company considers whether it is more likely than not that some portion or all of the deferred tax assets will not be realized. As a result, it has established a full valuation allowance against its deferred tax assets to the extent they are not offset by liabilities from uncertain tax positions based on the Company's history of losses. The valuation allowance increased by $1 million at December 31, 2021 for the nine months ended December 31, 2021.

As of December 31, 2021, the Company had net operating loss carryforwards of approximately $96.2 million for federal income taxes and $29.6 million for state income taxes. If not utilized, these carryforwards will begin expiring in fiscal year 2033 for federal and state tax purposes. Federal NOLs generated after March 31, 2018 have an indefinite carryforward period subject to 80% deduction limitation based upon pre-NOL deduction taxable income.

In addition, as of December 31, 2021, the Company also had research and development credit carryforwards of approximately $5.7 million for federal tax purposes and $5.1 million for state tax purposes. The federal research and development tax credit carryforwards will begin expiring in 2036 if not utilized. The state research and development tax credit carryforwards do not expire.

Utilization of the net operating loss carryforwards and credits may be subject to substantial annual limitation due to the ownership change limitations provided by Section 382 of the Internal Revenue Code of 1986, as amended, and similar state provisions. The annual limitation may result in the expiration of the net operating losses and credits before utilization.

The Company records liabilities related to its uncertain tax positions. The Company recognizes the tax benefits from an uncertain tax position only if it is more likely than not that the position is sustainable by the taxing

Tile, Inc.

Notes to the Condensed Consolidated Financial Statements

authority, based on technical merits. The Company has recorded liabilities relating to these positions of approximately $10.9 million as of December 31, 2021. The Company's policy is to classify interest and penalties associated with uncertain tax positions, if any, as a component of its income tax provision. Interest and penalties were not material during the nine months ended December 31, 2021.

The Company's uncertain tax positions stem from U.S. Federal and California research and development ("R&D") tax credits. As of December 31, 2021, Tile continues to record a historical 100% reserve on U.S. and California R&D tax credits. Tile's unrecognized tax benefit as of December 31, 2021 is $10.9 million, which represents an increase of $1.6 million relative to the unrecognized tax benefit as of March 31, 2021 of $9.3 million. The change in the unrecognized tax benefit relates to the increased Federal and California R&D credits generated.

12. Subsequent Events

On January 5, 2022, the Company was acquired by Life360 for a purchase price of $170.0 million plus up to $35.0 million in retention equity awards for Tile employees, representing total consideration of $205.0 million. The purchase price includes payment of outstanding debt to Capital IP for $29 million.

UNAUDITED PRO FORMA CONDENSED COMBINED FINANCIAL DATA

The following sets forth certain unaudited pro forma condensed combined financial data giving effect to the completion of the Tile, Inc. (“Tile”) acquisition, including the shares of common stock issued to Tile shareholders to finance a portion of the acquisition consideration. The Tile Acquisition closed on January 5, 2022.

The unaudited pro forma condensed combined financial data set forth below has been presented for informational purposes only. The unaudited pro forma condensed combined financial data set forth below is not necessarily indicative of what our financial position or results of operations would have been had Life360 completed the Tile Acquisition as of the dates indicated. In addition, the unaudited pro forma condensed combined financial data does not purport to project the future financial position or operating results of the combined company. There were no transactions between us and Tile during the periods presented in the unaudited pro forma condensed combined financial statements that would need to be eliminated.

The unaudited pro forma condensed combined statement of operations for the year ended December 31, 2021 assumes the Tile Acquisition was consummated on January 1, 2021. Our condensed combined statement of operations derived from audited financial statements for the year ended December 31, 2021 has been combined with Tile’s unaudited condensed consolidated statement of operations for this period after giving pro forma effect to the Tile Acquisition.

The unaudited pro forma condensed combined balance sheet as of December 31, 2021 assumes the Tile Acquisition took place December 31, 2021 and combines our December 31, 2021 audited condensed consolidated balance sheet with Tile’s December 31, 2021 unaudited condensed consolidated balance sheet after giving pro forma effect to the Tile Acquisition.

The historical consolidated financial data has been adjusted in the unaudited pro forma condensed combined financial data to give effect to pro forma events that are (1) directly attributable to the Tile Acquisition, (2) factually supportable, and (3) with respect to the statement of operations, expected to have a continuing impact on Tile. The unaudited pro forma condensed combined financial data should be read in conjunction with the accompanying notes to the unaudited pro forma condensed combined financial data set forth below. In addition, the unaudited pro forma condensed combined financial data was based on and should be read in conjunction with our historical consolidated financial statements and accompanying notes and those of Tile for the applicable periods which are included elsewhere in this Form 10.

The unaudited pro forma condensed combined financial data has been prepared using the acquisition method of accounting under existing U.S. generally accepted accounting principles, (“GAAP”), which is subject to change and interpretation. We have been treated as the acquiror in the Tile Acquisition for accounting purposes. The acquisition method of accounting is dependent upon certain valuations and other studies that have yet to commence or progress to a stage where there is sufficient information for a definitive measurement. Accordingly, the pro forma adjustments are preliminary and have been made solely for the purpose of providing unaudited pro forma condensed combined financial data. Differences between the preliminary estimates and the final acquisition accounting will occur and these differences could have a material impact on the accompanying unaudited pro forma condensed combined financial statements and the combined company’s future results of operations and financial position.

The unaudited pro forma condensed combined financial data does not reflect any cost savings, operating synergies or revenue enhancements the combined company may achieve as a result of the Tile Acquisition, the costs to combine our operations with those of Tile, or the costs necessary to achieve any of the foregoing cost savings, operating synergies and revenue enhancements. The unaudited pro forma condensed combined financial data also reflects the common stock issued in connection with the Tile Acquisition.

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Life360, Inc. and Tile, Inc.
Unaudited Pro Forma Condensed Combined Balance Sheet
As of December 31, 2021
(in thousands, except per share amounts)

	Historical		Pro Forma Adjustments		
	Life360 (Consolidated)	Tile	Tile Acquisition		Pro Forma Combined
Assets					
Current Assets:					
Cash and cash equivalents	$ 230,990	$ 31,305	$ (158,046)	A	$ 104,249
Restricted cash	—	1,050	—		1,050
Accounts receivable	11,772	31,415	—		43,187
Deferred cost of revenue, current portion	—	3,698	(3,698)	B	—
Costs capitalized to obtain revenue contracts, net	1,319	—			1,319
Inventory	2,009	7,638	—		9,647
Prepaid expenses and other current assets	10,590	10,604	—		21,194
Total current assets	**256,680**	**85,710**	**(161,744)**		**180,646**
Restricted cash	355	—	14,094	C	14,449
Property and equipment, net	580	575	—		1,155
Deferred cost of revenue, net of current portion	—	407	(407)	B	—
Costs capitalized to obtain revenue contracts, net of current portion	330	—			330
Prepaid expenses and other assets, noncurrent	3,691	484	—		4,175
Right of use asset	1,627	—	—		1,627
Intangible assets, net	7,986	161	52,539	D	60,686
Goodwill	31,127	—	102,223	E	133,350
Total Assets	**$ 302,376**	**$ 87,337**	**$ 6,703**		**$ 396,418**
Liabilities and Stockholders' Equity					
Current Liabilities:					
Accounts payable	$ 3,248	$ 20,925	$ —		$ 24,173
Accrued expenses and other liabilities	10,547	20,737	21,095	C, F	52,379
Accrued product returns	—	2,612	—		2,612
Contingent consideration	9,500	—	9,316	G	18,816
Convertible notes, current	4,222	—	—		4,222
Deferred revenue	13,929	8,758	—		22,687
Total current liabilities	**41,446**	**53,032**	**30,411**		**124,889**
Convertible notes, noncurrent	8,284	—	—		8,284
Derivative liability, noncurrent	1,396	—	—		1,396
Long-term debt	—	31,866	(31,866)	H	—
Deferred revenues, non-current portion	—	825			825
Warrant liability	—	579	(579)	I	—
Other noncurrent liabilities	1,205	—	—		1,205
Total Liabilities	**52,331**	**86,302**	**(2,034)**		**136,599**
Redeemable convertible preferred stock	—	119,564	(119,564)	J	—
Stockholders' Equity					
Common stock	61	1	—	J	62
Additional paid-in capital	416,278	6,878	8,955	J	432,111
Notes due from affiliates	(951)	—	—		(951)
Accumulated deficit	(165,343)	(125,431)	119,372	K	(171,402)
Accumulated other comprehensive income	—	23	(23)	K	—
Total stockholders' equity	**250,045**	**(118,529)**	**128,303**		**259,819**
Total liabilities and stockholders' equity	**$ 302,376**	**$ 87,337**	**$ 6,705**		**$ 396,418**

See the accompanying notes to the unaudited pro forma condensed combined financial data, which are an integral part of these statements. The pro forma adjustments are explained in Note 5—Adjustments to Unaudited Pro Forma Condensed Combined Balance Sheet.

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Life360, Inc. and Tile, Inc.
Unaudited Pro Forma Condensed Combined Statement of Operations
For the Year Ended December 31, 2021
(in thousands, except per share amounts)

	Historical		Pro Forma Adjustments			
	Life360 (Consolidated)	Tile	Tile Acquisition		Pro Forma Combined	
Subscription revenue	$ 86,551	$ 16,695	$ —		$ 103,246	
Other revenue	26,092	88,898	—		114,990	
Total revenue	112,643	105,593	—		218,236	
Cost of subscription revenue	17,807	7,557	2,551	**A, B**	27,915	
Cost of other revenue	4,961	51,264	—		56,225	
Total cost of revenue	22,768	58,821	2,551		84,140	
Gross profit	89,875	46,772	(2,551)		134,096	
Operating expenses:						
Research and development	50,994	23,248	5,333	**C**	79,575	
Sales and marketing	47,473	21,126	7,201	**A, C**	75,800	
General and administrative	23,670	12,350	16,329	**C, D**	52,349	
Total operating expenses	122,137	56,724	28,864		207,725	
Loss from operations	(32,262)	(9,952)	(31,415)		(73,629)	
Other expenses:						
Convertible notes fair value adjustment	511	—	—		511	
Derivative liability fair value adjustment	733	—	—		733	
Other expenses, net	178	2,099	—		2,277	
Total other expenses	1,422	2,099	—		3,521	
Loss before benefit (provision) from income taxes	(33,684)	(12,051)	(31,415)		(77,150)	
Benefit (provision) from income taxes	127	—	(1,425)	**E**	(1,298)	
Net loss	$ (33,557)	$ (12,051)	$ (32,840)		$ (78,448)	
Net loss per share						
Basic	$ (0.65)				$ (1.50)	**F**
Diluted	$ (0.65)				$ (1.50)	**F**
Weighted average shares						
Basic	51,656,195		780,593	**F**	52,436,788	**F**
Diluted	51,656,195		780,593	**F**	52,436,788	**F**

See the accompanying notes to the unaudited pro forma condensed combined financial data, which are an integral part of these statements. The pro forma adjustments are explained in Note 6—Adjustments to Unaudited Pro Forma Condensed Combined Statement of Operations.

Life360, Inc. and Tile, Inc.

Note to Unaudited Pro Forma Condensed Combined Financial Data

Note 1 – Description of Transaction

The Tile, Inc. Acquisition

On January 5, 2022, we completed the acquisition of Tile, a privately held consumer electronics company pursuant to a merger agreement with Tile. Pursuant to the merger agreement, we agreed to acquire all of Tile's outstanding equity interests through a merger of our wholly owned subsidiary with Tile. Following the merger, Tile became our wholly owned subsidiary. For purposes of the unaudited pro forma condensed combined financial data, we estimate the total consideration to be paid in connection with the Tile Acquisition will be approximately $182.8 million, consisting of approximately $158.0 million in cash, $15.5 million in shares of our common stock and an approximately $9.3 million in contingent consideration. The $15.5 million of common stock issued as consideration is comprised of 780,593 shares of the Company's common stock valued on the date of acquisition, of which 1,561 shares were granted to a key employee and vest based on continued employment. The derived value of $9.3 million in contingent consideration consists of 534,465 shares of common stock contingent consideration valued on the date of acquisition which was promised upon reaching certain operational goals of which 4,784 shares of contingent consideration were granted to a key employee and vest based on continued employment. Of the consideration transferred, $14.1 million in cash and 84,524 common shares were placed in an indemnity escrow fund to be held for three years after the acquisition date for general representations and warranties.

Note 2 – Basis of Presentation

The unaudited pro forma condensed combined financial data was prepared using the acquisition method of accounting and was based on our historical financial statements and those of Tile. Prior to the acquisition of Tile, Tile prepared financial statements based on a March 31 fiscal year end. Tile's unaudited pro forma condensed combined financial data contained herein reflects the twelve months ended December 31, 2021. As we and Tile have different fiscal year ends, in order to meet the SEC's pro forma requirements of combining operating results for our fiscal year, Tile's financial results for the 9 month period ended December 31, 2021 have been calculated by taking (i) the results for the fiscal year ended March 31, 2021, minus (ii) the results for 9 months period ended December 31, 2020, plus (iii) the results for 9 months period ended December 31, 2021. We are not currently aware of any significant accounting policy differences between us and Tile, however as further information becomes available such policy differences may be identified and could result in significant differences from the unaudited condensed combined pro forma financial statements.

The acquisition method of accounting is based on Accounting Standards Codification ("ASC") Topic 805, Business Combinations, which uses the fair value concepts defined in ASC Topic 820, Fair Value Measurements and Disclosures.

ASC Topic 805 requires, among other things, that assets and liabilities acquired be recognized at their fair values as of the acquisition date. Our financial statements issued after completion of the Tile Acquisition will reflect such fair values, measured as of the acquisition date, which may be different than the estimated fair values included in these unaudited pro forma condensed combined financial statements. In addition, ASC Topic 805 establishes that the consideration transferred be measured at the closing date of the Tile Acquisition at the then-current fair value, which will likely result in acquisition consideration that is different from the amount assumed in these unaudited pro forma condensed combined financial statements.

ASC Topic 820 defines the term "fair value" and sets forth the valuation requirements for any asset or liability measured at fair value, expands related disclosure requirements and specifies a hierarchy of valuation techniques based on the nature of the inputs used to develop the fair value measures. Fair value is defined as "the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date." In addition, market participants are assumed to be buyers and sellers

Life360, Inc. and Tile, Inc.

Note to Unaudited Pro Forma Condensed Combined Financial Data

unrelated to us in the principal (or the most advantageous) market for the asset or liability. Fair value measurements for an asset assume the highest and best use by these market participants. As a result of these standards, we may be required to record assets which are not intended to be used or sold and/or to value assets at fair value measures that do not reflect our intended use of those assets. Many of these fair value measurements can be highly subjective and it is also possible that other professionals, applying reasonable judgment to the same facts and circumstances, could develop and support a range of alternative estimated amounts.

Under ASC 805, acquisition-related transaction costs (such as advisory, legal, valuation, other professional fees) are not included as a component of acquisition consideration and are excluded from the unaudited pro forma condensed combined statement of operations. Such costs will be expensed in the historical statements of operations in the periods incurred. We expect to incur total acquisition-related transaction costs of approximately $7.2 million. As discussed in Note 6, the liabilities related to these costs have been included in the unaudited pro forma condensed combined balance sheet as of December 31, 2021.

Note 3 – Estimate of Consideration Expected to be Transferred

The following is a preliminary estimate of consideration expected to be transferred to effect the Tile Acquisition:

Estimated Acquisition Consideration	
Cash payments	$ 158,046
Equity payments	15,409
Contingent consideration	9,316
Total estimated purchase price consideration	**$ 182,771**

Note 4 – Estimate of Assets to be Acquired and Liabilities to be Assumed

The following is a preliminary estimate of the assets to be acquired and the liabilities to be assumed by the Company in the acquisition, reconciled to the estimate of consideration expected to be transferred:

Estimate of Assets Acquired and Liabilities Assumed	
Cash and cash equivalents	$ 31,305
Restricted cash	1,050
Accounts receivable	31,415
Prepaid expenses and other current assets	10,604
Inventory	7,638
Property and equipment, net	575
Other-noncurrent assets	484
Accounts payable	(20,925)
Accrued expenses and other current liabilities	(23,290)
Deferred revenue	(9,583)
Net tangible assets acquired	**$ 29,273**
Adjustments	
Identifiable intangible assets	52,700
Goodwill	102,223
Benefit (provision) from income taxes	(1,425)
Net assets acquired	**$182,771**

Life360, Inc. and Tile, Inc.

Note to Unaudited Pro Forma Condensed Combined Financial Data

The preliminary valuation of assets acquired and liabilities assumed for the purposes of these unaudited pro forma condensed combined financial statements was primarily limited to the identification and valuation of intangible assets and tax purchase accounting adjustments. We believe this was an appropriate approach based on a review of similar acquisitions, which indicated the most significant and material portion of the purchase price would be allocated to identifiable intangible assets. We will continue to refine our identification and valuation of assets to be acquired and the liabilities to be assumed as further information becomes available during the twelve month measurement period in accordance with ASC 805. The goodwill recognized represents the excess of acquisition consideration over the estimated value of the net assets to be acquired.

The following is a discussion of the adjustments made to Tile's assets and liabilities in connection with the preparation of these unaudited pro forma condensed combined financial statements:

Identifiable Intangible Assets

On the closing date of the Tile Acquisition , identifiable intangible assets are required to be measured at fair value and these acquired assets could include assets that are not intended to be used or sold or that are intended to be used in a manner other than their highest and best use. For purposes of these unaudited pro forma condensed combined financial statements, it is assumed that all assets will be used in a manner that represents their highest and best use. Based on internal assessments as well as discussions with Tile, we identified the following significant intangible assets: acquired technology, trade name, and customer relationships. For purposes of these unaudited pro forma condensed combined financial statements, the fair value of these intangible assets has been determined primarily through the use of the "income approach," which requires an estimate or forecast of all the expected future cash flows through the use of either the multi-period excess earnings method or the relief-from-royalty method.

At this time, we do not have sufficient information as to the amount, timing and risk of the estimated future cash flows needed to perform a final valuation of acquired technology, trade name, and customer relationships. Some of the more significant assumptions inherent in the development of estimated cash flows, from the perspective of a market participant, include: the amount and timing of projected future cash flows (including revenue, expenses, working capital, and capital expenditures) and the discount rate selected to measure the risks inherent in the projections of future cash flows. However, for the purposes of these unaudited pro forma condensed combined financial statements, using currently available information, and certain other high-level assumptions, the fair value of the identifiable intangible assets were estimated by our management to be as follows: developed technology of $18.4 million, with a useful life of 5 years; trade name of $20.0 million, with a useful life of 10 years; and customer relationships of $14.3 million, with a useful life of 8 years.

These preliminary estimates of fair value and weighted-average useful life will likely be different from the final acquisition accounting, and the difference could have a material impact on the accompanying pro forma condensed combined financial statements. Once we have full access to the specifics of Tile's operations, additional insight will be gained that could impact: (1) the intangible assets identified; (2) the estimated total value assigned to intangible assets; and (3) the estimated useful life of each category of intangible assets. For each $10.0 million change in the fair value of identifiable intangible assets, there could be an annual change in amortization expense—increase or decrease—of approximately $1.3 million, assuming a weighted-average useful life of 8 years.

Life360, Inc. and Tile, Inc.

Note to Unaudited Pro Forma Condensed Combined Financial Data

Other Assets/Liabilities

Adjustments to Tile's remaining assets and liabilities may also be necessary, however at this time we have limited knowledge as to the specific details and nature of those assets and liabilities necessary in order to make adjustments to those values. However, since the majority of the remaining assets and liabilities are current assets and liabilities, we believe that the December 31, 2021 Tile book values for these assets represent reasonable estimates of fair value or net realizable value, as applicable. In addition, certain adjustments were made to current assets and liabilities to account for changes expected to occur prior to closing.

Goodwill

Goodwill is calculated as the difference between the acquisition date fair value of the consideration expected to be transferred and the fair value of the assets acquired and liabilities assumed. Goodwill is not amortized but rather subject to an annual fair value impairment test.

Note 5 – Adjustments to Unaudited Pro Forma Condensed Combined Balance Sheet:

(A) ***Cash adjustments*** – Pro forma adjustments to cash are as follows:

Cash paid to Tile stockholders	$(110,300)
Cash paid to settle Tile third-party indebtedness	(29,000)
Cash paid to expense fund	(250)
Cash paid to indemnification escrow fund	(14,094)
Cash paid to settle Tile unpaid transaction costs	(4,402)
Total	**$(158,046)**

(B) ***Deferred cost of revenue*** **–** To reflect the elimination of historical Tile deferred cost of revenue asset balance and to adjust recorded amortization expense associated with the capitalized costs which were not acquired by the Company.

(C) ***Restricted cash*** **–** On the closing date in accordance with the merger agreement, the Company paid $14.1 million to an indemnification escrow fund. The amount is required to be delivered to an indemnification escrow fund to secure Tile's performance for indemnification and other general representations and warranties. The amounts are payable to respective shareholders at the end of the respective indemnification period, which is defined as terminating on the third anniversary of the closing date. The $14.1 million is included within total acquisition consideration of $182.8 million.

(D) ***Intangible assets*** **–** To reflect the elimination of the historical Tile intangible asset balance of $0.2 million and to reflect the preliminary fair values of intangible assets acquired of $52.7 million. The estimated fair values and related useful lives of the intangible assets acquired are considered preliminary and are subject to change. Accordingly, the estimates related to deferred taxes discussed in Note 5 above are also subject to change. Changes in the fair value or useful lives of the acquired intangible assets may be material. Determination of the estimated useful lives of the acquired technology, trade name, and customer relationships were based on historical experience and the estimated life of the Tile technology, the Company's plan to use the trade name for an extended period of time, and the weighted useful life for customer relationships based on the total amounts attributed to the subscription and hardware, respectively. The intangible assets are being amortized using the straight-line method.

Life360, Inc. and Tile, Inc.

Note to Unaudited Pro Forma Condensed Combined Financial Data

(E) ***Goodwill*** – The Goodwill balance of $102.2 million represents the excess of the preliminary estimated purchase price over the fair value of the underlying net assets. Goodwill is not amortized to earnings, but instead is reviewed for impairment at least annually, absent any indicators of impairment. Goodwill recognized from the Tile Acquisition is not expected to be deductible for tax purposes.

(F) ***Accrued expenses and other liabilities*** – To reflect $1.6 million of additional transaction costs incurred associated with the Tile Acquisition, $5.4 million of change in control payments and $14.1 million in escrow.

(G) ***Contingent consideration*** – To reflect the preliminary estimate of $9.3 million for the fair value of contingent consideration in connection with the Acquisition. The contingent consideration is payable based on the achievement of certain targets for revenue and earnings before interest, taxes, depreciation, and amortization ("EBITDA") for the fourth quarter of calendar year 2021 and the first quarter of calendar year 2022. The contingent stock consideration consisting of 534,465 shares of common stock, shall be held at fair value with changes in fair value recognized in earnings. The estimated fair value of the contingent consideration was determined by using a Monte Carlo Simulation scenario-based analysis that estimates the fair value of the contingent consideration based on the probability-weighted present value of the expected future cash flows, considering possible outcomes based on actual and forecasted results.

(H) ***Long-term debt*** **–** To reflect notes payable which Tile settled prior to the acquisition date of January 5, 2022 and thus were excluded from the purchase price allocation.

(I) ***Warrant liability*** – To reflect warrant liabilities which Tile settled prior to the acquisition date of January 5, 2022 and thus were excluded from the purchase price allocation.

(J) ***Equity*** **–** To reflect the following equity transactions in connection with the Tile Acquisition:

	Common Stock	Preferred Stock	APIC
Fair value of equity issued as purchase consideration	$ 1	$ —	$13,725
Fair value of equity contributed to indemnity escrow fund	—	—	1,667
Fair value of options assumed—replacement awards	—	—	16
Vested options assumed	—	—	425
Eliminate Tile preferred stock	(1)	(119,564)	—
Eliminate Tile APIC	—	—	(6,878)
Total	**$ —**	**$(119,564)**	**$ 8,955**

Life360, Inc. and Tile, Inc.

Note to Unaudited Pro Forma Condensed Combined Financial Data

(K) ***Accumulated deficit*** **–** To eliminate Tile's historical accumulated deficit of $125.4 million.

Pro forma adjustments to the accumulated deficit are as follows:

Eliminate Tile accumulated deficit	$125,431
Adjustment for accumulated other comprehensive income	(23)
Adjustment for post-combination expenses	(7,484)
Adjustment for estimated benefit (provision) from income taxes	1,425
Total	**$119,349**

Note 6 – Adjustments to Unaudited Pro Forma Condensed Combined Statement of Operations:

(A) ***Intangible amortization*** **–** To reflect amortization of acquired definite-lived intangible assets based on their preliminary estimated fair values as discussed in Note 4 with an average estimated useful life of 8 years. Also, See Note 5 – Adjustments to Unaudited Pro Forma Condensed Combined Balance Sheet.

(B) ***Deferred cost of revenue*** **–** To adjust for the amortization expense recorded by Tile associated with deferred costs of revenue which were not acquired by the Company.

(C) ***Post-combination stock-based compensation expenses*** **–** To reflect transaction costs associated with stock-based compensation. The Company issued 1,499,349 shares of retention restricted stock units valued at $29.6 million granted to employees. In addition, 38,730 vested stock options valued at $0.4 million were issued to Tile employees as stock-based compensation on the acquisition date. The Company also provided common stock valued at $0.1 million to a key employee for his continued employment over a 30-month period. Of the 1,499,349 shares of retention restricted stock units, 787,446 shares valued at $15.6 million contain performance vesting criteria based on the achievement of certain company milestones and vest over a two-year period. The remaining retention restricted stock units of 711,903 shares vest over a two to four year period. The post-combination expenses reflected within the pro forma condensed combined statement of operations reflects the expense associated with the portion which would have vested during the twelve months ended December 31, 2021.

(D) ***Post-combination transaction costs*** **–** To reflect post-combination transaction expenses of $7.2 million.

(E) ***Benefit from income taxes*** **–** An estimated benefit from income taxes was recorded in connection with the Tile Acquisition. In accordance with ASC 805, a change in the acquirer's valuation allowance that stems from a business combination should be recognized as an element of the acquirer's income tax expense or benefit in the period of the acquisition. Accordingly, the Company estimates a $1.4 million partial release of its valuation allowance and a corresponding income tax benefit stemming from the Tile Acquisition.

(F) ***Earnings per share*** **–** Earnings per share are calculated using the "if-converted" method. In applying the if-converted method, conversion should not be assumed for purposes of computing diluted EPS if the effect would be antidilutive. As the pro forma condensed combined statement of operations presents a net loss, the basic and diluted per share amounts are calculated using weighted average shares assumed to be outstanding as of December 31, 2021.

Life360, Inc. and Tile, Inc.

Note to Unaudited Pro Forma Condensed Combined Financial Data

For the purpose of computing pro forma basic and diluted earnings per share, the $13.7 million issuance of common stock was assumed to be at a price per share of $19.76 (three times the CDI value of $6.59, which was the fair value of the CDIs in USD on the closing date of the transaction), resulting in the issuance of 694,672 shares. An additional 1,397 shares also valued at $19.76 were issued to a key employee as a retention bonus. Further, under the terms of the merger agreement, the Company agreed to transfer 84,524 shares of common stock to an indemnification escrow fund. The fair value of the escrow common shares was also based on the quoted market closing price per share on January 5, 2022 of $19.76.

SIGNATURE

Pursuant to the requirements of Section 12 of the Securities Exchange Act of 1934, the registrant has duly caused this Registration Statement to be signed on its behalf by the undersigned, thereunto duly authorized.

LIFE360, INC.

By: /s/ Chris Hulls
Chris Hulls
Chief Executive Officer
Date: April 26, 2022

Exhibit 2.1

EXECUTION VERSION
Confidential

AGREEMENT AND PLAN OF MERGER

by and among

LIFE360, INC.,

TRIUMPH MERGER SUB, INC.,

TILE, INC.,

and

FORTIS ADVISORS LLC,
as the Securityholders' Agent

Dated as of November 22, 2021

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LIST OF EXHIBITS AND SCHEDULES

EXHIBITS

Exhibit A	Certain Definitions
Exhibit B	Form of Joinder Agreement
Exhibit C	Form of Restrictive Covenant Agreement
Exhibit D	Form of Revesting Agreement
Exhibit E	Form of Certificate of Merger
Exhibit F	Form of Lock-Up Agreement
Exhibit G	Form of Escrow Agreement
Exhibit H	Form of Letter of Transmittal
Exhibit I	Form of NSO Letter of Transmittal
Exhibit J	Form of Warrant Letter of Transmittal
Exhibit K	Current Assets and Current Liabilities
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SCHEDULES

Schedule 1.3(c)(x)	Payoff Letters
Schedule 1.3(c)(xiii)	Third Party Consents
Schedule 1.3(c)(xv)	Affiliate Arrangements
Schedule 4.8(a)	Agreements to be Terminated
Schedule 5.1(b)(ii)	Consents

AGREEMENT AND PLAN OF MERGER

THIS AGREEMENT AND PLAN OF MERGER is made and entered into as of November 22, 2021, by and among **LIFE360, INC.**, a Delaware corporation ("Parent"), **TRIUMPH MERGER SUB, INC.**, a Delaware corporation and a wholly owned Subsidiary of Parent ("Merger Sub"), **TILE, INC.**, a Delaware corporation (the "Company"), and **FORTIS ADVISORS LLC**, a Delaware limited liability company, as the Securityholders' Agent (as defined in Section 11.1(a)). Certain capitalized terms used in this Agreement are defined in Exhibit A.

RECITALS

A. Parent, Merger Sub and the Company wish to effect a business combination through the statutory merger of Merger Sub with and into the Company (the "Merger"), pursuant to which the Company would be the surviving corporation and would become a wholly owned Subsidiary of Parent (the Company, in its capacity as the surviving corporation of the Merger, is sometimes referred to as the "Surviving Corporation"), on the terms and conditions set forth in this Agreement and in accordance with the Delaware General Corporation Law, as amended (the "DGCL").

B. The board of directors of the Company has unanimously: (i) determined that the Merger is advisable, fair to and in the best interests of the Company and its stockholders and approved this Agreement; (ii) approved the Merger upon the terms and subject to the conditions set forth in this Agreement pursuant to the applicable provisions of the DGCL and the CCC (if applicable); and (iii) recommended that the stockholders of the Company adopt and approve this Agreement and the transactions contemplated by this Agreement to which the Company is a party, including the Merger (collectively, the "Transaction").

C. (i) The boards of directors of each of Parent and Merger Sub have unanimously: (a) determined that the Merger is advisable, fair to and in the best interests of, Parent and Merger Sub and approved this Agreement; and (b) approved the Merger upon the terms and subject to the conditions set forth in this Agreement pursuant to the applicable provisions of the DGCL; (ii) the board of directors of Merger Sub has unanimously recommended that the sole stockholder of Merger Sub adopt and approve this Agreement and the Merger; and (iii) Parent, in its capacity as the sole stockholder of Merger Sub has adopted and approved this Agreement and the Transaction.

D. As an inducement for Parent and Merger Sub to enter into this Agreement and consummate the Merger, concurrently with the execution and delivery hereof, certain Persons who hold shares of Company Capital Stock comprising the Required Merger Stockholder Votes are executing and delivering to the Company and Parent a joinder agreement in the form attached hereto as Exhibit B (each, a "Joinder Agreement" and, collectively, the "Joinder Agreements").

E. As an inducement for Parent and Merger Sub to enter into this Agreement and consummate the Merger, concurrently with the execution and delivery hereof, each of the Key Employees is executing and delivering to the Company and Parent: (i) an employment agreement with Parent or the Company (each, a "Signing Date Employment Agreement" and, collectively, the "Signing Date Employment Agreements"), which shall become effective as of the Closing; and (ii) a restrictive covenant and release agreement, in the form attached hereto as Exhibit C (each, a "Restrictive Covenant Agreement" and, collectively, the "Restrictive Covenant Agreements"), which shall be effective as of the Closing.

F. As an inducement for Parent and the Merger Sub to enter into this Agreement and consummate the Merger, concurrently with the execution and delivery hereof, the CEO is executing and delivering to Parent a revesting agreement, in the form attached hereto as Exhibit D (the "Revesting Agreement"), which shall be effective as of the Closing.

AGREEMENT

The parties to this Agreement agree as follows:

1. DESCRIPTION OF TRANSACTION

1.1 The Merger. On the terms and subject to the conditions of this Agreement and in accordance with the DGCL, at the Effective Time (as defined below), Merger Sub shall merge with and into the Company, the separate corporate existence of Merger Sub shall cease, and the Company shall continue as the surviving corporation and as a wholly owned Subsidiary of Parent; and all of the properties, rights, privileges, powers and franchises of the Company will vest in the Surviving Corporation, and all of the debts, liabilities, obligations and duties of the Company will become the debts, liabilities, obligations and duties of the Surviving Corporation.

1.2 Effects of the Merger. The Merger shall have the effects as set forth herein and in the applicable provisions of the DGCL.

1.3 Closing; Merger.

(a) Closing. The consummation of the transactions contemplated by this Agreement (the "Closing") shall take place at the offices of Orrick, Herrington & Sutcliffe LLP, 1000 Marsh Road, Menlo Park, CA 94025 at 10:00 a.m. (Pacific time), or remotely via the electronic exchange of executed documents and other closing deliverables, no later than the second (2nd) Business Day after the satisfaction or waiver of the last to be satisfied or waived of the conditions set forth in Sections 6.2(c) and 8 (other than those conditions which are to be satisfied at the Closing, but subject to the satisfaction or waiver of such conditions) or at such other time and/or date as Parent and the Company may jointly designate. The date on which the Closing takes place is referred to in this Agreement as the "Closing Date."

(b) Merger. On the Closing Date, Merger Sub and the Company shall duly execute the certificate of merger substantially in the form attached hereto as Exhibit E (the "Certificate of Merger") and file the same with the Secretary of State of the State of Delaware, in accordance with the relevant provisions of the DGCL. The Merger shall become effective upon the filing of the Certificate of Merger with the Secretary of State of the State of Delaware or at such other time as the parties shall agree and as shall be specified in the Certificate of Merger. The date and time when the Merger shall become effective is herein referred to as the "Effective Time".

(c) Company Closing Deliverables. At the Closing, the Company shall deliver the following agreements and documents to Parent:

(i) evidence that this Agreement has been duly adopted and approved by the Required Merger Stockholder Votes, and such adoption and approval has not been withdrawn rescinded or otherwise revoked;

(ii) agreements, in form and substance reasonably satisfactory to Parent, terminating the agreements identified on Schedule 4.8(a);

(iii) the Company Closing Certificate;

(iv) a certificate, in form and substance reasonably satisfactory to Parent, duly executed on behalf of the Company by the chief executive officer of the Company, containing the following information (to be set forth on an accompanying spreadsheet) and the representation and warranty of the Company that all of such information is accurate and complete (and in the case of dollar amounts, properly calculated) as of the Closing (such spreadsheet, supporting documentation and accompanying certificate being referred to hereafter collectively as the "Merger Consideration Certificate"):

(1) (A) the aggregate amount of all Company Transaction Expenses, together with a detailed breakdown thereof and payment instructions, as applicable; (B) the Closing Indebtedness Amount, together with a detailed breakdown thereof and payment instructions, as applicable; (C) the Aggregate Exercise Price; (D) the Closing Cash Amount; (E) the Closing Net Working Capital Shortfall Amount; (F) the Closing Net Working Capital Excess Amount; (G) the Closing Cash Consideration Percentage and the Closing Stock Consideration Percentage; (H) the resulting calculation of the Adjustment Amount, the Adjusted Closing Cash Consideration, the Closing Stock Consideration Amount, the Series A Cash Per Share, the Series A Stock Per Share, the Series B Cash Per Share, the Series B Stock Per Share, the Series B-1 Cash Per Share, the Series B-1 Stock Per Share, the Series C Cash Per Share, the Series C Stock Per Share, the Series C-1 Cash Per Share, the Series C-1 Stock Per Share, the Common-Equivalents Cash Per Share and the Common-Equivalents Stock Per Share; (I) the Pro Rata Share of each Effective Time Holder; (J) the Pro Rata Share (Common-Equivalents) of each Common-Equivalents Holder; and (K) whether each Effective Time Holder will be paid by the Payment Agent or through the Surviving Corporation's payroll agent;

(2) with respect to each Person who is a holder of Outstanding Capital Stock: (A) the name, e-mail address (if known) and last known address of record of each such holder; (B) the number of shares of Outstanding Capital Stock of each class and series held by each such holder; (C) the consideration that each such holder is entitled to receive pursuant to Section 1.5; (D) such holder's Indemnity Escrow Fund Contribution Amount, Adjustment Escrow Fund Contribution Amount and Expense Fund Contribution Amount; (E) the net cash amount to be paid to each such holder by the Payment Agent in accordance with Section 1.11 (after deduction of any amounts to be contributed to the Indemnity Escrow Fund, the Adjustment Escrow Fund and the Expense Fund by such holder); and (F) the number of shares of Parent Common Stock to be issued to such holder by the Payment Agent in accordance with Section 1.12 (after deduction of the number of shares of Parent Common Stock to be contributed to the Indemnity Escrow Fund);

(3) with respect to each Person who is a holder of an Outstanding Option: (A) the name, e-mail address (if known) and last known address of record of such holder; (B) the exercise price per share (or deemed exercise price per share) and the number of shares of Company Common Stock subject to such Outstanding Options; (C) the consideration that such holder is entitled to receive pursuant to Section 1.8; and (D) such holder's Indemnity Escrow Fund Contribution Amount, Adjustment Escrow Fund Contribution Amount and Expense Fund Contribution Amount;

(4) with respect to each Person who is a holder of an Outstanding Company Warrant: (A) the name, e-mail address (if known) and last known address of record of such holder; (B) the exercise price per share, if any, and the number of shares and class of Company Capital Stock subject to such Outstanding Company Warrant; (C) the consideration that such holder is entitled to receive pursuant to Section 1.9; and (D) such holder's Indemnity Escrow Fund Contribution Amount, Adjustment Escrow Fund Contribution Amount and Expense Fund Contribution Amount; and

(5) documentation, reasonably satisfactory to Parent, in support of the calculation of the amounts set forth in the Merger Consideration Certificate;

(v) the Certificate of Merger, duly executed by the Company;

(vi) a certificate duly executed by the Secretary of the Company and dated as of the Closing Date, certifying and attaching: (A) the Organizational Documents of the Company; and (B) the resolutions adopted by the board of directors of the Company and the stockholders of the Company representing the Required Merger Stockholder Votes, in each case to authorize and adopt this Agreement, the Merger and the other transactions contemplated hereby;

(vii) written resignations duly executed by each officer and member of the board of directors (or analogous governing body) of the Company, such resignations to be effective as of the Closing;

(viii) (A) with respect to all Disqualified Individuals, copies of duly executed Parachute Payment Waiver Agreements by and between the Company and the applicable Disqualified Individual, and (B) evidence of the outcome of the vote of the stockholders of the Company regarding whether to approve any Section 280G Payment that may be payable to a Disqualified Individual, where, if approved by stockholders of the Company holding the number of shares of Company Capital Stock required under Section 280G in order for such Section 280G Payments not to be deemed parachute payments under Section 280G, such approval would comply with all applicable requirements of Section 280G(b)(5)(B) of the Code and all applicable regulations (whether proposed or final) relating to Section 280G;

(ix) a certificate duly executed by an authorized officer of the Company and dated as of the Closing Date, stating that the Company Capital Stock does not constitute "United States real property interests" under Section 897(c) of the Code, for purposes of satisfying Parent's obligations under Treasury Regulations Section 1.1445- 2(c)(3), together with a properly executed notice to the IRS in accordance with the requirements of Treasury Regulations Section 1.897-2(h)(2), which Parent shall be authorized to deliver to the IRS on behalf of the Company (including the Surviving Corporation) following the Closing;

(x) customary payoff letters with respect to the discharge or payment in full of the Indebtedness identified on Schedule 1.3(c)(x) (the "Pay-Off Indebtedness") in each case duly executed by each holder of such Indebtedness, with, to the extent applicable, an agreement to provide termination statements on Form UCC-3 (or authorization for the Company, including the Surviving Corporation, to file Form UCC-3), or other appropriate releases following any payoff thereof, which when filed will release and satisfy any and all Encumbrances relating to such Indebtedness, together with proper authority to file such termination statements or other releases at and following the Closing;

(xi) unless Parent provides the Company an Election Notice to the contrary in accordance with Section 4.6, evidence reasonably satisfactory to Parent as to the adoption by the board of directors of the Company of resolutions to terminate any Company 401(k) Plans or other Company Employee Plans pursuant to Section 4.6;

(xii) certificates of good standing from the Office of the Secretary of State of the State of Delaware, the Registrar of Companies for England and Wales, and the applicable Governmental Body in each other jurisdiction in which the Company and each of its Subsidiaries is incorporated or formed or otherwise is qualified to do business, dated as of a date no more than five (5) Business Days prior to the Closing Date, certifying that the Company and each of its Subsidiaries is in good standing and that all applicable Taxes and fees of the Company and each of its Subsidiaries through such certification date have been paid;

(xiii) all Consents set forth in Schedule 1.3(c)(xiii), in each case, in form and substance reasonably satisfactory to Parent and duly executed and in full force and effect;

(xiv) the Escrow Agreement, duly executed by the Securityholders' Agent;

(xv) evidence, in form and substance reasonably satisfactory to Parent, of the termination of each Affiliate Arrangement, except for the Affiliate Arrangements set forth on Schedule 1.3(c)(xv), without Liability of the Company (including the Surviving Corporation), any of its Subsidiaries, Parent and its Affiliates thereunder from and after the Closing;

(xvi) evidence, in form and substance reasonably satisfactory to Parent, that the D&O Tail Policy has been obtained and is in full force and effect;

(xvii) a Joinder Agreement, duly executed by at least 95% of the Company stockholders, with such 95% calculation based on shares of Company Capital Stock held by such Persons; and

(xviii) a lockup agreement, in the form attached hereto as Exhibit F (each, a "Lock-Up Agreement") duly executed by at least 95% of the Company stockholders who are receiving shares of Parent Common Stock, with such 95% calculation based on shares of Company Capital Stock held by such Persons.

(d) Parent Closing Deliverables. At the Closing, Parent shall deliver to the Company and the Securityholders' Agent:

(i) the Escrow Agreement, duly executed by Parent and the Escrow Agent;

(ii) the Joinder Agreements, duly executed by Parent; and

(iii) the Lock-Up Agreements, duly executed by Parent.

(e) Closing Payments. At the Closing, Parent shall pay, or cause to be paid, the following amounts by wire transfer of immediately available funds:

(i) to each holder of the Pay-Off Indebtedness, an amount in cash set forth opposite such Person's name in the Estimated Closing Statement to the account or accounts designated by such Person therein;

(ii) to the Company, the aggregate amount of Change of Control Payments for further payment to the recipients thereof in accordance with the standard payroll practices of the Company (including the Surviving Corporation), to the account or accounts designated by the Company in the Estimated Closing Statement;

(iii) to each Person owed Company Transaction Expenses (other than Change of Control Payments), an amount in cash set forth opposite such Person's name in the Estimated Closing Statement to the account or accounts designated by such Person therein;

(iv) to the Escrow Agent (A) an amount in cash equal to the Indemnity Escrow Amount (Cash), (B) a number of shares of Parent Common Stock equal to the Indemnity Escrow Amount (Stock), and (C) an amount in cash equal to the Adjustment Escrow Amount, in each case to the account designated by the Escrow Agent pursuant to the Escrow Agreement;

(v) to the Company, the aggregate cash amount payable to holders of Outstanding Vested Options pursuant to Section 1.8(a)(i) for further payment to the recipients thereof in accordance with the standard payroll practices of the Company (including the Surviving Corporation), to the account or accounts designated by the Company in the Estimated Closing Statement; and

(vi) to the Securityholders' Agent, an amount in cash equal to the Expense Fund Amount, to the account or accounts designated by the Securityholders' Agent in the Estimated Closing Statement.

1.4 Certificate of Incorporation and Bylaws; Directors and Officers. Unless otherwise determined by Parent prior to the Effective Time:

(a) The certificate of incorporation of the Surviving Corporation shall be amended and restated as of the Effective Time to conform to the certificate of incorporation of Merger Sub as in effect immediately prior to the Effective Time, except that the name of the Surviving Corporation shall be "Tile, Inc.". The bylaws of the Surviving Corporation shall be amended as of the Effective Time to be identical to the bylaws of Merger Sub, as in effect immediately prior to the Effective Time, until thereafter amended as provided by the DGCL, by the terms of the certificate of incorporation of the Surviving Corporation and by the terms of such bylaws.

(b) At the Effective Time and by virtue of the Merger, the members of the board of directors of Merger Sub and the officers of Merger Sub as of immediately prior to the Effective Time shall be the initial members of the board of directors of the Surviving Corporation and the officers of the Surviving Corporation, each to hold office in accordance with the certificate of incorporation and bylaws of the Surviving Corporation.

1.5 Conversion of Shares.

(a) Conversion. Subject to Sections 1.10 1.11 and 1.13, at the Effective Time, by virtue of the Merger and without any further action on the part of Parent, Merger Sub, the Company, any stockholder of the Company or any other Person:

(i) each share of Company Capital Stock held in the Company's treasury or owned by Parent, Merger Sub, the Company or any direct or indirect wholly owned Subsidiary of Parent, Merger Sub or the Company immediately prior to the Effective Time ("Disregarded Shares"), if any, shall be extinguished and cancelled without payment of any consideration in respect thereof;

(ii) all shares of Series A Preferred Stock issued and outstanding immediately prior to the Effective Time held by each Non-Dissenting Stockholder (other than Disregarded Shares) shall be converted automatically into the right to receive:

(A) at the Closing, an amount in cash equal to: (1) the amount determined by *multiplying* (I) the Series A Cash Per Share *by* (II) the total number of shares of Series A Preferred Stock held by such Non-Dissenting Stockholder; *minus* (2) the cash portion of such Non-Dissenting Stockholder's Indemnity Escrow Fund Contribution Amount attributable to such shares of Series A Preferred Stock; *minus* (3) the portion of such Non-Dissenting Stockholder's Expense Fund Contribution Amount attributable to such shares of Company Capital Stock;

(B) at the Closing, the number of shares of Parent Common Stock equal to: (1) the number of shares of Parent Common Stock determined by *multiplying* (I) the Series A Stock Per Share *by* (II) the total number of shares of Series A Preferred Stock held by such Non-Dissenting Stockholder; *minus* (2) the stock portion of such Non-Dissenting Stockholder's Indemnity Escrow Fund Contribution Amount attributable to such shares of Series A Preferred Stock; and

(C) any cash and stock disbursements required to be made from the Indemnity Escrow Fund and the Expense Fund with respect to such shares of Company Common Stock to the former holder thereof in accordance with the Escrow Agreement and Section 11.1(f), if, as and when such disbursements are required to be made;

(iii) all shares of Series B Preferred Stock issued and outstanding immediately prior to the Effective Time held by each Non-Dissenting Stockholder (other than Disregarded Shares) shall be converted automatically into the right to receive:

(A) at the Closing, an amount in cash equal to: (1) the amount determined by *multiplying* (I) the Series B Cash Per Share *by* (II) the total number of shares of Series B Preferred Stock held by such Non-Dissenting Stockholder; *minus* (2) the cash portion of such Non-Dissenting Stockholder's Indemnity Escrow Fund Contribution Amount attributable to such shares of Series B Preferred Stock; *minus* (3) the portion of such Non-Dissenting Stockholder's Expense Fund Contribution Amount attributable to such shares of Series B Preferred Stock;

(B) at the Closing, the number of shares of Parent Common Stock equal to: (1) the number of shares of Parent Common Stock determined by *multiplying* (I) the Series B Stock Per Share *by* (II) the total number of shares of Series B Preferred Stock held by such Non-Dissenting Stockholder; *minus* (2) the stock portion of such Non-Dissenting Stockholder's Indemnity Escrow Fund Contribution Amount attributable to such shares of Series B Preferred Stock; and

(C) any cash and stock disbursements required to be made from the Indemnity Escrow Fund and the Expense Fund with respect to such shares of Company Common Stock to the former holder thereof in accordance with the Escrow Agreement and Section 11.1(f), if, as and when such disbursements are required to be made;

(iv) all shares of Series B-1 Preferred Stock issued and outstanding immediately prior to the Effective Time held by each Non-Dissenting Stockholder (other than Disregarded Shares) shall be converted automatically into the right to receive:

(A) at the Closing, an amount in cash equal to: (1) the amount determined by *multiplying* (I) the Series B-1 Cash Per Share *by* (II) the total number of shares of Series B-1 Preferred Stock held by such Non-Dissenting Stockholder; *minus* (2) the cash portion of such Non-Dissenting Stockholder's Indemnity Escrow Fund Contribution Amount attributable to such shares of Series B-1 Preferred Stock; *minus* (3) the portion of such Non-Dissenting Stockholder's Expense Fund Contribution Amount attributable to such shares of Company Capital Stock;

(B) at the Closing, the number of shares of Parent Common Stock equal to: (1) the number of shares of Parent Common Stock determined by *multiplying* (I) the Series B-1 Stock Per Share *by* (ii) the total number of shares of Series B-1 Preferred Stock held by such Non-Dissenting Stockholder; *minus* (2) the stock portion of such Non-Dissenting Stockholder's Indemnity Escrow Fund Contribution Amount attributable to such shares of Series B-1 Preferred Stock; and

(C) any cash and stock disbursements required to be made from the Indemnity Escrow Fund and the Expense Fund with respect to such shares of Company Common Stock to the former holder thereof in accordance with the Escrow Agreement and Section 11.1(f), if, as and when such disbursements are required to be made;

(v) all shares of Series C Preferred Stock issued and outstanding immediately prior to the Effective Time held by each Non-Dissenting Stockholder (other than Disregarded Shares) shall be converted automatically into the right to receive:

(A) at the Closing, an amount in cash equal to: (1) the amount determined by *multiplying* (I) the Series C Cash Per Share *by* (II) the total number of shares of Series C Preferred Stock held by such Non-Dissenting Stockholder; *minus* (2) the cash portion of such Non-Dissenting Stockholder's Indemnity Escrow Fund Contribution Amount attributable to such shares of Series C Preferred Stock; *minus* (3) the portion of such Non-Dissenting Stockholder's Expense Fund Contribution Amount attributable to such shares of Series C Preferred Stock; and

(B) at the Closing, the number of shares of Parent Common Stock equal to: (1) the number of shares of Parent Common Stock determined by *multiplying* (I) the Series C Stock Per Share *by* (ii) the total number of shares of Series C Preferred Stock held by such Non-Dissenting Stockholder; *minus* (2) the stock portion of such Non-Dissenting Stockholder's Indemnity Escrow Fund Contribution Amount attributable to such shares of Series C Preferred Stock; and

(C) any cash and stock disbursements required to be made from the Indemnity Escrow Fund and the Expense Fund with respect to such shares of Company Common Stock to the former holder thereof in accordance with the Escrow Agreement and Section 11.1(f), if, as and when such disbursements are required to be made;

(vi) all shares of Series C-1 Preferred Stock issued and outstanding immediately prior to the Effective Time held by each Non-Dissenting Stockholder (other than Disregarded Shares) shall be converted automatically into the right to receive:

(A) at the Closing, an amount in cash equal to: (1) the amount determined by *multiplying* (I) the Series C-1 Cash Per Share *by* (II) the total number of shares of Series C-1 Preferred Stock held by such Non-Dissenting Stockholder; *minus* (2) the cash portion of such Non-Dissenting Stockholder's Indemnity Escrow Fund Contribution Amount attributable to such shares of Series C-1 Preferred Stock; *minus* (3) the portion of such Non-Dissenting Stockholder's Expense Fund Contribution Amount attributable to such shares of Series C-1 Preferred Stock;

(B) at the Closing, the number of shares of Parent Common Stock equal to: (1) the number of shares of Parent Common Stock determined by *multiplying* (I) the Series C-1 Stock Per Share *by* (ii) the total number of shares of Series C-1 Preferred Stock held by such Non-Dissenting Stockholder; *minus* (2) the stock portion of such Non-Dissenting Stockholder's Indemnity Escrow Fund Contribution Amount attributable to such shares of Series C-1 Preferred Stock; and

(C) any cash and stock disbursements required to be made from the Indemnity Escrow Fund and the Expense Fund with respect to such shares of Company Common Stock to the former holder thereof in accordance with the Escrow Agreement and Section 11.1(f), if, as and when such disbursements are required to be made;

(vii) all shares of Company Common Stock and Outstanding Vested RSUs issued and outstanding immediately prior to the Effective Time held by each Non-Dissenting Stockholder (other than Disregarded Shares) shall be converted automatically into the right to receive:

(A) at the Closing, an amount in cash equal to: (1) the amount determined by *multiplying* (I) the Estimated Common-Equivalents Cash Per Share *by* (II) the total number of shares of Company Common Stock held by such Non-Dissenting Stockholder (or in the case of Outstanding Vested RSUs, the total number of shares of Company Common Stock subject to such Outstanding Vested RSUs); *minus* (2) the cash portion of such Non-Dissenting Stockholder's Indemnity Escrow Fund Contribution Amount attributable to such shares of Company Common Stock (or in the case of Company RSUs, attributable to the shares of Company Common Stock subject to such Outstanding Vested RSUs); *minus* (3) the portion of such Non-Dissenting Stockholder's Adjustment Escrow Fund Contribution Amount attributable to such shares of Company Common Stock (or in the case of Outstanding Vested RSUs, attributable to the shares of Company Common Stock subject to such Outstanding Vested RSUs); *minus* (4) the portion of such Non-Dissenting Stockholder's Expense Fund Contribution Amount attributable to such shares of Company Common Stock (or in the case of Outstanding Vested RSUs, attributable to the shares of Company Common Stock subject to such Outstanding Vested RSUs);

(B) at the Closing, the number of shares of Parent Common Stock equal to: (1) the number of shares of Parent Common Stock determined by *multiplying* (I) the Estimated Common-Equivalents Stock Per Share *by* (ii) the total number of shares of Company Common Stock held by such Non-Dissenting Stockholder (or in the case of Outstanding Vested RSUs, the total number of shares of Company Common Stock subject to such Outstanding Vested RSUs); *minus* (2) the stock portion of such Non-Dissenting Stockholder's Indemnity Escrow Fund Contribution Amount attributable to such shares of Company Common Stock;

(C) a cash amount equal to such Non-Dissenting Stockholder's portion of the Additional Closing Cash Consideration, if any, attributable to such shares of Company Common Stock (or in the case of Outstanding Vested RSUs, attributable to the shares of Company Common Stock subject to such Outstanding Vested RSUs) when payable pursuant to Section 1.12(e)(ii); and

(D) the number of shares of Parent Common Stock equal to the product of (1) the Contingent Stock Per Share *times* (2) the total number of shares of Company Common Stock held by such Non-Dissenting Stockholder, if and when issuable pursuant to Section 1.7(a); and

(E) any cash and stock disbursements required to be made from the Indemnity Escrow Fund, the Adjustment Escrow Fund and the Expense Fund with respect to such shares of Company Common Stock (or in the case of Outstanding Vested RSUs, attributable to the shares of Company Common Stock subject to such Outstanding Vested RSUs) to the former holder thereof in accordance with the Escrow Agreement and Section 11.1(f), if, as and when such disbursements are required to be made; and

(viii) each share of common stock, par value $0.0001 per share, of Merger Sub issued and outstanding immediately prior to the Effective Time shall be converted automatically into one share of common stock of the Surviving Corporation. From and after the Effective Time, all certificates representing the common stock of Merger Sub shall be deemed for all purposes to represent the number of shares of common stock of the Surviving Corporation into which they were converted in accordance with the immediately preceding sentence.

(b) The amount of cash, if any, that each holder is entitled to receive at any particular time for the shares of Outstanding Capital Stock or shares of Company Capital Stock subject to Outstanding Options or Outstanding Vested RSUs, or shares of Company Capital Stock subject to Outstanding Company Warrants (as defined in Section 1.9), in each case held by such holder (as the case may be), shall be rounded to the nearest cent (with $0.005 being rounded upward) and computed after aggregating the cash amounts payable at such time for all shares of each class and series of Outstanding Capital Stock and all Outstanding Options, Outstanding Vested RSUs and Outstanding Company Warrants held by such holder. Notwithstanding anything to the contrary set forth herein, no holder of Company Capital Stock shall be entitled to receive any Parent Common Stock unless and until such holder has executed and delivered to Parent a Lock-Up Agreement and an applicable Investor Questionnaire.

1.6 Escrows.

(a) Indemnity Escrow Contribution. Notwithstanding anything to the contrary contained in this Agreement, at the Closing, Parent shall: (i) withhold from the Adjusted Closing Cash Consideration payable pursuant hereto and deposit into an escrow account with the Escrow Agent an amount in cash equal to the Indemnity Escrow Amount (Cash); and (ii) withhold from the Closing Stock Consideration (which in the case of holders of Outstanding Vested Options shall mean the New Parent Options) issuable pursuant hereto and deposit into an escrow account with the Escrow Agent the number of shares of Parent Common Stock equal to the Indemnity Escrow Amount (Stock) (collectively, the "Indemnity Escrow Fund"). The Indemnity Escrow Fund shall be held by the Escrow Agent and disbursed by it solely for the purposes and in accordance with the terms of this Agreement and the provisions of the escrow agreement to be entered into among Parent, the Securityholders' Agent and the Escrow Agent on the Closing Date, substantially in the form attached hereto as Exhibit G (the "Escrow Agreement").

(b) Adjustment Escrow Contribution. Notwithstanding anything to the contrary contained in this Agreement, at the Closing, Parent shall withhold from the Aggregate Common-Equivalents Cash Allocation payable pursuant hereto and deposit into an escrow account with the Escrow Agent, as security for any Closing Cash Consideration Excess to which Parent may become entitled pursuant to Section 1.12 hereof, an amount in cash equal to the Adjustment Escrow Amount (the "Adjustment Escrow Fund"). The Adjustment Escrow Fund shall be held by the Escrow Agent and disbursed by it solely for the purposes and in accordance with the terms of this Agreement and the provisions of the Escrow Agreement.

(c) Escrow Agreement Approval. The terms and provisions of the Escrow Agreement and the transactions contemplated thereby are specific terms of the Merger, and the approval and adoption of this Agreement and approval of the Merger by the Company stockholders pursuant to written consents evidencing the Required Merger Stockholder Vote shall constitute approval by such stockholders, as specific terms of the Merger. By executing a written consent approving and adopting this Agreement and approving the Merger and/or a Joinder Agreement, as applicable, the Effective Time Holders will have irrevocably agreed to be bound by and comply with the obligations relating to the Escrow Agreement and all of the arrangements and provisions of this Agreement relating thereto, including the deposit of the Indemnity Escrow Amount (Cash), Indemnity Escrow Amount (Stock) and the Adjustment Escrow Amount into escrow and the indemnification obligations set forth in Section 10 hereof.

1.7 Contingent Consideration.

(a) Contingent Consideration.

(i) On the Contingent Consideration Issuance Date (as defined below), Parent shall issue and deliver to the Paying Agent for distribution to the Common-Equivalents Holders, shares of Parent Common Stock comprising the Contingent Stock Consideration, if any.

(ii) Within sixty (60) days following March 31, 2022, Parent shall, or shall cause to Company, to complete financial statements of the Company for the fourth quarter of calendar year 2021 and the first quarter of calendar year 2022 (the "Contingent Consideration Period"), which shall be prepared in accordance with GAAP applied on a consistent basis with the Company's audited financial statements dated March 31, 2021 and reviewed by the Company's outside accountants (the "Quarterly Financial Statements"). Within ten (10) days following completion of the Quarterly Financial Statements, Parent shall deliver to the Securityholders' Agent a schedule setting forth, together with the Quarterly Financial Statements, the Company's revenue and EBITDA achieved for the fourth quarter of calendar year 2021 and the first quarter of calendar year 2022 combined and whether the Business Performance Requirements have been achieved (the "Contingent Consideration Schedule").

(iii) For purposes of this Agreement, the "Contingent Consideration Issuance Date" shall be on the earlier of (i) within ten (10) days following final determination of whether the Business Performance Requirements have been achieved pursuant to Section 1.7(b), or (ii) if no dispute is raised pursuant to Section 1.7(b), on the earlier of (A) thirty (30) days following the delivery of the Contingent Consideration Schedule, or (B) ten (10) days following receipt by Parent of written notice from the Securityholders' Agent that the Contingent Consideration Schedule is not disputed.

(b) Continuation of Business Operations. Parent agrees that from and after the Closing and during the remainder of the Contingent Consideration Period it shall:

(i) continue to operate the Company business in a manner that is consistent with its historical operations in all material respects;

(ii) not sell or otherwise transfer any of the equity or material assets (other than the sale of Company products in the ordinary course of business) of the Company; and

(iii) not terminate any of the Key Employees other than for "Cause" as defined in their respective Signing Date Employment Agreements.

(c) Contingent Consideration Dispute Resolution.

(i) Parent shall provide the Securityholders' Agent with backup documentation relating to the Contingent Consideration Schedule as reasonably requested, including access to the Company's internal and external accounting and finance personnel. In the event the Securityholders' Agent disputes any of the calculations set forth in the Contingent Consideration Schedule or the Contingent Consideration Schedule, as applicable (a "Contingent Consideration Dispute"), the Securityholders' Agent shall give notice to Parent in writing of such disagreement in reasonable detail and the basis for such disagreement on a line-by-line basis, including the Securityholders' Agent's determination of any amount therein that is disputed within thirty (30) days following receipt of the Contingent Consideration Schedule (a "Contingent Consideration Dispute Notice"). In the event the Securityholders' Agent fails for any reason to deliver a Contingent Consideration Dispute Notice to Parent within such thirty (30) day-period, the Contingent Consideration Schedule shall be final and binding on the Parties hereto and the determination of whether the Business Performance Requirements have been achieved as set forth therein shall be deemed final for all purposes under this Agreement. In the event of such a Contingent Consideration Dispute, Parent and the Securityholders' Agent shall first use their diligent good faith efforts to resolve such Contingent Consideration Dispute among themselves. If Parent and the Securityholders' Agent are unable to resolve the Contingent Consideration Dispute within thirty (30) calendar days after delivery of the Contingent Consideration Dispute Notice (the "Contingent Consideration Resolution Period"), then any remaining items in dispute shall be submitted to a nationally recognized accounting firm jointly chosen by Parent and the Securityholders' Agent (the "Audit Firm").

(ii) If any Contingent Consideration Dispute is submitted to the Audit Firm, Parent and the Securityholders' Agent will each prepare a separate written report of such unresolved item or items specified in the Contingent Consideration Dispute Notice and deliver such reports, along with copies of the Contingent Consideration Dispute Notice and the Contingent Consideration Schedule marked to indicate those items that remain in dispute, to the Audit Firm within ten (10) calendar days after the end of the Contingent Consideration Resolution Period. Thereafter, each of Parent and the Securityholders' Agent will, and will use reasonable best efforts to cause its independent registered public accounting firm to, furnish to the Audit Firm such work papers and other documents and

information relating to the disputed issues (including information of the Company) as the Audit Firm may reasonably request and are available to Parent or the Securityholders' Agent, or their respective independent registered public accounting firms, as the case may be; provided, however, such independent registered public accounting firms shall not be obligated to make any work papers available to the Audit Firm until the Audit Firm has signed a customary agreement relating to such access to working papers in form and substance reasonably acceptable to such independent registered public accounting firms. Parent and the Securityholders' Agent will each be afforded the opportunity to present to the Audit Firm material relating to the determination of the revenue and EBITDA achieved by the Company for the first quarter of calendar year 2021 and the fourth quarter of calendar year 2022 combined and to discuss such determination with the Audit Firm at a meeting with Parent and the Securityholders' Agent present. The Parties acknowledge and agree that (i) the Audit Firm shall not attribute a value to any disputed amount greater than the greatest amount proposed by either Parent or the Securityholders' Agent, or an amount less than the least amount proposed by either Parent or the Securityholders' Agent, (ii) the review by and determinations of the Audit Firm shall be limited to, and only to, the unresolved item or items specified in the Contingent Consideration Dispute Notice and contained in the reports prepared and submitted to the Audit Firm by Parent and the Securityholders' Agent, and (iii) the determinations by the Audit Firm shall be based solely on such reports submitted by Parent and the Securityholders' Agent, and the work papers and other documents and information provided to the Audit Firm that form the basis for Parent's and the Securityholders' Agent's respective positions. The written decision of the Audit Firm shall (1) be rendered within no more than sixty (60) days from the date that the matter is referred to such firm, (2) be final and binding on the Parties hereto and, in the absence of Fraud or manifest error, shall not be subject to dispute or review, (3) have the same effect for all purposes as if such determinations had been embodied in a final judgment entered by a court of competent jurisdiction, and either Parent or the Securityholders' Agent may petition the Delaware courts to reduce such decision to judgment and (4) be an expert determination under Delaware law governing expert determinations. Following any such dispute resolution (whether by mutual agreement of Parent and the Securityholders' Agent or by written decision of the Audit Firm), all calculations in the Contingent Consideration Schedule and the determination of whether the Business Performance Requirements have been achieved (in each case as determined in such dispute resolution), shall be deemed final. The costs and expenses of the Audit Firm shall be allocated by the Audit Firm between Parent and the Effective Time Holders, acting through the Securityholders' Agent in its capacity as such , on the other, in the same proportion that the aggregate amount of unsuccessfully disputed or defended items, as applicable, submitted by each of Parent and the Securityholders' Agent bears to the total amount of disputed items; provided, however, if the engagement agreement, if any, entered into with the Audit Firm requires Parent and the Securityholders' Agent to be jointly and severally liable to the Audit Firm for its fees and disbursements and either Parent or the Effective Time Holders, acting through the Securityholders' Agent in its capacity as such pays more than its portion of such fees and disbursements as determined according to this sentence, the Party paying less than its portion of such fees and disbursements hereby agrees to reimburse the first Party for any excess portion paid by such first Party to the Audit Firm.

1.8 Treatment of Company Options and Outstanding Unvested RSUs.

(a) Outstanding Vested Options. Subject to Section 1.8(d), Section 1.11(h) and Section 1.13, at the Effective Time, each Company Option that is vested, outstanding and unexercised immediately prior to the Effective Time (after giving effect to any vesting that is contingent upon the completion of the Merger) (each, an "Outstanding Vested Option") shall be cancelled and the holder thereof shall be entitled to receive pursuant to this Section 1.8(a) for such holder's Company Common Stock subject to such Outstanding Vested Option:

(i) at the Closing, an amount in cash equal to: (A) the amount determined by *multiplying* (1) the Estimated Common-Equivalents Cash Per Share *minus* the Closing Cash Consideration Percentage of the per share exercise price payable in respect of a share of Company Common Stock subject to such Outstanding Vested Option *by* (2) the total number of shares of Company Common Stock subject to such Outstanding Vested Option held by such holder; *minus* (B) the cash portion of such holder's Indemnity Escrow Fund Contribution Amount attributable to the total number of shares of Company Common Stock subject to such Outstanding Vested Option held by such holder; *minus* (C) the portion of such holder's Adjustment Escrow Fund Contribution Amount attributable to the total number of shares of Company Common Stock subject to such Outstanding Vested Option held by such holder; *minus* (D) the portion of such holder's Expense Fund Contribution Amount attributable to the total number of shares of Company Common Stock subject to such Outstanding Vested Option held by such holder;

(ii) at the Closing, an option to purchase the number of shares of Parent Common Stock (rounded down to the nearest whole share) (each a "New Parent Vested Option") equal to: (A) the number of shares of Parent Common Stock determined by *multiplying* (1) the Estimated Common-Equivalents Stock Per Share *by* (2) the total number of shares of Company Common Stock subject to such Outstanding Vested Option held by such holder, at an exercise price per share (rounded up to the nearest whole cent) determined by *dividing* (I) the Closing Stock Consideration Percentage of the exercise price per share of Company Common Stock at which such Outstanding Vested Option was exercisable immediately prior to the Effective Time *by* (II) the Estimated Common-Equivalents Stock Per Share; *minus* (B) the New Parent Vested Option portion of such holder's Indemnity Escrow Fund Contribution Amount attributable to the total number of shares of Company Common Stock subject to such Outstanding Vested Option held by such holder;

(iii) a cash amount equal to such holder's portion of the Additional Closing Cash Consideration, if any, attributable to the total number of shares of Company Common Stock that were subject to such Outstanding Vested Option held by such holder, when issuable pursuant to Section 1.12(e)(ii);

(iv) Parent RSUs (the "Parent Vested RSUs") equal to the product of (1) the Contingent Stock Per Share *times* (2) the total number of shares of Company Common Stock that were subject to such Outstanding Vested Option held by such holder, if and when issuable pursuant to Section 1.7; and

(v) any cash and stock disbursements required to be made from the Indemnity Escrow Fund, the Adjustment Escrow Fund and the Expense Fund with respect to such Outstanding Vested Option to the former holder thereof in accordance with the Escrow Agreement and Section 11.1(f) if, as and when such disbursements are required to be made; *provided* that any distributions to holders of Outstanding Options must be made prior to the date that is five (5) years following the Effective Time and otherwise in accordance with Treasury Regulation §1.409A-3(i)(5)(iv)(A).

(vi) Notwithstanding anything to the contrary in this Section 1.8(a), this Section 1.8(a) shall not apply to the Company Options subject to the Revesting Agreement, which shall be governed by the terms thereof.

(b) Outstanding Unvested Options. Each Company Option that is unvested, outstanding and unexercised immediately prior to the Effective Time, after giving effect to any vesting that is contingent upon the completion of the Merger (each, an "Outstanding Unvested Option"), shall be cancelled as of the Effective Time without payment to the holder thereof.

(c) Outstanding Unvested RSUs. Subject to Section 1.8(d), at the Effective Time, each Outstanding Unvested RSU that is unvested, outstanding and unexercised immediately prior to the Effective Time, after giving effect to any vesting that is contingent upon the completion of the Merger, shall be cancelled as of the Effective Time without payment to the holder thereof.

(d) Prior to the Effective Time, the Company shall take all action that may be necessary (under the Company Equity Incentive Plan or otherwise) to effectuate the provisions of this Section 1.8 and to ensure that, from and after the Effective Time, each holder of an Outstanding Option and/or Outstanding Unvested RSU cancelled as provided in this Section 1.8 shall cease to have any rights with respect thereto, except the right for each holder of an Outstanding Option and/or Outstanding Unvested RSU to receive the consideration, if any, specified in this Section 1.8, without interest. Notwithstanding anything to the contrary set forth herein, no holder of an Outstanding Option shall be entitled to receive any payment therefor unless and until such holder has executed and delivered to Parent a Joinder Agreement.

1.9 Treatment of Company Warrants. Subject to Section 1.13, at the Effective Time, each Company Warrant that is outstanding and unexercised immediately prior to the Effective Time (each, an "Outstanding Company Warrant") shall be cancelled and the holder thereof shall be entitled to receive pursuant to this Section 1.9, for such holder's Company Common Stock subject to such Outstanding Company Warrant:

(a) at the Closing, an amount in cash equal to: (A) the amount determined by *multiplying* (1) the Estimated Common-Equivalents Cash Per Share *minus* per share exercise price payable in respect of a share of Company Common Stock subject to such Outstanding Company Warrant *by* (2) the total number of shares of Company Common Stock subject to such Outstanding Company Warrant held by such holder; *minus* (B) the cash portion of such holder's Indemnity Escrow Fund Contribution Amount attributable to the total number of shares of Company Common Stock subject to such Outstanding Company Warrant held by such holder; *minus* (C) the portion of such holder's Adjustment Escrow Fund Contribution Amount attributable to the total number of shares of Company Common Stock subject to such Outstanding Company Warrant held by such holder; *minus* (D) the portion of such holder's Expense Fund Contribution Amount attributable to the total number of shares of Company Common Stock subject to such Outstanding Company Warrant held by such holder;

(b) at the Closing, the number of shares of Parent Common Stock equal to: (A) the number of shares of Parent Common Stock determined by *multiplying* (1) the Estimated Common-Equivalents Stock Per Share *by* (2) the total number of shares of Company Common Stock subject to such Outstanding Company Warrant held by such holder; *minus* (B) the stock portion of such holder's Indemnity Escrow Fund Contribution Amount attributable to the total number of shares of Company Common Stock subject to such Outstanding Company Warrant held by such holder;

(c) a cash amount equal to such holder's portion of the Additional Closing Cash Consideration, if any, attributable to the total number of shares of Company Common Stock that were subject to such Outstanding Company Warrant held by such holder, when issuable pursuant to Section 1.12(e)(ii);

(d) the number of shares of Parent Common Stock equal to the product of (1) the Contingent Stock Per Share *times* (2) the total number of shares of Company Common Stock that were subject to such Outstanding Company Warrant held by such holder, if and when issuable pursuant to Section 1.7; and

(e) any cash and stock disbursements required to be made from the Indemnity Escrow Fund, the Adjustment Escrow Fund, and the Expense Fund with respect to such Outstanding Company Warrant to the former holder thereof in accordance with the Escrow Agreement and Section 11.1(f) if, as and when such disbursements are required to be made.

Prior to the Effective Time, the Company shall take all action that may be necessary to effectuate the provisions of this Section 1.9 and to ensure that, from and after the Effective Time, each holder of an Outstanding Company Warrant cancelled as provided in this Section 1.9 shall cease to have any rights with respect thereto, except the right for each holder of an Outstanding Company Warrant to receive the consideration specified in this Section 1.9, without interest. Notwithstanding anything to the contrary set forth herein, no holder of an Outstanding Company Warrant shall be entitled to receive any payment therefor until such holder has executed and delivered to Parent a Joinder Agreement, and no holder of an Outstanding Company Warrant shall be entitled to receive any Parent Common Stock until such holder has executed and delivered to Parent a Lock-Up Agreement and an Investor Questionnaire.

1.10 Dissenting Shares.

(a) Effect on Dissenting Shares. Notwithstanding any provisions of this Agreement to the contrary, shares of Company Capital Stock held by a holder who has demanded and perfected a demand for appraisal of such holder's shares of Company Capital Stock in accordance with Section 262 of the DGCL or under Chapter 13 of the CCC, if applicable, and as of the Effective Time has neither effectively withdrawn nor lost such holder's appraisal rights pursuant to the DGCL or under Chapter 13 of the CCC, if applicable, (the "Dissenting Shares") shall not be converted into the applicable Merger Consideration pursuant to Section 1.5, but shall

be entitled to only such rights as are granted by the DGCL or under Chapter 13 of the CCC, if applicable. Parent shall be entitled to retain any Merger Consideration not paid on account of such Dissenting Shares pending resolution of the claims of such holders, and no other Person shall be entitled to any portion of such retained Merger Consideration.

(b) Loss of Dissenting Share Status. Notwithstanding the provisions of Section 1.10(a), if any holder of shares of Company Capital Stock who demands appraisal with respect to such holder's shares under the DGCL or under Chapter 13 of the CCC, if applicable, shall effectively withdraw or lose (through the failure to perfect or otherwise) such holder's right to appraisal under the DGCL, or under Chapter 13 of the CCC, if applicable, then as of the Effective Time or the occurrence of such event, whichever occurs later, such holder's shares of Company Capital Stock shall automatically be converted into the right to receive the applicable Merger Consideration, without interest thereon, promptly following the surrender of the certificate or certificates representing such shares of Company Capital Stock in accordance with Section 1.11.

(c) Notice of Dissenting Shares. The Company shall give Parent: (i) prompt notice of any demands for appraisal received by the Company, withdrawals of any demands, and any other instruments or notices served or otherwise delivered pursuant to the DGCL or under Chapter 13 of the CCC, if applicable, and received by the Company; and (ii) the opportunity to participate in all negotiations and proceedings with respect to any such demands for appraisal or other instruments or notices. The Company shall not, except with the prior written consent of Parent (which consent shall not be unreasonable withheld, conditioned or delayed), make any payment with respect to any demands for appraisal of shares of Company Capital Stock or offer to settle any such demands.

1.11 Exchange of Company Stock Certificates; Payment Agent.

(a) Payment Agent. PNC Bank, National Association shall act as payment agent in the Merger (the "Payment Agent"). On or promptly after the Closing Date, Parent shall deposit with the Payment Agent cash sufficient to pay the cash consideration payable pursuant to Section 1.5, Section 1.8 and Section 1.9 (excluding the Indemnity Escrow Amount (Cash) and the Adjustment Escrow Amount, which shall be deposited with the Escrow Agent in accordance with the Escrow Agreement, and the Expense Fund Amount which shall be deposited with the Securityholders' Agent in accordance with Section 11.1(f)); *provided*, *however*, Parent may in its sole discretion cause any payments to Effective Time Holders who are subject to employee tax withholding to be made through Parent's (or the Surviving Corporation's) payroll system in accordance with standard payroll practices (including withholding for applicable Taxes as required by applicable Legal Requirements). The cash amount so deposited with the Payment Agent is referred to as the "Payment Fund." The Payment Agent will be instructed to invest the funds included in the Payment Fund in the manner directed by Parent. Any interest or other income resulting from the investment of such funds shall be the property of, and will be paid to, Parent.

(b) Letters of Transmittal. Promptly following the Effective Time, the Payment Agent shall deliver:

(i) To each Person who is a record holder of Outstanding Capital Stock immediately prior to the Effective Time: (A) a letter of transmittal in substantially the form attached hereto as Exhibit H (a "Letter of Transmittal"), including a provision confirming that delivery of Company Stock Certificates (as defined in Section 1.11(d)) shall be effected, and risk of loss and title to Company Stock Certificates shall pass, only upon delivery of such Company Stock Certificates to the Payment Agent, a general release and a provision whereby such holder agrees to be bound by the provisions of Sections 1.5, 1.11, 11.1 and the other applicable provisions of this Agreement); and (B) instructions for use in effecting the exchange of Outstanding Capital Stock for the Merger Consideration payable with respect to such Outstanding Capital Stock. Upon the surrender to the Payment Agent of a duly executed Letter of Transmittal, Joinder Agreement, Lock-Up Agreement (if applicable), Investor Questionnaires and such other documents as Parent or the Payment Agent may reasonably request, such record holder shall, subject to Section 1.11(h), if applicable, be entitled to receive in exchange therefor the Merger Consideration that such holder has the right to receive pursuant to Section 1.5 at the times specified in Section 1.5, and such Outstanding Capital Stock so surrendered shall forthwith be cancelled. From and after the Effective Time, any book-entry or physical stock certificate which prior to the Effective Time represented shares of Company Capital Stock shall be deemed to represent only the right to receive the Merger Consideration, if any, payable with respect to such shares, and the holder of thereof shall cease to have any rights with respect to the shares of Company Capital Stock formerly represented thereby.

(ii) To each Person who is a holder of Outstanding Options immediately prior to the Effective Time with respect to which the Company has no Tax withholding obligations ("Non-Employee Options"), a letter of transmittal in substantially the form attached hereto as Exhibit I (a "NSO Letter of Transmittal"). Upon the surrender to the Payment Agent of a duly executed NSO Letter of Transmittal, Joinder Agreement, Lock-Up Agreement (if applicable), Investor Questionnaire and such other documents as Parent or the Payment Agent may reasonably request, the holder of such Non-Employee Option shall be entitled to receive in exchange therefor the Merger Consideration that such holder has the right to receive pursuant to Section 1.8 at the times specified in Section 1.8, as applicable, following the time of such delivery; and

(iii) to each Person who is a holder of an Outstanding Company Warrant immediately prior to the Effective Time as set forth on the Merger Consideration Certificate a letter of transmittal substantially in the form attached hereto as Exhibit J (a "Warrant Letter of Transmittal"). Upon the surrender to the Payment Agent of a duly executed Warrant Letter of Transmittal, Joinder Agreement, Lock-Up Agreement, Investor Questionnaire and such other documents as Parent or the Payment Agent may reasonably request, the holder of such Outstanding Company Warrant shall, subject to Section 1.11(h), if applicable, be entitled to receive in exchange therefor the Merger Consideration that such holder has the right to receive pursuant to Section 1.9 at the times specified in Section 1.9, as applicable, following the time of such delivery.

(c) Payments to Others. If payment of Merger Consideration in respect of shares of Company Capital Stock converted pursuant to Section 1.5 is to be made to a Person other than the Person in whose name surrendered Outstanding Capital Stock is registered, it shall be a condition to such payment that the Letter of Transmittal reflecting such Outstanding Capital Stock so surrendered shall be properly completed or shall be otherwise in proper form for transfer and

that the Person requesting such payment shall have paid any transfer and other Taxes required by reason of such payment in a name other than that of the registered holder of such Outstanding Capital Stock surrendered or shall have established to the satisfaction of Parent that such Tax either has been paid or is not payable.

(d) Stock Transfer Books. As of the Effective Time, the stock transfer books of the Company shall be closed and there shall not be any further registration of transfers of shares of Company Capital Stock thereafter on the records of the Company. If, after the Effective Time, shares of Outstanding Capital Stock are presented to the Surviving Corporation, they shall be canceled and exchanged for the Merger Consideration, if any, payable with respect to such shares as provided for in Section 1.5. No interest shall accrue or be paid on any Merger Consideration payable upon the surrender of Outstanding Capital Stock.

(e) Legends. The evidence of issuance of the book-entry entitlements representing the shares of Parent Common Stock to be issued pursuant to Section 1.5(a) in respect of shares of Company Capital Stock and Section 1.9 in respect of Company Warrants shall be delivered promptly following the applicable Company Securityholder's compliance with the applicable exchange procedures specified in this Section 1.11 and shall bear the following legends to the extent applicable (along with any other legends that may be required pursuant to the applicable Revesting Agreement or Continuing Employee Vesting Agreement or under applicable Law):

(i) THESE SHARES HAVE NOT BEEN REGISTERED UNDER THE SECURITIES ACT OF 1933 ("THE ACT") AND ARE "RESTRICTED SECURITIES" AS THAT TERM IS DEFINED IN RULE 144 UNDER THE ACT. THESE SHARES MAY NOT BE OFFERED FOR SALE, SOLD, TRANSFERRED, ASSIGNED, PLEDGED OR HYPOTHECATED EXCEPT (I) PURSUANT TO AN EFFECTIVE REGISTRATION STATEMENT UNDER THE ACT, OR (II) UNLESS THE ISSUER HAS RECEIVED AN OPINION OF COUNSEL SATISFACTORY TO IT THAT THESE SHARES MAY BE SOLD PURSUANT TO RULE 144 OR ANOTHER AVAILABLE EXEMPTION UNDER THE ACT AND THE RULES AND REGULATIONS THEREUNDER.

(ii) THE HOLDER HEREOF, BY ACQUIRING THESE SECURITIES OR ANY BENEFICIAL INTERESTS THEREIN, AGREES FOR THE BENEFIT OF LIFE360, INC. (THE "COMPANY") THAT THESE SECURITIES AND ANY BENEFICIAL INTERESTS THEREIN MAY BE OFFERED, SOLD, REOFFERED, RESOLD, PLEDGED, DELIVERED, DISTRIBUTED OR OTHERWISE TRANSFERRED, DIRECTLY OR INDIRECTLY, ONLY (I) (A) TO THE COMPANY, (B) OUTSIDE THE UNITED STATES TO PERSONS THAT ARE NOT, AND ARE NOT ACTING FOR THE ACCOUNT OR BENEFIT OF, "U.S. PERSONS" (AS DEFINED IN RULE 902(k) UNDER THE U.S. SECURITIES ACT) IN AN "OFFSHORE TRANSACTION" (AS DEFINED IN RULE 902(h) UNDER THE U.S. SECURITIES ACT) COMPLYING WITH REGULATION S ("REGULATION S") UNDER THE U.S. SECURITIES ACT THAT IS NOT THE RESULT OF ANY "DIRECTED SELLING EFFORTS" (AS DEFINED IN RULE 903(c) UNDER THE U.S. SECURITIES ACT), (C) IN ACCORDANCE WITH ANOTHER APPLICABLE EXEMPTION FROM, OR IN A

TRANSACTION NOT SUBJECT TO, THE REGISTRATION REQUIREMENTS OF THE U.S. SECURITIES ACT, INCLUDING, SO LONG AS THE SECURITIES REPRESENTED HEREBY AND ANY BENEFICIAL INTERESTS THEREIN ARE ELIGIBLE FOR RESALE PURSUANT TO RULE 144A UNDER THE U.S. SECURITIES ACT ("RULE 144A"), TO A PERSON WHO THE SELLER REASONABLY BELIEVES IS A "QUALIFIED INSTITUTIONAL BUYER" (AS DEFINED IN RULE 144A) ("QIB") PURCHASING FOR ITS OWN ACCOUNT OR THE ACCOUNT OF ONE OR MORE OTHER QIBs IN ONE OR MORE TRANSACTIONS EXEMPT FROM REGISTRATION UNDER THE U.S. SECURITIES ACT PURSUANT TO RULE 144A THEREUNDER, OR (D) IN A TRANSACTION REGISTERED UNDER THE U.S. SECURITIES ACT (WHICH IT ACKNOWLEDGES THE COMPANY IS UNDER NO OBLIGATION TO DO EXCEPT AS MAY BE SET FORTH IN ANY INVESTORS RIGHTS AGREEMENT THAT HAS BEEN OR MAY BE ENTERED INTO AMONG THE COMPANY AND CERTAIN HOLDERS OF THE COMPANY'S STOCK SOLELY FOR THE BENEFIT OF SUCH HOLDERS), AND, IN EACH CASE, IN COMPLIANCE WITH ALL APPLICABLE SECURITIES LAWS OF ANY STATE OF THE UNITED STATES AND (II) IN ACCORDANCE WITH ALL APPLICABLE SECURITIES LAWS OF ANY OTHER APPLICABLE JURISDICTIONS. THE COMPANY UNDERTAKES NO OBLIGATION TO SATISFY THE REQUIREMENTS FOR ANY EXEMPTION OR SAFE HARBOR FROM THE REGISTRATION REQUIREMENTS OF THE U.S. SECURITIES ACT TO FACILITATE ANY RESALES OF THESE SECURITIES.

(iii) THE SHARES REPRESENTED BY THIS CERTIFICATE ARE SUBJECT TO A 180 DAY MARKET STANDOFF RESTRICTION AS SET FORTH IN A CERTAIN AGREEMENT BETWEEN THE ISSUER AND THE ORIGINAL HOLDER OF THESE SHARES, A COPY OF WHICH MAY BE OBTAINED AT THE PRINCIPAL OFFICE OF THE ISSUER. AS A RESULT OF SUCH AGREEMENT, THESE SHARES MAY NOT BE TRADED PRIOR TO 180 DAYS AFTER THE EFFECTIVE DATE OF ANY PUBLIC OFFERING OF THE COMMON STOCK OF THE ISSUER HEREOF. SUCH RESTRICTION IS BINDING ON TRANSFEREES OF THESE SHARES.

(iv) THE SECURITIES REPRESENTED BY THIS CERTIFICATE ARE SUBJECT TO A LOCK-UP AGREEMENT WITH THE ISSUER OF SUCH SECURITIES THAT PROHIBITS THE SECURITIES FROM BEING TRANSFERRED PRIOR TO THE DATE SPECIFIED THEREIN.

(v) THESE SHARES ARE SUBJECT TO INDEMNITY AND ESCROW OBLIGATIONS SET FORTH IN AN AGREEMENT WITH THE COMPANY.

(f) Undistributed Payment Funds. Any portion of the Payment Fund that remains undistributed as of the date that is 180 days after the Effective Time shall be delivered to Parent upon demand, and the Effective Time Holders who have not theretofore surrendered their Outstanding Capital Stock in accordance with this Section 1.11, shall thereafter look only to Parent for satisfaction of their claims for the Merger Consideration payable with respect to such Outstanding Capital Stock, without any interest thereon.

(g) Escheat. Notwithstanding anything in this Agreement to the contrary, neither Parent nor any other Person shall be liable to any Effective Time Holder or to any other Person for any amount paid to a public official pursuant to applicable abandoned property law, escheat law or similar applicable Legal Requirement. Any Merger Consideration or other amounts remaining unclaimed three years after the Effective Time (or such earlier date immediately prior to such time as such amounts would otherwise escheat to or become property of any Governmental Body) shall, to the extent permitted by applicable Legal Requirements, become the property of Parent free and clear of any Encumbrance.

(h) Withholding. Each of the Payment Agent, Escrow Agent, Parent, the Company, the Surviving Corporation and any Affiliate or agent of any of the foregoing shall be entitled to deduct and withhold (or cause to be deducted and withheld) from any amounts payable pursuant to this Agreement (including without limitation Outstanding Vested RSUs) such amounts as are required to be deducted or withheld therefrom or in connection therewith under the Code or any provision of an applicable Legal Requirement. To the extent such amounts are so deducted or withheld and paid to the applicable Governmental Body, such amounts shall be treated for all purposes under this Agreement as having been paid to the Person to whom such amounts would otherwise have been paid.

1.12 Purchase Price Adjustment.

(a) Company Estimated Closing Statement. Not more than five (5) Business Days but not less than three (3) Business Days prior to the Closing, the Company shall deliver to Parent a statement (the "Estimated Closing Statement") setting forth a good faith calculation, together with reasonably detailed supporting documentation, of: (i) the Company Transaction Expenses (the "Estimated Company Transaction Expenses"); (ii) the Closing Indebtedness Amount (the "Estimated Closing Indebtedness Amount"); (iii) the Aggregate Exercise Price (the "Estimated Aggregate Exercise Price"); (iv) the Closing Cash Amount (the "Estimated Closing Cash Amount"); (v) the Closing Net Working Capital Shortfall Amount (the "Estimated Closing Net Working Capital Shortfall Amount"); (vi) the Closing Net Working Capital Excess Amount (the "Estimated Closing Net Working Capital Excess Amount"); and (vii) the resulting calculation of the Adjustment Amount (the "Estimated Adjustment Amount"), the Adjusted Closing Cash Consideration (the "Estimated Adjusted Closing Cash Consideration"), the Series A Cash Per Share, the Series A Stock Per Share, the Series B Cash Per Share, the Series B Stock Per Share, the Series B-1 Cash Per Share, the Series B-1 Stock Per Share, the Series C Cash Per Share, the Series C Stock Per Share, the Series C-1 Cash Per Share, the Series C-1 Stock Per Share, the Common-Equivalents Cash Per Share (the "Estimated Common-Equivalents Cash Per Share") and the Common-Equivalents Stock Per Share (the "Estimated Common-Equivalents Stock Per Share"). The Estimated Closing Statement and the calculations thereunder shall be prepared and calculated by the Company in good faith and in accordance with the definitions set forth in this Agreement.

(b) Parent Closing Statement. No later than ninety (90) calendar days following the Closing Date (or such reasonable extension thereof as approved by the Securityholders' Agent, such approval not to be unreasonably withheld, conditioned or delayed) (such period, the "Post-Closing Review Period"), Parent will conduct a review of the Merger Consideration Certificate (the "Post-Closing Review") and, based on the Post-Closing Review, shall furnish the

Securityholders' Agent a certificate of Parent setting forth Parent's good faith calculation of: (i) the Company Transaction Expenses; (ii) the Closing Indebtedness Amount; (iii) the Aggregate Exercise Price; (iv) the Closing Cash Amount, (v) the Closing Net Working Capital Shortfall Amount; (vi) the Closing Net Working Capital Excess Amount; and (vii) the resulting calculation of the Adjustment Amount, the Adjusted Closing Cash Consideration, the Series A Cash Per Share, the Series A Stock Per Share, the Series B Cash Per Share, the Series B Stock Per Share, the Series B-1 Cash Per Share, the Series B-1 Stock Per Share, the Series C Cash Per Share, the Series C Stock Per Share, the Series C-1 Cash Per Share, the Series C-1 Stock Per Share, the Common-Equivalents Cash Per Share and the Common-Equivalents Stock Per Share (the "Parent Closing Statement"); *provided*; *however*, if Parent fails to deliver the Parent Closing Statement pursuant to this Section 1.12(b) prior to the expiration of the Post-Closing Review Period, then the calculations set forth on the Estimated Closing Statement shall be deemed final and conclusive and binding upon all of the parties hereto. The Parent Closing Statement shall be prepared by Parent in good faith and in accordance with the definitions set forth in this Agreement.

(c) Post-Closing Dispute Notice. If the Securityholders' Agent disputes the accuracy of the calculation of any of the items set forth in the Parent Closing Statement, the Securityholders' Agent shall provide written notice to Parent no later than sixty (60) calendar days following the Securityholders' Agent's receipt of the Parent Closing Statement (the "Post-Closing Dispute Notice"), setting forth in reasonable detail those items that the Securityholders' Agent disputes. During such sixty (60) day period (and, in addition, until the resolution of any disputed amounts in accordance with this Section 1.12), Parent shall, and shall cause the Company to, (A) assist the Securityholders' Agent in the review of the Parent Closing Statement and provide the Securityholders' Agent and its representatives with access to (and the right to make copies of) the books, records (including work papers, schedules, memoranda and other documents), supporting data, facilities and employees for purposes of its review of the Parent Closing Statement, and (B) cooperate with the Securityholders' Agent and its representatives in connection with such review, including by providing on a timely basis all other information necessary or useful in connection with the review of the Parent Closing Statement and access to the Company's accountants and advisors. If the Securityholders' Agent accepts the calculation of the items set forth in the Parent Closing Statement, or if the Securityholders' Agent fails within such sixty (60) day period to notify Parent of any dispute with respect thereto, then the calculation of such items and the resulting Adjustment Amount, Adjusted Closing Consideration, the Series A Cash Per Share, the Series A Stock Per Share, the Series B Cash Per Share, the Series B Stock Per Share, the Series B-1 Cash Per Share, the Series B-1 Stock Per Share, the Series C Cash Per Share, the Series C Stock Per Share, the Series C-1 Cash Per Share, the Series C-1 Stock Per Share, the Common-Equivalents Cash Per Share and the Common-Equivalents Stock Per Share set forth in the Parent Closing Statement shall be deemed final and conclusive and binding upon all Parties.

(d) Dispute Resolution. During the thirty (30) day period following delivery of a Post-Closing Dispute Notice, Parent and the Securityholders' Agent will meet and negotiate in good faith with a view to resolving their disagreements over the disputed items. If Parent and the Securityholders' Agent resolve their differences over the disputed items in accordance with the foregoing procedure, (i) the Company Transaction Expenses, (ii) the Closing Indebtedness Amount, (iii) the Aggregate Exercise Price, (iv) the Closing Cash Amount, (v) the Closing Net Working Capital Shortfall Amount, (vi) the Closing Net Working Capital Excess Amount, and (vii) the resulting calculation of the Adjustment Amount, the Adjusted Closing Consideration, the

Series A Cash Per Share, the Series A Stock Per Share, the Series B Cash Per Share, the Series B Stock Per Share, the Series B-1 Cash Per Share, the Series B-1 Stock Per Share, the Series C Cash Per Share, the Series C Stock Per Share, the Series C-1 Cash Per Share, the Series C-1 Stock Per Share, the Common-Equivalents Cash Per Share and the Common-Equivalents Stock Per Share shall be the amount agreed upon by them. If Parent and the Securityholders' Agent fail to resolve their differences over the disputed items within such thirty (30) day period, then Parent and the Securityholders' Agent shall forthwith jointly request that a mutually agreed nationally recognized accounting firm (the "Accounting Firm") make a binding determination in accordance with this Agreement as to any disputed items that remain unresolved as of the date on which the Accounting Firm is retained (the "Outstanding Disputes"). The Accounting Firm will, under the terms of its engagement, have no more than thirty (30) calendar days from the date of engagement within which to render its written decision with respect to the Outstanding Disputes (and only with respect to any unresolved Outstanding Disputes set forth in the Post-Closing Dispute Notice), which decision shall be final and binding upon the Parties and enforceable by any court of competent jurisdiction. Parent and the Securityholders' Agent shall also instruct the Accounting Firm to, and the Accounting Firm shall, make its determination based solely on presentations and written materials submitted by Parent and the Securityholders' Agent to the Accounting Firm (with substantially simultaneous delivery to the other Party) that are in accordance with the guidelines and procedures set forth in this Agreement (*i.e.*, not on the basis of an independent review). In resolving any Outstanding Dispute, the Accounting Firm may not assign a value to any item greater than the greatest value for such item claimed by either Party or less than the smallest value for such item claimed by either Party. The fees and expenses of the Accounting Firm shall be paid by Parent, on the one hand, and/or the Effective Time Holders, acting through the Securityholders' Agent in its capacity as such, on the other hand, based upon the percentage which the portion of the contested amount not awarded to each Party with respect to the Outstanding Disputes bears to the amount contested by such Party with respect to the Outstanding Disputes, as determined by the Accounting Firm. For the avoidance of doubt and without in any way limiting Parent's or the Effective Time Holders' acting through the Securityholders' Agent in its capacity as such, as applicable, obligation to pay any amount due pursuant to the post-closing adjustment set forth in Section 1.12(e), the determination of the (i) the Company Transaction Expenses, (ii) the Closing Indebtedness Amount, (iii) the Aggregate Exercise Price, (iv) the Closing Cash Amount, (v) the Closing Net Working Capital Shortfall Amount, (vi) the Closing Net Working Capital Excess Amount, and (vii) the resulting calculation of the Adjustment Amount, the Adjusted Closing Consideration, the Series A Cash Per Share, the Series A Stock Per Share, the Series B Cash Per Share, the Series B Stock Per Share, the Series B-1 Cash Per Share, the Series B-1 Stock Per Share, the Series C Cash Per Share, the Series C Stock Per Share, the Series C-1 Cash Per Share, the Series C-1 Stock Per Share, the Common-Equivalents Cash Per Share and the Common-Equivalents Stock Per Share pursuant to this Section 1.12 shall be deemed final, conclusive and binding upon the Parties, including as to any and all items and matters underlying the calculations of any and all such amounts. The Company Transaction Expenses, the Closing Indebtedness Amount, the Aggregate Exercise Price, the Closing Cash Amount, the Closing Net Working Capital Shortfall Amount, the Closing Net Working Capital Excess Amount and the resulting calculation of the Adjustment Amount, the Adjusted Closing Consideration, the Common-Equivalents Cash Per Share and the Common-Equivalent Stock Per Share as finally determined pursuant to this Section 1.12, are referred to herein as the "Final Company Transaction Expenses", the "Final Closing Indebtedness Amount", the "Final Aggregate Exercise Price", the "Final

Closing Cash Amount", the "Final Closing Net Working Capital Shortfall Amount", the "Final Net Working Capital Excess Amount", the "Final Adjustment Amount", the "Final Adjusted Closing Cash Consideration", the "Final Common-Equivalents Cash Per Share" and the "Final Common-Equivalents Stock Per Share", respectively.

(e) Payment of Post-Closing Adjustments.

(i) If the Estimated Adjusted Closing Cash Consideration exceeds the Final Adjusted Closing Cash Consideration (such excess, a "Closing Cash Consideration Excess"), then Parent and the Securityholders' Agent, on behalf of the Common-Equivalents Holders, shall execute and deliver joint written instructions to the Escrow Agent instructing the Escrow Agent to pay to Parent first from the Adjustment Escrow Fund and then from the Indemnity Escrow Fund (not to exceed $500,000) an amount in cash equal to the Closing Cash Consideration Excess. The Closing Cash Consideration Excess amount, if any, shall be paid to Parent by the Escrow Agent in accordance with the foregoing by wire transfer of immediately available funds within five (5) Business Days after the determination of the Final Adjusted Closing Cash Consideration. If the Closing Cash Consideration Excess amount exceeds the amount of the Adjustment Escrow Fund *plus* up to $500,000 of the Indemnity Escrow Fund (such amount, the "Aggregate Closing Cash Overpayment Shortfall Amount"), then the Securityholders' Agent shall provide written notice thereof to each Common-Equivalents Holder, and each such Common-Equivalents Holder shall pay to Parent, within two (2) Business Days following the receipt by such Effective Time Holder of such written notice, an amount equal to such Common-Equivalents Holder's Pro Rata Share (Common-Equivalents) of the Aggregate Closing Cash Overpayment Shortfall Amount not covered by the funds in the Adjustment Escrow Fund *plus* up to $500,000 of the Indemnity Escrow Fund, by wire transfer of immediately available funds to an account or accounts designated in writing by Parent prior to such payment date.

(ii) If the Final Adjusted Closing Cash Consideration exceeds the Estimated Adjusted Closing Cash Consideration (such amount, a "Closing Cash Consideration Shortfall"), then Parent shall pay:

(1) to the Payment Agent (for further distribution to the Common-Equivalents Holders, other than holders of Outstanding Options, in accordance with their respective Pro Rata Share (Common-Equivalents)) an amount in cash equal to (I) the Closing Cash Consideration Shortfall (such amount, the "Additional Closing Cash Consideration") *times* (II) the aggregate Pro Rata Share (Common-Equivalents) of all Common-Equivalents Holders (other than with respect to such holders' Outstanding Options); and

(2) to the Surviving Corporation (for further payment to the holders of Outstanding Vested Options) an amount in cash equal to (I) the Additional Closing Cash Consideration *times* (II) the aggregate Pro Rata Share (Common-Equivalents) of all Common-Equivalents Holders in respect of such holders' Outstanding Vested Options.

The Additional Closing Cash Consideration, if any, shall be paid to the Payment Agent and the Surviving Corporation, as applicable, by wire transfer of immediately available funds within ten (10) Business Days after the determination of the Final Adjusted Closing Cash Consideration (the date of such payment, the "Additional Closing Cash Consideration Payment Date").

1.13 Non-Accredited Investor Cash-Out Payments.

(a) Notwithstanding anything to the contrary in this Agreement, in no event shall Parent be required to issue any shares of Parent Common Stock to any Non-Accredited Investor. To the extent any such Person would otherwise have been entitled to be issued shares of Parent Common Stock as consideration under this Agreement in connection with the Merger, including shares of Parent Common Stock issuable pursuant to Section 1.5(a), Acquirer shall be entitled to pay such amounts in cash, rather than issuing shares of Parent Common Stock, with the amount of cash payable equal to the value of the shares of Parent Common Stock (having a value per share equal to the Parent Per CDI Signing Price) that would have otherwise been issuable had such Person been an Accredited Investor.

(b) Notwithstanding anything to the contrary herein, the amount of cash payable to the Effective Time Holders pursuant to this shall not exceed the Adjusted Closing Cash Consideration (the "Maximum Cash Consideration"). Accordingly, if Section 1.13(a) otherwise results in the amount of cash payable to the Effective Time Holders to exceed the Maximum Cash Consideration (such excess, the "Cash Consideration Excess"), then (i) the number of shares of Parent Common Stock issuable to each Effective Time Holder that is not a Non-Accredited Investor (each, and "Adjustment Holder") shall automatically (and without requiring any further action on the part of such Effective Time Holder) be increased by an amount equal to (A) the Cash Consideration Excess *multiplied by* a fraction, the numerator of which is equal to the number of shares of Parent Common Stock of such Effective Time Holder and the denominator of which is the sum of the number of shares of Parent Common Stock of all of the Adjusted Stockholders (prior to giving effect to such reduction) (such fraction, the "Adjustment Percentage") *divided* by (B) the Parent Per CDI Signing Price and (ii) the cash payable to each Adjusted Stockholder shall be reduced by an amount equal to the Cash Consideration Excess *multiplied by* the Adjustment Percentage.

1.14 Further Action. If, at any time after the Effective Time, any further action is reasonably determined by Parent to be necessary or desirable to carry out the purposes of this Agreement or to vest the Surviving Corporation or Parent with full right, title and possession of and to all rights and property of the Merger Sub and the Company, the officers and directors of the Surviving Corporation and Parent shall be fully authorized (in the name of Merger Sub, in the name of the Company and otherwise) to take such action.

1.15 Adjustments. In the event of any stock split, reverse stock split, stock dividend (including any dividend or distribution of securities convertible into capital stock), reorganization, reclassification, combination, recapitalization or other like change with respect to shares of Parent Common Stock or the Parent CDIs occurring after the date hereof and prior to the Closing with respect to the to be delivered at the Closing, or prior to the escrow release date with respect to any held in the escrow, all references in this Agreement to specified numbers of shares, and all

calculations provided for that are based upon numbers of shares (or trading prices therefor) affected thereby, shall be equitably adjusted to the extent necessary to provide the parties the same economic effect as contemplated by this Agreement prior to such stock split, reverse stock split, stock dividend, reorganization, reclassification, combination, recapitalization or other like change.

2. REPRESENTATIONS AND WARRANTIES OF THE COMPANY

Except as specifically set forth in the Disclosure Schedule prepared by the Company and delivered to Parent prior to the execution of this Agreement setting forth specific exceptions to the Company's representations and warranties set forth in this Section 2 in accordance with Section 11.17, the Company represents and warrants to Parent and Merger Sub as follows:

2.1 Due Organization; Organizational Documents.

(a) The Company and each of its Subsidiaries is a corporation, limited liability company or limited company, as applicable, duly incorporated or formed, validly existing and in good standing under the laws of the jurisdiction of its organization and has all necessary corporate or similar power and authority to conduct its business in the manner in which its business is currently being conducted. The Company and each of its Subsidiaries is qualified to do business as a foreign corporation or other entity under the laws of all jurisdictions where the nature of its business requires such qualification, except where the failure to be so qualified would not have a Material Adverse Effect.

(b) The Company and each of its Subsidiaries is qualified to do business as a foreign corporation or other entity under the laws of all jurisdictions where the nature of its business requires such qualification, except where the failure to be so qualified would not have a would not be material to the Company and such Subsidiary, as applicable.

(c) Accurate and complete copies of the Organizational Documents of the Company and its Subsidiaries and all amendments thereto have been made available to Parent. As of the date hereof, neither the Board of Directors of the Company nor any analogous governing body of any Subsidiary of the Company has approved or proposed any amendment to any of the Organizational Documents of the Company or such Subsidiary. The Company and each of its Subsidiaries is in compliance with their respective Organizational Documents in all material respects.

(d) Section 2.1(d) of the Disclosure Schedule sets forth, for the Company and each Subsidiary of the Company (i) such Entity's jurisdiction of incorporation or formation and (ii) all jurisdictions in which such Entity is qualified to do business as a foreign corporation or other entity

(e) Section 2.1(e) of the Disclosure Schedule lists the Company's and each of its Subsidiaries' directors and officers as of the date of the Agreement.

2.2 Capital Structure.

(a) The authorized capital stock of the Company consists of: (i) 72,000,000 shares of Company Common Stock, of which 11,644,134 shares are issued and outstanding as of the date of this Agreement, plus 5,287,982 shares of Company Common Stock reserved for issuance subject to Company RSUs; and (ii) 41,333,793 shares of Company Preferred Stock, of which: (A) 10,720,444 shares are designated as "Series A Preferred Stock", and 10,720,444 of which are issued and outstanding as of the date of this Agreement; (B) 5,268,241 shares are designated as "Series B Preferred Stock", and 5,268,241 of which are issued and outstanding as of the date of this Agreement; (C) 8,116,761 shares are designated as "Series B-1 Preferred Stock", and 8,116,761 of which are issued and outstanding as of the date of this Agreement; (D) 15,863,783 shares are designated as "Series C Preferred Stock", and 11,065,478 of which are issued and outstanding as of the date of this Agreement; and (D) 1,364,564 shares are designated as "Series C-1 Preferred Stock", and 1,364,564 of which are issued and outstanding as of the date of this Agreement. There are no shares of capital stock held in the Company's treasury. The Company has never declared or paid any dividends on any shares of Company Capital Stock. Section 2.2(a) of the Disclosure Schedule sets forth the names of the Company's stockholders, and the class, series and number of shares of Company Capital Stock owned of record by each of such stockholders as of the date of this Agreement, and except as set forth on Section 2.2(a) of the Disclosure Schedule, there are no other shares of Company Capital Stock authorized, issued, reserved for issuance or outstanding. All the outstanding shares of Company Capital Stock have been duly authorized and validly issued, and are fully paid and nonassessable, and none of such shares is subject to any repurchase option, forfeiture provision or restriction on transfer (other than restrictions on transfer imposed by virtue of applicable federal and state securities laws). Each issued and outstanding share of Company Preferred Stock is convertible into shares of Company Common Stock on a one-for-one basis.

(b) The Company has reserved 22,268,448 shares of Company Common Stock for issuance under the Company Equity Incentive Plan, of which Company Options with respect to 16,889,931 shares are outstanding as of the date of this Agreement, 5,812,945 of which are fully vested and exercisable, and of which Company RSUs with respect to 5,287,982 shares are outstanding as of the date of this Agreement. Section 2.2(b) of the Disclosure Schedule accurately sets forth, with respect to each Company Option and Company RSU that is outstanding as of the date of this Agreement: (i) the name of the holder of such Company Option or Company RSU; (ii) the total number of shares of Company Common Stock that are or were subject to such Company Option or Company RSU; (iii) the date on which such Company Option or Company RSU was granted and the term of such Company Option or Company RSU; (iv) the vesting schedule and the vesting commencement date of such Company Option or Company RSU (including the number of shares of Company Common Stock subject thereto that are vested and unvested as of the date of this Agreement) and whether the vesting of such Company Option or Company RSU is subject to any acceleration in connection with the Merger, any termination of employment or separation from service, or any of the other transactions contemplated by this Agreement; (v) the exercise price per share of Company Common Stock purchasable under such Company Option and the purchase price, if any, of any Company RSU; (vi) whether such Company Option is an "incentive stock option" as defined in Section 422 of the Code or subject to Section 409A of the Code; and (vii) whether early exercise is permitted with respect to such Company Option. Except as set forth in Section 2.2(b) of the Disclosure Schedule, no holder of a Company Option may exercise such Company Option prior to the date on which such Company Option becomes vested. Each grant of a Company Option was duly authorized no later than the date on which the grant of such Company Option was by its terms to be effective (the "Grant Date") by all necessary corporate action, including, as applicable, approval by the board of directors of

the Company (or a duly constituted and authorized committee thereof) and any required stockholder approval, in each case, by the necessary number of votes or written consents, and the award agreement governing such grant (if any) was duly executed and delivered by each party thereto and is in full force and effect, each such grant was made in accordance in all material respects with the terms of the applicable Company Equity Incentive Plan and all other applicable Legal Requirements, and the per share exercise price of each Company Option was equal to the fair market value of a share of Company Common Stock on the applicable Grant Date. The exercise of the Company Options and the payment of cash in respect thereof complied and will comply in all material respects with the terms of the Company Equity Incentive Plan, all Contracts applicable to such Company Options and all Legal Requirements. The Company has made available to Parent accurate and complete copies of the Company Equity Incentive Plan, each form of agreement currently used thereunder pursuant to which any Company Option or Company RSU is outstanding and each Contract pursuant to which any Company Option or Company RSU is outstanding. The terms of the Company Equity Incentive Plan or the Contracts evidencing the Company Options authorize the treatment of the Company Options and Company RSU, in each case, as contemplated by Section 1.8 without any required consent or approval of the holders of such Company Options or Company RSUs.

(c) The Company has reserved 1,143,291 shares of Company Common Stock for issuance pursuant to the Outstanding Company Warrants and 26,075 shares of Company Common Stock for issuance pursuant to the outstanding Options not issued under the Company Equity Incentive Plan. Section 2.2(c) of the Disclosure Schedule accurately sets forth, with respect to each Outstanding Company Warrant as of the date of this Agreement: (i) the name of the holder of such Outstanding Company Warrant; (ii) the total number of shares of Company Common Stock that are subject to such Outstanding Company Warrant; (iii) the date on which such Outstanding Company Warrant was issued and the term of such Outstanding Company Warrant; (iv) whether such Outstanding Company Warrant is subject to any acceleration in connection with the Merger; and (v) the exercise price per share of Company Common Stock purchasable under such Outstanding Company Warrant. Each Outstanding Company Warrant was duly authorized by all necessary corporate action, including, as applicable, approval by the board of directors of the Company (or a duly constituted and authorized committee thereof) and any required stockholder approval, in each case, by the necessary number of votes or written consents, and the warrant agreement governing such Outstanding Company Warrant (if any) was duly executed and delivered by each party thereto and is in full force and effect, and each such Outstanding Company Warrant was made in accordance in all material respects with the terms of all applicable Legal Requirements. The exercise of the Outstanding Company Warrants and the payment of cash in respect thereof complied and will comply in all material respects with the terms of all Contracts applicable to such Outstanding Company Warrants and all Legal Requirements. As of the Effective Time, no former holder of an Outstanding Company Warrant will have any rights with respect to any Outstanding Company Warrant other than the rights contemplated by Section 1.9. The Company has made available to Parent accurate and complete copies of each Outstanding Company Warrant. The terms of the Contracts governing such Outstanding Company Warrants authorize the treatment of the Outstanding Company Warrants as contemplated by Section 1.9 without any required consent or approval of the holders of such Outstanding Company Warrants.

(d) Except for the conversion privileges of the Company Preferred Stock and except as set forth in Section 2.2(a), Section 2.2(b) and Section 2.2(c) of the Disclosure Schedule, there is no: (i) outstanding subscription, option, call, convertible note, warrant or right (whether or not currently exercisable) to acquire any shares of or interest in Company Capital Stock or other securities of the Company; (ii) outstanding security, note, instrument or obligation (including any share or award of restricted stock, restricted stock unit, deferred stock or deferred stock unit or similar award) that is or may become convertible into or exchangeable for any shares of Company Capital Stock (or cash based on the value of such shares) or other securities of the Company; (iii) Contract under which the Company is or may become obligated to sell or otherwise issue any shares of or interests in Company Capital Stock or other securities, including any promise or commitment to grant Company Options or any other securities of the Company to an employee of or other service provider to the Company; or (iv) condition or circumstance that would reasonably be likely to give rise to or provide a basis for the assertion of a claim by any Person who has not otherwise released such claim to the effect that such Person is entitled to acquire or receive any shares of or interests in Company Capital Stock or any other securities of the Company. As of the Effective Time, there will be no outstanding options, warrants, convertible notes or other rights granted by the Company to purchase or otherwise acquire shares of Company Capital Stock.

(e) All outstanding shares of Company Capital Stock, all outstanding Company Options, all Outstanding Company Warrants and all other securities that have ever been issued or granted by the Company have been issued and granted in compliance in all material respects with: (i) all applicable securities laws and other applicable Legal Requirements; and (ii) all requirements set forth in all applicable Contracts. None of the outstanding shares of Company Capital Stock was issued in violation of any preemptive rights or other rights to subscribe for or purchase securities of the Company. Section 2.2(e) of the Disclosure Schedule accurately identifies each Company Contract other than this Agreement relating to any securities of the Company that contains any information rights, rights of first refusal, registration rights, financial statement requirements or other terms that would survive the Closing unless terminated or amended prior to the Closing.

(f) Section 2.2(f) of the Disclosure Schedule accurately identifies each Company Contract other than this Agreement relating to any securities of the Company, or between the Company and any holder(s) of Company Capital Stock or other securities of the Company, that contains any voting rights, governance or management rights, information rights, rights of first refusal, registration rights, financial statement requirements or other terms that would survive the Closing unless terminated or amended prior to the Closing. The Company is not in breach or in default under any such Company Contract, and to the Knowledge of the Company, no other party to any such Company Contract is in breach or in default, and to the Knowledge of the Company no event, occurrence, condition or act exists or has occurred that, with the giving of notice or the lapse of time, would reasonably be expected to become a material breach or material default under any such Company Contract.

(g) Section 2.2(g) of the Disclosure Schedule sets forth, with respect to each Subsidiary of the Company, a complete and accurate list of (i) the authorized, issued and outstanding shares of capital stock or other equity interests of such Subsidiary and any shares of capital stock and other equity interests that are held in the treasury of such Subsidiary, (ii) the holders of all of the issued and outstanding shares of capital stock or other equity interest of such Subsidiary, (iii) the address of each such holder, and (iv) the number, series and classes of shares of capital stock or other equity interests of such Subsidiary owned of record by each such holder.

Except as set forth in Section 2.2(g) of the Disclosure Schedule, there are no other shares or other equity interests in any Subsidiary of the Company authorized, issued, reserved for issuance or outstanding. All issued and outstanding shares of capital stock and other equity interests of each Subsidiary of the Company have been duly authorized and validly issued and are fully paid, non-assessable and free of any preemptive rights.

(h) Except for the equity interests of the Subsidiaries of the Company, the Company: (i) does not own any equity securities or other ownership interest of any other Person; (ii) does not control any Person; (iii) does not have any investments in, or hold any interest, directly or indirectly, in, any Person; and (iv) does not have any obligation or requirement, directly or indirectly, to provide capital contributions to, or invest in, any Person.

(i) There is no: (i) outstanding subscription, option, call, convertible note, warrant or right (whether or not currently exercisable) to acquire any shares of capital stock or other equity interests or other securities of any Subsidiary of the Company; (ii) outstanding security, note, instrument or obligation (including any share or award of restricted stock, restricted stock unit, deferred stock or deferred stock unit or similar award) that is or may become convertible into or exchangeable for any shares of capital stock or other equity interests or other securities of any Subsidiary of the Company (or cash based on the value of such shares of capital stock or other equity interests or other securities); (iii) Contract under which any Subsidiary of the Company is or may become obligated to sell or otherwise issue any shares of capital stock or other equity interests or other securities of such Subsidiary of the Company; or (iv) condition or circumstance that would reasonably be likely to give rise to or provide a basis for the assertion of a claim by any Person who has not otherwise released such claim to the effect that such Person is entitled to acquire or receive any shares of capital stock or other equity interests or other securities of any Subsidiary of the Company.

(j) All outstanding shares of capital stock or other equity interests or other securities of any Subsidiary of the Company, and all other securities that have ever been issued or granted by such Subsidiary have been issued and granted in compliance in all material respects with: (i) all applicable securities laws and other applicable Legal Requirements; and (ii) all requirements set forth in all applicable Contracts. None of the outstanding shares of capital stock or other equity interests or other securities of any Subsidiary of the Company was issued in violation of any preemptive rights or other rights to subscribe for or purchase securities of such Subsidiary. Section 2.2(j) of the Disclosure Schedule accurately identifies each Company Contract other than this Agreement relating to shares of capital stock or other equity interests or other securities of any Subsidiary of the Company that contains any information rights, rights of first refusal, registration rights, financial statement requirements or other terms that would survive the Closing unless terminated or amended prior to the Closing.

2.3 Financial Statements and Related Information.

(a) Section 2.3 of the Disclosure Schedule sets forth the following financial statements and notes (collectively, the "Company Financial Statements"): (i) the unaudited consolidated balance sheets of the Company and its Subsidiaries as of March 31, 2018, March 31, 2019 and March 31, 2020, and the related unaudited consolidated statements of operations, statements of stockholders' equity and statements of cash flows of the Company and its

Subsidiaries for the fiscal years ended March 31, 2018, March 31, 2019 and March 31, 2020, together with the notes (if any) thereto and (ii) the unaudited consolidated balance sheet of the Company and its Subsidiaries as of September 30, 2021 (the "Unaudited Interim Balance Sheet"), and the related unaudited consolidated income statement, statement of cash flows and statement of changes in stockholders' equity of the Company and its Subsidiaries for the six (6) months ended September 30, 2021. The Company Financial Statements present accurately and fairly in all material respects the consolidated financial position of the Company and its Subsidiaries as of the respective dates thereof and the results of operations and cash flows of the Company for the periods covered thereby. The Company Financial Statements are in accord with the corporate books and records of the Company and its Subsidiaries and have been prepared in accordance with GAAP (except for the omission of notes from any unaudited Company Financial Statements and, in the case of the interim Company Financial Statements, normal and recurring year-end adjustments, none of which is material).

(b) The Company maintains systems of internal controls over financial reporting and accounting designed to provide reasonable assurances regarding the reliability of financial reporting and the preparation of accurate financial statements, including to provide assurance that: (i) transactions are executed in accordance with management's general or specific authorization; (ii) transactions are recorded as necessary to permit the preparation of financial statements in conformity with GAAP and to maintain accountability for assets; (iii) access to assets is permitted only in accordance with management's general or specific authorization; and (iv) the recorded accountability for assets is compared with the actual levels at reasonable intervals and appropriate action is taken with respect to any differences. Except as set forth in Section 2.3(b) of the Disclosure Schedule, there are no material deficiencies or material weaknesses in the design or operation of the Company's internal controls that could adversely affect the Company's ability to record, process, summarize and report financial data, and the Company has no Knowledge of any related complaint, allegation, assertion or claim.

(c) As determined in accordance with the Hart-Scott-Rodino Antitrust Improvements Act of 1976, as amended, and the rules and regulations thereunder (the "HSR Act"), the Company's annual net sales and total assets do not exceed the current threshold of $184 million under Section 18a(a)(2)(B)(ii) of the HSR Act.

2.4 No Liabilities; Indebtedness; Accounts Receivable; Accounts Payable.

(a) Absence of Liabilities. Neither the Company nor any of its Subsidiaries has any material Liabilities of any nature, whether accrued, absolute, contingent, matured, unmatured or otherwise, other than: (i) Liabilities specifically reflected and reserved against in the Unaudited Interim Balance Sheet; (ii) Liabilities that have been incurred by the Company since the date of the Unaudited Interim Balance Sheet in the ordinary course of business; (iii) executory obligations and Liabilities under the Company Contracts entered into in the ordinary course of business and that are not required to be reflected in financial statements prepared in accordance with GAAP (and none of which relate to breach of contract, breach of warranty, tort, infringement, or violation of any Legal Requirement or any Legal Proceeding); (iv) the Company Transaction Expenses; or (v) Liabilities that are disclosed on the Disclosure Schedule pursuant to any other representation or warranty contained in this Section 2.4 and are readily apparent on the face of such disclosure that such items would constitute a Liability of the Company.

(b) Indebtedness. Section 2.4(b) of the Disclosure Schedule sets forth a complete and correct list of each item of Indebtedness as of the date of this Agreement, identifying the creditor to which such Indebtedness is owed, the title of the instrument under which such Indebtedness is owed, the amount of such Indebtedness as of the close of business on the date of this Agreement (or such other time as is specified in Section 2.4(b) of the Disclosure Schedule, which shall be no earlier than the close of business on the day that is two (2) Business Days prior to the date hereof). Except as set forth in Section 2.4(b) of the Disclosure Schedule, no Indebtedness contains any restriction upon (i) the prepayment of any of such Indebtedness, (ii) the incurrence of any other Indebtedness, or (iii) the ability of the Company to grant any Encumbrance on any of its assets. Neither the Company nor any of its Subsidiaries has guaranteed or is responsible or has any Liability for any Indebtedness of any other Person, and neither the Company nor any of its Subsidiaries has guaranteed any other obligation of any other Person.

(c) Accounts Receivable. Section 2.4(c) of the Disclosure Schedule sets forth, as of the date of this Agreement (or such other time as is specified in Section 2.4(c) of the Disclosure Schedule, which shall be no earlier than the close of business on the day that is two (2) Business Days prior to the date hereof): (i) an accurate and complete breakdown of all accounts receivable, notes receivable and other receivables of the Company and its Subsidiaries (the "Accounts Receivable"); and (ii) the aging of such Accounts Receivable from the date of invoice. Except as set forth in Section 2.4(c) of the Disclosure Schedule, all Accounts Receivable (including those Accounts Receivable reflected on the Unaudited Interim Balance Sheet that have not yet been collected): (A) represent sales actually made in the ordinary course of business; (B) constitute only valid, undisputed claims of the Company and its Subsidiaries not subject to claims of set-off or other defenses or counterclaims other than normal cash discounts accrued in the ordinary course of business; (C) subject to a reserve for bad debts shown on the Unaudited Interim Balance Sheet or, with respect to Accounts Receivable arising after the date of the Unaudited Interim Balance Sheet, on the accounting records of the Company and its Subsidiaries, are collectible in full in the ordinary course of business consistent with past practice; (D) do not represent obligations for goods sold on consignment; and (E) are not the subject of any formal Legal Proceeding brought by or on behalf of the Company or any of its Subsidiaries. Since the date of the Unaudited Interim Balance Sheet, the Company and its Subsidiaries have collected their respective Accounts Receivable in the ordinary course of business and have not accelerated any such collections.

(d) Accounts Payable. All accounts payable of the Company and its Subsidiaries arose in the ordinary course of business consistent with past practice, and no such accounts payable is past due or otherwise in default in its payment. Since the date of the Unaudited Interim Balance Sheet, the Company and its Subsidiaries have paid their respective accounts payable in the ordinary course of business, except for those accounts payable the Company or its applicable Subsidiary is contesting in good faith.

2.5 Absence of Changes. Since December 31, 2020 through the date of this Agreement:

(a) there has not been any Material Adverse Effect; and

(b) Except as set forth in Section 2.5(b) of the Disclosure Schedule, neither the Company nor any of its Subsidiaries has taken any action that would have been prohibited or otherwise restricted under Section 4.2 hereof, had such action been taken during the Pre-Closing Period, other than in the ordinary course of business consistent with past practice with respect to Section 4.2(b)(vii), (viii) and (xi).

2.6 Tangible Personal Property. The Company or its applicable Subsidiary has good title to all of the items of tangible personal property owned by the Company and its Subsidiaries, free and clean of all Encumbrances (other than Permitted Encumbrances), including all tangible personal property reflected on the Unaudited Interim Balance Sheet as owned by the Company and its Subsidiaries, except for assets disposed of, accounts receivable collected, prepaid expenses realized and Contracts fully performed, expired or terminated since the date of the Unaudited Interim Balance Sheet. All tangible personal property owned by the Company and its Subsidiaries is owned free and clear of all Encumbrances, except for Permitted Encumbrances. The Company and its Subsidiaries have a valid leasehold interest in all properties leased by them, in each case free and clear of all Encumbrances, except for liens under such leases and Permitted Encumbrances. With respect to such leased assets, the Company or its applicable Subsidiary is in material compliance with such leases. There are no existing defaults under such leases by the Company or its applicable Subsidiary or, to the Knowledge of the Company, by any other party to any such lease. All material tangible personal property owned or leased by the Company or its Subsidiaries has been maintained by the Company or its applicable Subsidiary in accordance with generally accepted industry practice in all material respects, is adequate and suitable for the purposes to which it is put to use by the Company or its applicable Subsidiary and is in all material respects in good repair and working order, normal wear and tear excepted.

2.7 Bank Accounts. Section 2.7 of the Disclosure Schedule provides the following information with respect to each account maintained by or for the benefit of the Company or any of its Subsidiaries at any bank or other financial institution: (a) the name of the bank or other financial institution at which such account is maintained; (b) the account number; (c) the type of account; and (d) the names of all Persons who are authorized to (i) sign checks or other documents with respect to such account, (ii) access such account, view the account balance and view the transactions with respect to such account, including all Persons with online and remote access, and (iii) input or release payments from such account.

2.8 Real Property; Lease Agreements. Neither the Company nor any of its Subsidiaries owns, or has ever owned, any real property. Section 2.8 of the Disclosure Schedule contains a true and complete list of all real property interests leased by the Company or any of its Subsidiaries pursuant to a lease, sublease, use and occupancy or other similar agreement under which the Company or its applicable Subsidiary is a lessee (collectively, the "Company Leases" and the leased premises specified in such leases being referred to herein collectively as the "Company Properties"), including the address and lessee under such Company Leases. All the Company Leases are in full force and effect and are valid and binding obligations of the Company or its applicable Subsidiary, enforceable against the Company or its applicable Subsidiary and, to the Knowledge of the Company, against the lessor parties thereto in accordance with their respective terms. Accurate and complete copies of all Company Leases have been made available to Parent. The Company Properties constitute all the interests in real property currently used or currently held for use in connection with the business of the Company and its Subsidiaries. Neither

the Company nor its applicable Subsidiary is in breach of or default under the terms of any Company Lease and, to the Knowledge of the Company, no event has occurred that, with notice or lapse of time or both, would constitute such breach of or default or permit termination, modification or acceleration of such Company Lease. No landlord under any Company Lease has exercised (or communicated an intent to exercise) any option or right to cancel or terminate such Company Lease or shorten or lengthen the term thereof, lease additional premises, reduce, expand or relocate the premises demised by such Company Lease. The Company Properties are sufficiently supplied in all material respects with utilities and other services as necessary for the operation of such Company Properties, are in commercially reasonable condition, and are adequate and suitable for the purposes to which they are put to use by Company and its Subsidiaries.

2.9 Intellectual Property; Privacy and Data Security; Information Technology.

(a) Section 2.9(a) of the Disclosure Schedule sets forth an accurate and complete list of all Registered Company IP, in each case listing, as applicable, (i) the name of the applicant/registrant and current owner, (ii) the jurisdiction where the application/registration is located (or, for Domain Names, the applicable registrar), (iii) the application or registration number, (iv) the filing date and issuance/registration/grant date, and (v) the prosecution status. Each item of Registered Company IP is owned solely by the Company or its applicable Subsidiary. The foregoing registrations are in effect and subsisting, valid and enforceable and comply with all applicable laws (including payment of any filing, examination and maintenance fees and proofs of use). As of the date of this Agreement, neither the Company nor any of its Subsidiaries has received any written notice challenging, or threatening to challenge, the ownership, use, validity, scope or enforceability of the Registered Company IP. Section 2.9(a) of the Disclosure Schedule also contains a complete and accurate list of all material Trademarks in the Owned Company IP that are not registered or the subject of Trademark registrations. Section 2.9(a) of the Disclosure Schedule also sets forth an accurate and complete list of all Company Products.

(b) Section 2.9(b) of the Disclosure Schedule sets forth an accurate and complete list of all Company Contracts under which the Company or any of its Subsidiaries has been granted rights to practice or use any Intellectual Property or Intellectual Property Rights of another Person, including Contracts under which any other Person has granted or agreed to grant to the Company or any of its Subsidiaries any license, covenant, release, immunity or other right with respect to Intellectual Property or Intellectual Property Rights, in each case except for (i) Off-The-Shelf Contracts, (ii) Contracts entered into with employees of the Company or any of its Subsidiaries on the Company's or its applicable Subsidiary's form agreements without material modification, (iii) Contracts entered into with contractors of the Company or any of its Subsidiaries on the Company's or its applicable Subsidiary's form agreements without material modification, (iv) Contracts with licenses that are incidental to the primary purpose of the agreement, for example Contracts that include ancillary licenses to feedback or trademarks, (v) Open Source Software licenses and (vi) non-disclosure agreements entered into in the ordinary course of business that do not contain licenses of Intellectual Property Rights other than rights to use confidential information for the purposes stated therein.

(c) Section 2.9(c) of the Disclosure Schedule sets forth an accurate and complete list of all Company Contracts under which the Company or any of its Subsidiaries has granted or agreed to grant to any other Person any license, covenant not-to-sue, release, immunity or other similar right to practice or use any Owned Company IP, except for (i) Contracts granting customers non-exclusive licenses to practice or use Company IP entered into in the ordinary course of business, (ii) Contracts entered into with employees of the Company or any of its Subsidiaries on the Company's or its applicable Subsidiary's form agreements without material modification, (iii) Contracts entered into with contractors of the Company or any of its Subsidiaries on the Company's or its applicable Subsidiary's form agreements without material modification, (iv) Contracts with licenses that are incidental to the primary purpose of the agreement, for example Contracts that include ancillary licenses to feedback or trademarks, and (v) non-disclosure agreements entered into in the ordinary course of business that do not contain licenses of Intellectual Property Rights other than rights to use confidential information for the purposes stated therein.

(d) All Company IP Agreements are in full force and effect, and enforceable in accordance with their terms. Except as set forth in Section 2.9(d) of the Disclosure Schedule, the Company and its Subsidiaries are in compliance in all material respects with, and have not materially breached any term of, the Company IP Agreements and, to the Knowledge of the Company, all other parties to the Company IP Agreements are in compliance in all material respects with, and have not materially breached any term of, the Company IP Agreements. As of the date of this Agreement, there are no pending or, to the Knowledge of the Company, threatened, disputes regarding the Company IP Agreements, including disputes with respect to the scope thereof, performance thereunder, or payments made or received in connection therewith.

(e) Neither the execution and delivery of this Agreement by the Company nor the consummation by the Company of the transactions contemplated by this Agreement will immediately after Closing result in any limitation on the Company's or its Subsidiaries' right, title or interest (to the extent applicable) in or to any Company IP or Company Systems, and all Company IP and Company Systems immediately after Closing shall be available for use by Parent and the Surviving Corporation after the Closing on identical terms and conditions to those under which the Company and its Subsidiaries owned or used them immediately prior to the Closing without the payment of any additional amounts or consideration other than ongoing fees, royalties or payments which the Company or its applicable Subsidiary would otherwise have been required to pay. To the Knowledge of the Company, the Intellectual Property and Intellectual Property Rights included in the Owned Company IP and the Licensed Company IP include all the Intellectual Property and Intellectual Property Rights that are used in or necessary for the Surviving Corporation to conduct the business of the Company and its Subsidiaries as currently conducted and as currently proposed to be conducted.

(f) Section 2.9(f) of the Disclosure Schedule sets forth a complete and accurate list and/or description of all material Licensed Company IP (including Software but excluding Open Source Software) that is included, incorporated or embedded in, linked to, or combined or distributed with a Company Product.

(g) Except as set forth in Section 2.9(g) of the Disclosure Schedule, the Company or its applicable Subsidiary solely and exclusively owns all right, title and interest in and to (including the sole right to enforce) the Owned Company IP, free and clear of all Encumbrances (other than Permitted Encumbrances). Neither the Company nor any of its Subsidiaries has: (i) granted to any Person any exclusive rights, licenses or immunities to practice

or use any Owned Company IP; (ii) transferred to any Person sole or joint ownership in or to any Intellectual Property Rights that are or were in the Owned Company IP; or (iii) entered into any Contract to which Parent is not a party under which the execution and delivery of this Agreement by the Company or the consummation by the Company of the transactions contemplated by this Agreement will immediately after the Closing result in Parent, the Surviving Corporation or any of their respective Affiliates granting to any Person any rights, licenses or immunities in or to any Intellectual Property Rights owned by, or licensed to, the Parent, the Surviving Corporation or any of their respective Affiliates in each case which such rights, licenses or immunities were not granted immediately prior to the Closing.

(h) The Company and its Subsidiaries have taken steps consistent with generally accepted industry standards to safeguard and maintain the secrecy and confidentiality of, and its proprietary rights in, all information and materials not generally known to the public that are included in the Company IP (including any Trade Secrets provided by or to third Persons). Neither the Company nor any of its Subsidiaries has authorized the disclosure of any confidential information included in the Company IP, nor to the Knowledge of the Company has any such confidential information been disclosed, other than pursuant to a valid and enforceable confidentiality agreement with respect thereto. The Company has no Knowledge of any misappropriation or unauthorized disclosure of any Trade Secret included in the Company IP (or claimed or understood to be so included), or breach of any obligations of confidentiality with respect to the Company, any of its Subsidiaries or the Company IP.

(i) The business of the Company and its Subsidiaries, including the design, development, use, provision, import, branding, advertising, promotion, marketing, and sale of any Company Products, (i) does not infringe, misappropriate, dilute, use or disclose without authorization, or otherwise violate (and, when conducted by the Surviving Corporation following the Closing in substantially the same manner, will not infringe, misappropriate, use or disclose without authorization, or otherwise violate) any Intellectual Property Rights of any third Person, and (ii) does not and will not constitute unfair competition or trade practices under any Legal Requirement. Except as set forth on Section 2.9(i) of the Disclosure Schedule, none of the Company, its Subsidiaries or any of the officers or directors of the Company or any of its Subsidiaries has received any written notice alleging that the Company or any of its Subsidiaries has violated, misappropriated, diluted or infringed, or, by conducting its business as presently conducted, would violate, misappropriate, dilute or infringe, any Intellectual Property Rights of any other Person, or that the business of the Company and its Subsidiaries constitutes unfair competition or trade practices under any Legal Requirement.

(j) Except as set forth on Section 2.9(j) of the Disclosure Schedule, to the Knowledge of the Company, no Person or any of such Person's products or services or other operation of such Person's business is infringing on, misappropriating, diluting or otherwise violating any of the Company IP.

(k) To the Knowledge of the Company, no director, officer or stockholder of the Company or any of its Subsidiaries owns any rights in any Intellectual Property or Intellectual Property Rights that are directly competitive with the business of the Company or any of its Subsidiaries or that are derived from any Company IP, and no present or former employee, officer, independent contractor or other Company Associate has any ownership, license or other right, title or interest, directly or indirectly, in whole or in part, in any Owned Company IP. To the Knowledge of the Company, no Company Associate has misappropriated the Trade Secrets of any other Person in the course of their employment or other engagement with the Company or any of its Subsidiaries.

(l) The Company has made available to Parent (i) an accurate and complete list of all Open Source Software that is included, incorporated or embedded in, linked to, or combined or distributed with a Company Product or other Software included in the Owned Company IP, and (ii) if the Open Source Software is utilized by the Company or any of its Subsidiaries under a Copyleft License, a description of the manner in which each such Company Product or other Software included in the Owned Company IP incorporates, is integrated or bundled with or links to such Open Source Software. The Company and its Subsidiaries have used commercially reasonable efforts to (A) identify such Open Source Software and (B) regulate the use and distribution of Open Source Software in connection with its business and the Company Products or other Software included in the Owned Company IP (as applicable), in each case in compliance with and as required by the applicable Open Source Software licenses.

(m) Except as set forth on Section 2.9(m) of the Disclosure Schedule, neither the Company nor any of its Subsidiaries has included, incorporated or embedded in, linked to, or combined or distributed with a Company Product or other Software included in the Owned Company IP (or otherwise used in or with any Company Product or other Software included in the Owned Company IP) any Open Source Software under a Copyleft License in a manner that would require any Company Product to be licensed, distributed, or otherwise made available: (x) in a form other than binary or object code (*e.g.*, in source code form); (y) under terms that permit redistribution, reverse engineering, or creation of derivative works or other modification; or (z) without a license fee.

(n) Except as set forth on Section 2.9(n) of the Disclosure Schedule, the Software used by the Company and its Subsidiaries is free of any material defects, bugs and errors in accordance with generally accepted industry standards, and does not contain or make available any disabling codes or instructions, spyware, Trojan horses, worms, viruses or other software routines that permit or cause unauthorized access to, or material disruption, impairment, disablement, or destruction of, Software, data or other materials ("Software Contaminants").

(o) The Company and its Subsidiaries are, and in the past at all times have made themselves, in compliance in all material respects with each Applicable Privacy and Data Security Requirement. At all times since inception and to the extent required by applicable privacy Laws, the Company and its Subsidiaries have maintained a public policy or policies that govern their collection, use, storage, retention, disclosure, and disposal of Personal Information (each, a "Privacy Policy"), provided notice of their respective Privacy Policy on all of their respective websites and mobile applications in a manner compliant in all material respects with all Applicable Privacy and Data Security Requirements, and given all notices and obtained all consents, rights and permissions required by their respective Privacy Policy and all Applicable Privacy and Data Security Requirements, including as required to permit the Processing of Personal Information in the operation of the business , and, to the Knowledge of the Company, such processing does not violate in any material respect any Privacy Policy or Applicable Privacy and Data Security Requirements. The Company's and its Subsidiaries' Privacy Policies fully and accurately disclose how the Company and its Subsidiaries Process Personal Information as required by Applicable Privacy and Data Security Requirements. Complete and correct copies of all Privacy Policies have been made available to Parent.

(p) The Company and its Subsidiaries have implemented, maintain and comply with a privacy compliance program that is comprised of appropriate internal processes, policies and controls designed to comply with each Applicable Privacy and Data Security Requirement, including, as applicable, processes designed for providing notice and obtaining and maintaining records of verifiable parental consent regarding the processing of Personal Information about children under the age of 13. The Company and each of its Subsidiaries complies in all material respects with all applicable requirements of each self-certification program relating to the Processing of Personal Information the Company or its applicable Subsidiary has subjected itself to, and by which it is bound, including all applicable certifications, seals and safe-harbor programs relating to the Processing of Personal Information.

(q) All Software, systems, servers, computers, hardware, firmware, middleware, networks, data communications lines, routers, hubs, switches and other information technology equipment used in the operation of the Company's and its Subsidiaries' business (collectively, the "Company Systems") are adequate for, and operate and perform in all material respects in accordance with their documentation and functional specifications and otherwise as required in connection with, the current operation of such business. The Company Systems have not materially malfunctioned or failed within the past three years prior to the date hereof. The Company and its Subsidiaries have implemented commercially reasonable backup, security and disaster recovery technology consistent with industry standard practices and, to the Knowledge of the Company, no Person has gained unauthorized access to any Company Systems. The Company has conducted penetration tests, vulnerability scans and security risk assessments at commercially reasonable intervals in the past three years and has remedied all security vulnerabilities identified as "high" or "critical" on all such tests, scans and assessment reports.

(r) At all times during the last three years prior to the date hereof, the Company and its Subsidiaries have implemented and maintained an information security program which is designed to implement and monitor administrative, organizational, and technical measures to protect against reasonably anticipated or actual threats to the security, confidentiality, availability and integrity of Company Systems, including all Personal Information and all other confidential or proprietary information processed by or on behalf of the Company or any of its Subsidiaries (collectively, "Protected Information"). The Company's and its Subsidiaries' information security program is reasonably consistent with (i) reasonable practices in the industry in which the Company and its Subsidiaries operate, and (ii) the Company's and its Subsidiaries' Applicable Privacy and Data Security Requirements.

(s) Except as set forth on Section 2.9(s) of the Disclosure Schedule, to the Knowledge of the Company, here have been no actual or reasonably suspected incidents of, or third-party claims alleging, unauthorized access, unauthorized acquisition, unauthorized destruction, unauthorized use, unauthorized disclosure, loss, damage, corruption, alteration, or other misuse of any Company Systems or Protected Information (each, a "Security Breach"). Neither the Company nor any of its Subsidiaries has notified in writing, or been required by any Applicable Privacy and Data Security Requirements or Governmental Body to notify in writing,

any Person of any Security Breach. No claims, allegations, investigations, inquiries, enforcements, complaints, or Legal Proceedings are pending or, to the Knowledge of the Company, threatened against the Company or any of its Subsidiaries alleging a violation of any Person's privacy or any Applicable Privacy and Data Security Requirement. The Company and its Subsidiaries maintain insurance coverage containing industry standard policy terms and limits that are designed to cover reasonably anticipated liability stemming from or relating to any possible Security Breaches or violation of Applicable Privacy and Data Security Requirements and other reasonably anticipated privacy and security risks.

(t) The Company and each of its Subsidiaries does not directly handle any payment card information, otherwise complies with the Payment Card Industry Data Security Standard, as applicable, contractually requires all third parties that process payment card information on behalf of the Company or any of its Subsidiaries to at all times comply with the Payment Card Industry Data Security Standard, and, to the Knowledge of the Company, any third-party that processes payment card information on behalf of the Company or any of its Subsidiaries complies and at all times has complied with the Payment Card Industry Data Security Standard. Neither the Company nor any of its Subsidiaries engages, and has not engaged, in online retargeting or other interest-based advertising other than as permitted by and in material compliance with Applicable Privacy and Data Security Requirements, other than as permitted by Applicable Privacy and Data Security Requirements.

(u) Except as set forth on Section 2.9(u) of the Disclosure Schedule, to the extent required by Data Protection Requirements, the Company and its Subsidiaries have contractually obligated all third parties Processing Protected Information (whether such Processing is on behalf of the Company or its applicable Subsidiary or such third-party independently determines the means and purposes of such Processing) to: (i) comply with each Applicable Privacy and Data Security Requirement; (ii) take reasonable steps to protect and secure Protected Information from loss, theft, unauthorized or unlawful Processing or other misuse; (iii) all obligations required to be incorporated into such contracts by each Applicable Privacy and Data Security Requirement; and (iv) to impose contractual obligations that are not less protective than those in this paragraph on any other third-parties Processing Protected Information on its behalf.

2.10 Confidential Information and Invention Assignment Agreements. Each current and former employee and consultant of the Company and its Subsidiaries (including the Company's founders), and any other applicable Company Associates, in each case who is or was involved in the development of any Owned Company IP, has executed and delivered to the Company or its applicable Subsidiary an agreement with the Company or such Subsidiary regarding confidentiality and proprietary information sufficient to (a) assign to the Company or such Subsidiary all right, title and interest in and to any Intellectual Property and Intellectual Property Rights arising from or developed or delivered to the Company or such Subsidiary in connection with such Person's work for or on behalf of the Company or such Subsidiary, and (b) provide reasonable protection for confidential information of the Company and its Subsidiaries or in the Company's or its Subsidiaries' possession. To the Knowledge of the Company, no current or former employee, officer, consultant, contractor or other Company Associate is in default or breach of any term of any such agreement with the Company or its applicable Subsidiary. In each case in which the Company or any of its Subsidiaries has intended to acquire ownership of any Company IP from any Person (including any employee, officer, consultant and contractor of the Company), the Company or its applicable Subsidiary has obtained a valid and enforceable assignment sufficient to irrevocably transfer ownership of and all rights with respect to such Company IP to the Company or its applicable Subsidiary.

2.11 Material Contracts.

(a) Section 2.11(a) of the Disclosure Schedule identifies each Material Contract that is in effect as of the date of this Agreement.

(b) For purposes of this Agreement, "Material Contract" means and any Company Contract that is in effect as of the date of this Agreement:

(i) under which amounts required be paid to the Company or any of its Subsidiaries between the date of this Agreement and the first anniversary of such date (other than pursuant to contracts with or for the benefit of employees of the Company and contracts that can be terminated by the Company or its applicable Subsidiary on notice of 60 days or less without penalty or liability) exceed an aggregate of $100,000 in either case;

(ii) Company IP Agreements;

(iii) with a Key Business Partner;

(iv) with a Governmental Body (*provided* that the Company need not list on Section 2.11(a) of the Disclosure Schedule any data sharing agreements entered into in the ordinary course, not involving any exchange of funds, with terms substantially consistent with the examples that were made available to Parent);

(v) evidencing Indebtedness of the Company or any of its Subsidiaries in respect of borrowed money, or any guarantee of Indebtedness of another Person;

(vi) which imposes any restriction on the Company or any of its Subsidiaries: (A) to engage, participate or compete in any line of business, market or geographic area; or (B) that contains any "most favored nation" or "most favored customer" or similar provision;

(vii) granting exclusive rights, rights of first refusal or rights of negotiation to license, market, distribute, sell or deliver any Company Product; or otherwise contemplating an exclusive relationship between the Company or any of its Subsidiaries and any other Person;

(viii) relating to any joint venture, strategic alliance, joint marketing, partnership or sharing of profits, or proprietary information or similar arrangement (including any joint development agreement, technical collaboration agreement or similar agreement);

(ix) relating to any (A) transaction in which the Company or any of its Subsidiaries merged with any other Person, acquired any securities or material assets of another Person, or otherwise acquired the rights to any Company Product or any Company IP, or (B) disposition of any material assets outside the ordinary course;

(x) constituting a written employment agreement or severance agreement with senior management-level employees of the Company or any of its Subsidiaries;

(xi) that is an indemnification agreement described in Section 4.9(a); or

(xii) settlement agreement or release of claims relating to any Legal Proceeding (whether actual or threatened).

(c) The Company has made available to Parent a complete and accurate copy of each Material Contract required to be identified in Section 2.11(a) of the Disclosure Schedule (other than any order form entered into in the ordinary course and any Governmental Body data sharing agreements entered into in the ordinary course, not involving any exchange of funds, with terms substantially consistent with the examples that were made available to Parent).

(d) Each Material Contract is valid and in full force and effect as of the date of this Agreement and is the legal, valid and binding obligation of the Company or it applicable Subsidiary and, to the Knowledge of the Company, the other parties thereto, enforceable against the Company or such Subsidiary, as applicable, and, to the Knowledge of the Company, against the other parties thereto, in accordance with their respective terms, subject to applicable bankruptcy, insolvency, reorganization, moratorium and similar laws affecting creditors' rights and remedies generally, and subject, as to enforceability, to general principles of equity (regardless of whether enforcement is sought in a proceeding at law or in equity). Neither the Company nor any of its Subsidiaries is in material breach or in material default under any Material Contract, and to the Knowledge of the Company, no other party to any such Material Contract is in breach or in default under any Material Contract, and to the Knowledge of the Company, no event, occurrence, condition or act exists or has occurred that, with the giving of notice or the lapse of time, would reasonably be expected to (i) become a material breach or material default under any Material Contract or (ii) give any third party (A) the right to exercise any remedy that would be materially adverse to the Company or any of its Subsidiaries or (B) the right to a rebate, chargeback, refund, credit or penalty. As of the date hereof, neither the Company nor any of its Subsidiaries has received any written notice or other written communication regarding any actual, alleged or potential material violation or breach of, default under, or intention to cancel or materially modify any Material Contract.

2.12 Compliance with Laws. The Company and each of its Subsidiaries is in compliance, and for the last three years prior to the date hereof, has been in compliance, in each case, in all material respects with all applicable Legal Requirements. Neither the Company nor any of its Subsidiaries has received any written notice, inquiry or other communication of any violation of any Legal Requirements (whether suspected, potential, alleged or otherwise), and, to the Knowledge of the Company, there are no existing conditions or circumstances that could reasonably be expected to lead to such any such communication. To the Knowledge of the Company, no event has occurred, and no circumstance exists, in each case that (with or without notice or lapse of time), would reasonably be expected to constitute or result in a material violation by the Company or any of its Subsidiaries of, or a material failure on the part of the Company or any of its Subsidiaries to comply with, any applicable law or Legal Requirement.

2.13 Governmental Authorizations. All material Governmental Authorizations held by the Company and its Subsidiaries are valid and in full force and effect and will continue in full force and effect immediately following the Closing. Neither the Company nor any of its Subsidiaries is in default under or in violation of (and, to the Knowledge of the Company, no event has occurred that, with notice or the lapse of time or both, would constitute a default under or violation of) any material Governmental Authorization held by it. There are no Legal Proceedings pending or, to the Knowledge of the Company, threatened against the Company or any of its Subsidiaries that could reasonably be expected to result in the revocation, cancellation, suspension or any other adverse modification of any Governmental Authorization held by the Company or any of its Subsidiaries.

2.14 Tax Matters.

(a) The Company and each of its Subsidiaries has properly completed and timely filed all Tax Returns required to be filed by it prior to the Closing Date, has timely paid all Taxes required to be paid by it (whether or not shown on any Tax Return), and has no Liability for Taxes in excess of the amounts so paid. All Tax Returns were complete and accurate in all material respects and have been prepared in material compliance with applicable Legal Requirements. There is no claim for Taxes that has resulted in an Encumbrance against any of the assets of the Company or any of its Subisidiaries. The Company uses the accrual method of tax accounting.

(b) The Company has delivered to Parent true, correct and complete copies of all Tax Returns, examination reports and statements of deficiencies, adjustments and proposed deficiencies and adjustments in respect of the Company.

(c) The Unaudited Interim Balance Sheet reflects all Liabilities for unpaid Taxes of the Company and its Subsidiaries for periods (or portions of periods) through the date of the Unaudited Interim Balance Sheet. Neither the Company nor any of its Subsidiaries have any Liability for unpaid Taxes accruing after the date of the Unaudited Interim Balance Sheet except for Taxes arising in the ordinary course of business consistent with past practice. Neither the Company nor any of its Subsidiaries has any Liability for Taxes (whether outstanding, accrued for, contingent or otherwise) that are not included in the calculation of Indebtedness or Net Working Capital.

(d) There is (i) no past or pending audit of, or Tax controversy associated with, any Tax Return of the Company or any of its Subsidiaries that has been or is being conducted by a Governmental Body, (ii) no other procedure, proceeding or contest of any refund or deficiency in respect of Taxes pending or on appeal with any Governmental Body, (iii) no extension of any statute of limitations on the assessment of any Taxes granted by the Company or any of its Subsidiaries currently in effect and (iv) no agreement to any extension of time for filing any Tax Return that has not been filed. No claim has ever been made by any Governmental Body in a jurisdiction where the Company or any of its Subsidiaries does not file Tax Returns that the Company or any of its Subsidiaries is or may be subject to taxation by that jurisdiction.

(e) The Company and its Subsidiaries have not been and will not be required to include any adjustment in taxable income for any Tax period (or portion thereof) pursuant to Section 481 or 263A of the Code or any comparable provision under state, local or non-U.S. Tax laws as a result of transactions, events or accounting methods employed prior to the Merger.

(f) Neither the Company nor any of its Subsidiaries is a party to or bound by any Tax sharing, Tax indemnity, or Tax allocation agreement (other than an agreement entered into in the ordinary course of business the primary purpose of which is not related to Taxes, such as leases, licenses or credit agreements, and neither the Company nor any of its Subsidiaries has any Liability or potential Liability to another party under any such agreement.

(g) The Company and its Subsidiaries have disclosed on their Tax Returns any Tax reporting position taken in any Tax Return that could result in the imposition of penalties under Section 6662 of the Code or any comparable provisions of state, local or non-U.S. applicable Legal Requirements.

(h) Neither the Company nor any of its Subsidiaries has consummated or participated in, and is not currently participating in, any transaction that was or is a "Tax shelter" transaction as defined in Sections 6662 or 6111 of the Code or the Treasury Regulations promulgated thereunder. Neither the Company nor any of its Subsidiaries has participated in, and is not currently participating in, a "Listed Transaction" or a "Reportable Transaction" within the meaning of Section 6707A(c) of the Code or Treasury Regulation Section 1.6011-4(b), or any transaction requiring disclosure under a corresponding or similar provision of state, local, or non-U.S. applicable Legal Requirements.

(i) None of the Company, any of its Subsidiaries, or any predecessor of the Company or any of its Subsidiaries is or has ever been a member of a consolidated, combined, unitary or aggregate group of which the Company or any predecessor of the Company was not the ultimate parent corporation.

(j) Neither the Company nor any of its Subsidiaries have any Liability for the Taxes of any Person (other than the Company or its applicable Subsidiary) under Section 1.1502-6 of the Treasury Regulations (or any similar provision of state, local or non-U.S. applicable Legal Requirements), as a transferee or successor, by operation of any applicable Legal Requirement, by Contract (other than pursuant to a Contract entered into in the ordinary course of business and not primarily related to Tax or otherwise.

(k) Neither the Company nor any of its Subsidiaries will be required to include any item of income in, or exclude any item of deduction from, taxable income for any taxable period (or portion thereof) ending after the Closing Date as a result of any (i) change in method of accounting for a taxable period ending on or prior to the Closing Date, (ii) "closing agreement" described in Section 7121 of the Code (or any corresponding or similar provision of state, local, or non-U.S. applicable Legal Requirements) executed on or prior to the Closing Date, (iii) intercompany transactions (including any intercompany transaction subject to Section 367 or 482 of the Code) or any excess loss account described in Treasury Regulations under Section 1502 of the Code (or any corresponding or similar provision of state, local, or non-U.S. applicable Legal Requirements) with respect to a transaction occurring on or prior to the Closing Date, (iv)

installment sale or open transaction disposition made on or prior to the Closing Date, (v) election under Section 108(i) of the Code made on or prior to the Closing Date, (vi) interest held by the Company in a “controlled foreign corporation” (as that term is defined in Section 957 of the Code) on or before the Closing Date pursuant to Sections 951 or 951A of the Code or (vii) prepaid amount received on or prior to the Closing Date.

(l) Neither the Company nor any of its Subsidiaries has made any election(s) under Section 965 of the Code, including Section 965(h) of the Code. Neither the Company nor any of its Subsidiaries has any liability or obligation to make any remaining payments of Tax pursuant to an election under Section 965(h) of the Code.

(m) Neither the Company nor any of its Subsidiaries has incurred a dual consolidated loss within the meaning of Section 1503 of the Code.

(n) Neither the Company nor any of its Subsidiaries has received any private letter ruling from the IRS (or any comparable Tax ruling from any other Governmental Body).

(o) Neither the Company nor any of its Subsidiaries is a party to any joint venture, partnership or other Contract or arrangement that could be treated as a partnership for U.S. federal income Tax purposes.

(p) Neither the Company nor any of its Subsidiaries is subject to Tax in any jurisdiction other than the United States by virtue of having employees, agents, a permanent establishment or any other place of business in such jurisdiction. Neither the Company nor any of its Subsidiaries is subject to income Tax, sales Tax, use Tax, gross receipts Tax or any other type of Tax in any U.S. state where it does not file Tax Returns applicable to such type of Tax.

(q) The Company and each of its Subsidiaries has collected and remitted all sales, use, value added, ad valorem, personal property and similar Taxes with respect to sales made or services provided and, for all sales or provision of services that are exempt from sales, use, value added, ad valorem, personal property and similar Taxes and that were made without charging or remitting sales, use, value added, ad valorem, personal property or similar Taxes, the Company or its applicable Subsidiary has received and retained any required Tax exemption certificates or other documentation qualifying such sale or provision of services as exempt.

(r) The Company and each of its Subsidiaries has in its possession official foreign government receipts for any Taxes paid by it to any foreign Governmental Body for which receipts have been provided or are customarily provided.

(s) The Company has provided to Parent all documentation relating to any applicable Tax holidays or incentives. The Company and each of its Subsidiaries is in compliance with the requirements for any applicable Tax holidays or incentives and none of the Tax holidays or incentives will be jeopardized by the Merger transaction.

(t) The Company is not, and it has never been, a “United States real property holding corporation” within the meaning of Section 897 of the Code, and the Company has filed with the IRS all statements, if any, that are required under Section 1.897-2(h) of the Treasury Regulations.

(u) Neither the Company nor any of its Subsidiaries has constituted either a "distributing corporation" or a "controlled corporation" in a distribution of stock intended to qualify for Tax-free treatment under Section 355 of the Code (i) in the two years prior to the date of this Agreement or (ii) in a distribution that could otherwise constitute part of a "plan" or "series of related transactions" (within the meaning of Section 355(e) of the Code) in conjunction with the Merger.

(v) The Company and each of its Subsidiaries has (i) complied with all applicable Legal Requirements relating to the payment, reporting and withholding of Taxes (including withholding of Taxes pursuant to Sections 1441, 1442, 1445, 1446, 1471, 1472 and 3406 of the Code or similar provisions under any Tax law), (ii) withheld (within the time and in the manner prescribed by any applicable Legal Requirement) from employee wages or consulting compensation and paid over to the proper Governmental Body (or is properly holding for such timely payment) all amounts required to be so withheld and paid over under all applicable Legal Requirements, including federal and state income Taxes, Federal Insurance Contribution Act, Medicare, Federal Unemployment Tax Act, relevant state income and employment Tax withholding laws, and (iii) timely filed all withholding Tax Returns, for all periods through and including the Closing Date.

(w) Neither the Company nor any of its Subsidiaries owns any interest in any controlled foreign corporation (as defined in Section 957 of the Code), passive foreign investment company (as defined in Section 1297 of the Code), or other entity the income of which is required to be included in the income of the Company or its applicable Subsidiary.

(x) Neither the Company nor any of its Subsidiaries is a party to a "gain recognition agreement" within the meaning of the Treasury Regulations under Section 367 of the Code.

(y) The Company has delivered to Parent true, correct and complete copies of all election statements under Section 83(b) of the Code, together with evidence of timely filing of such election statements with the appropriate IRS service center, with respect to any Company Common Stock that was initially subject to a vesting arrangement or to other property issued by the Company to any of its employees, non-employee directors, consultants or other service providers. No payment to any holder of Company Common Stock of any portion of the Merger Consideration will result in compensation or other income to any holder of Company Common Stock with respect to which Parent or the Company would be required to deduct or withhold any Taxes.

(z) The Company and each of its Subsidiaries is in compliance with all applicable transfer pricing laws and regulations, including the execution and maintenance of contemporaneous documentation substantiating the transfer pricing practices and methodology of the Company or its applicable Subsidiary. The prices for any property or services (or for the use of any property) provided by or to the Company or its applicable Subsidiary are arm's length prices for purposes of all applicable transfer pricing laws, including Treasury Regulations promulgated under Section 482 of the Code.

(aa) No independent contractor was or will be considered as an employee of the Company or any of its Subsidiaries by an applicable Governmental Body.

(bb) Notwithstanding any other provision of this Agreement, the Company makes no representations or warranties with respect to the amount, or availability for use in any post-Closing Tax period (or portion thereof), of any net operating loss, Tax credit carryforward or similar Tax attribute of the Company.

2.15 Employee and Labor Matters; Benefit Plans.

(a) Section 2.15(a) of the Disclosure Schedule contains a list of all employees of the Company and each of its Subsidiaries as of the date of this Agreement, and correctly reflects: (i) the employee's name (or employee identification number if the employee's name must be redacted as required by applicable laws); (ii) the employing Entity and location of employment (by city and state or country); (iii) position held; (iv) base salary or hourly wage rate, as applicable; (v) designation as either exempt or non-exempt; (vi) the date of hire; (vii) leave status (if applicable); and (viii) visa status. Except as set forth in Section 2.15(a) of the Disclosure Schedule, the employment of each employee is terminable by the Company or its applicable Subsidiary at will and without penalty or Liability (except as required by applicable Legal Requirements), whether in respect of severance payments and benefits or otherwise.

(b) The Company has made available to Parent or Parent's legal or financial advisor copies of all material employee manuals, handbooks and policy statements in effect as of the date of this Agreement and relating to the employment of the Company's and each of its Subsidiaries' current employees.

(c) Section 2.15(c) of the Disclosure Schedule accurately sets forth, with respect to each individual who currently provides services directly to the Company or any of its Subsidiaries as an independent contractor or consultant: (i) his/her name; (ii) the Entity to which and the locations at which such services are provided; (iii) the dates of engagement; (iv) the notice or termination provisions applicable to the individual; (v) the terms of regular compensation; (vi) with respect to individual contractors or consultants engaged directly by the Company, the amount of compensation paid to the contractor during the last 12 months; (vii) a description of any other benefits or compensation provided to the individual; and (viii) a description of the independent contractor's services.

(d) The Company has made available accurate and complete copies of all material Contracts with current independent contractors and consultants of the Company and each of its Subsidiaries and all material written policies with respect to independent contractors and consultants.

(e) No independent contractor is or has been eligible to participate in any Company Employee Plan (other than the Company Equity Incentive Plan). Neither the Company nor any of its Subsidiaries has ever had any temporary or leased employees that were not treated and accounted for in all material respects as employees of the Company or its applicable Subsidiary. The employees of the Company and each of its Subsidiaries are correctly classified as either exempt or non-exempt employees under the applicable Legal Requirements of all jurisdictions in which the Company or its applicable Subsidiary maintains employment relationships. The

Company and each of its Subsidiaries maintains accurate and complete records in all material respects of overtime hours worked by each employee eligible for overtime compensation and compensates all employees in accordance with the requirements of the Fair Labor Standards Act and the applicable Legal Requirements of all jurisdictions in which the Company or its applicable Subsidiary maintains employees in all material respects. The Company and each its Subsidiaries: (i) has withheld and reported all amounts required by any Legal Requirements or by agreement to be withheld and reported with respect to wages, salaries and other payments to Company Associates; (ii) is not liable for any arrears of wages, severance pay or any Taxes or any penalty for failure to comply with any of the foregoing; and (iii) is not liable for any material payment to any trust or other fund governed by or maintained by or on behalf of any governmental authority, with respect to unemployment compensation benefits, social security or other benefits or obligations for employees (other than routine payments to be made in the normal course of business and consistent with past practice). The Company and each of its Subsidiaries has paid in full (or accrued on the Unaudited Interim Balance Sheet) to all current and former employees, independent contractors, and consultants all wages, salaries, commissions, bonuses, benefits, and other compensation that are due and owing to such Persons as of the date of the Unaudited Interim Balance Sheet.

(f) None of the employees of the Company or any of its Subsidiaries is represented by a labor union, works council, or other collective bargaining representative and neither the Company nor any of its Subsidiaries is subject to any collective bargaining, works council, labor or similar agreement with respect to any of its employees. There is no labor dispute, strike, work stoppage, attempt to organize with regard to the Company's or any of its Subsidiaries' employees or other labor trouble pending or, to the Knowledge of the Company, threatened in writing against the Company or any of its Subsidiaries. Neither the Company nor any of its Subsidiaries has agreed to recognize any labor union, works council or other collective bargaining representative, nor has any labor union, works council or other collective bargaining representative been certified as the exclusive bargaining representative of any employees of the Company or its applicable Subsidiary. Neither the Company nor any of its Subsidiaries has any obligations to inform, consult, or obtain consent from any labor union, works council, or other collective bargaining representative in order to consummate the transactions contemplated by this Agreement, whether in advance or otherwise.

(g) None of the Company, its Subsidiaries or, to the Knowledge of the Company, any employee or other Company Associate of the Company or any of its Subsidiaries, has committed or engaged in any unfair labor practice in connection with the conduct of the business of the Company or any of its Subsidiaries. No Legal Proceeding, claim, charge or complaint against the Company or any of its Subsidiaries is pending or, to the Knowledge of the Company, has been threatened in writing or could be reasonably anticipated relating to any Company Associate or applicant, including any claim relating to unfair labor practices, employment discrimination, harassment, retaliation, compensation, misclassification of workers, or any other employment related matter arising under applicable Legal Requirements. The Company and each of its Subsidiaries is and has at all times, in all material respects, been in compliance with all applicable Legal Requirements relating to the employment of labor, including all such Legal Requirements relating to terms and conditions of employment, discrimination, harassment, retaliation, civil rights, worker classification (including proper classification of workers as independent contractors and classification of employees as exempt or non-exempt),

labor relations, safety and health, workers' compensation, fair employment practices, payment of wages, hours or work, minimum wage, overtime, meal and rest periods, social benefits contributions, severance pay, the Worker Adjustment and Retraining Notification Act of 1988, as amended, and any similar foreign, state or local Legal Requirements (collectively, "WARN"), collective bargaining, collection and payment of tax withholding or social security taxes and any similar tax, leaves of absence, vacation, sick leave, paid time off, immigration, employee benefits, affirmative action, and pay equity. Each current employee and independent contractor of the Company and each of its Subsidiaries is lawfully authorized to work in the jurisdiction in which he or she is employed or provides services according to applicable immigration laws.

(h) Neither the Company nor any of its Subsidiaries has had any plant closing, mass layoff or other termination of Company Associates that has imposed or would impose any obligation or other Liability upon the Company, any of its Subsidiaries, Parent or any of Parent's Affiliates under WARN. None of the Company, any of its Subsidiaries or Parent or any of its Affiliates is subject to any obligation under applicable Legal Requirements or otherwise to notify or consult with, prior to or after the Effective Time, any Governmental Body or other Person with respect to the impact of the transactions contemplated by this Agreement on the employment of any of the Company Associates or the compensation or benefits provided to any of the Company Associates.

(i) To the Knowledge of the Company, no Person has claimed in writing that any Company Associate: (i) is in violation of any term of any employment Contract, patent disclosure agreement, noncompetition agreement or any restrictive covenant with such Person; or (ii) has disclosed or utilized any Trade Secret or material proprietary information of such Person in connection with such Person's services with the Company or any of its Subsidiaries. To the Knowledge of the Company, no Company Associate has used or proposed to use any Trade Secret, information or documentation proprietary to any former employer or has violated any confidential relationship with any Person in connection with the development, manufacture or sale of any product or proposed product, or the development or sale of any service or proposed service, of the Company or any of its Subsidiaries.

(j) No allegations of sexual harassment or sexual misconduct while employed by, or providing services to, the Company or any of its Subsidiaries have been reported to the Company or its applicable Subsidiary or, to the Knowledge of the Company, threatened against any Key Employee, or any current or former officer or director, or employee of the Company or any of its Subsidiaries who supervises other employees. Except as set forth in Section 2.15(j) of the Disclosure Schedule, neither the Company nor any of its Subsidiaries has entered into any settlement agreement or conducted any investigation related to allegations of sexual harassment or sexual misconduct by or regarding any current or former employee or other Company Associate. To the extent required by applicable Legal Requirements, the Company and each of its Subsidiaries has established and distributed to its employees a policy against harassment, discrimination, and retaliation, has implemented complaint procedures, and has required all employees to undergo anti-harassment training.

(k) The Company and each of its Subsidiaries is in compliance in all material respects with all Legal Requirements related to any public health emergency (including but not limited to COVID-19) with respect to employees and independent contractors applicable to any location in which the Company or any of its Subsidiaries operates. Neither the Company nor any of its Subsidiaries has received any written complaint from any employee or independent contractor alleging that the Company or any of its Subsidiaries not in compliance with workplace Legal Requirements related any public health emergency or failed to provide a safe working environment, appropriate equipment or accommodation in relation to any public health emergency.

(l) Section 2.15(l) of the Disclosure Schedule contains a true and complete list of each Company Employee Plan. Other than the Company Employee Plans, neither the Company nor any of its Subsidiaries has any liability with respect to any plan, program, arrangement or agreement for the benefit of an employee, director or consultant of the Company or any of its Subsidiaries. Without limiting the foregoing:

(i) (A) a true, correct and complete copy of each of the Company Employee Plans and related plan documents (including trust documents, insurance policies or Contracts, summary plan descriptions, material modifications and other authorizing documents, actuarial reports and financial statements); (B) the most recently filed Form 5500 with respect to each Company Employee Plan that is subject to ERISA reporting requirements; (C) the most recent determination, opinion or advisory letter issued by the IRS with respect to each Company Employee Plan, as applicable; and (D) all material non-routine correspondence to or from any governmental authority relating to a Company Employee Plan, have been made available to Parent or Parent's legal or financial advisor;

(ii) each Company Employee Plan is in compliance with applicable Legal Requirements and each Company Employee Plan has been funded, administered and operated in all material respects in accordance with its terms and all applicable Legal Requirements, including ERISA and the Code;

(iii) no such Company Employee Plan, and no trustee or administrator thereof, has engaged in any breach of fiduciary responsibility or any "prohibited transaction" (as such term is defined in Section 406 of ERISA or Section 4975 of the Code) to which Section 406 of ERISA or Section 4975 of the Code applies and which would reasonably be expected to subject any such Company Employee Plan or trustee or administrator thereof to the tax or penalty on prohibited transactions imposed by Section 4975 of the Code;

(iv) with respect to such Company Employee Plans, all required contributions have been made or properly accrued on the Company Financial Statements in all material respects;

(v) no actions (other than routine claims for benefits) are pending or, to the Knowledge of the Company, threatened in writing with respect to any Company Employee Plan; and

(vi) neither the Company nor any of its Subsidiaries has any liability under any Company Employee Plan to provide medical or death benefits with respect to employees of the Company or any of its Subsidiaries beyond their termination of employment (other than coverage mandated by applicable Legal Requirements).

(m) Except as expressly contemplated pursuant to the terms of this Agreement, neither the execution of this Agreement nor the consummation of the transactions contemplated hereby shall (either alone or in connection with the termination of employment of any employee following, or in connection with, the transactions contemplated hereby or any other event): (i) entitle any employee to severance pay or benefits or any increase in severance pay or benefits upon any termination of employment with the Company or its applicable Subsidiary; (ii) accelerate the time of payment or vesting of compensation or benefits or increase the amount of compensation or benefits payable to any employee; or (iii) result in any amounts paid or payable to any Disqualified Individual that could reasonably, individually or in combination with any other such payment, constitute an "excess parachute payment" (as defined in Section 280G(b)(1) of the Code).

(n) Neither the Company nor any of its ERISA Affiliates sponsors, maintains or contributes to or has in the past sponsored, maintained or contributed to or has any liability, whether contingent or otherwise, with respect to any "multiemployer plan" within the meaning of Section 3(37) of ERISA.

(o) Neither the Company nor any of its ERISA Affiliates sponsors, maintains, or has any obligation to contribute to, or has in the past sponsored, maintained or had any obligation to contribute to, any plan or arrangement subject to Title IV of ERISA or to the funding requirements of Section 412 of the Code or Section 302 of ERISA or of the type described in Section 4063 or 4064 of ERISA or in Section 413(c) of the Code.

(p) Each Company Employee Plan that is intended to be qualified under Section 401(a) of the Code is so qualified and each trust intended to be exempt from federal income tax under Section 501(a) is so exempt. Nothing has occurred and no facts or circumstances exist that would reasonably be expected to cause the loss of such qualification or exemption.

(q) Each Company Employee Plan that is a "non-qualified deferred compensation plan" within the meaning of Section 409A of the Code and any award thereunder, in each case that is subject to Section 409A of the Code has at all times been operated in compliance with Section 409A of the Code and the regulations and guidance issued thereunder. Neither the Company nor any of its Subsidiaries has any obligation to gross up, indemnify or otherwise reimburse any individual for any taxes, interest or penalties incurred pursuant to Section 4999 or Section 409A of the Code.

(r) The Company and each of its Subsidiaries is and has at all relevant times been in compliance with the applicable terms of the Patient Protection and Affordable Care Act of 2010, as amended, and the regulations and guidance issued thereunder in all material respects.

2.16 Environmental Matters. The Company and each of its Subsidiaries is in compliance, and for the last three years prior to the date hereof has been in compliance in all material respects with all applicable Legal Requirements concerning pollution or protection of the environment, including all Legal Requirements relating to the emission, discharge or release of any petroleum, pollutants, contaminants or hazardous or toxic materials, substances or wastes into air, surface water, groundwater or lands ("Environmental Requirements"). In the past three years prior to the date hereof, neither the Company nor any of its Subsidiaries has received any written notice or other communication from any governmental authorities regarding violations or Liabilities imposed under Environmental Requirements (whether suspected, potential, alleged, actual or otherwise), and, to the Knowledge of the Company, there are no existing conditions or circumstances that could reasonably be expected to give rise thereto.

2.17 Insurance. All policies of insurance (including fidelity bonds) maintained by the Company and each of its Subsidiaries are in full force and effect and the Company or its applicable Subsidiary is not in default under any such policy. Such policies are in such coverage amounts as are prudent for companies in the same industry as the Company. There are no disputes between the Company or its applicable Subsidiary, on the one hand, and any underwriter of any such policy, on the other hand, and there is no claim pending under any such policy as to which coverage has been denied or disputed. No written notice of cancellation or non-renewal of, or of any premium increase under, any such policy has been received by Company or its applicable Subsidiary. Section 2.17 of the Disclosure Schedule contains a list of all material policies of insurance or fidelity bonds maintained by the Company or any of its Subsidiaries. Except as set forth in Section 2.17 of the Disclosure Schedule, neither the Company nor any of its Subsidiaries has made any claim under any casualty insurance policy during the past three years. Neither the Company nor any of its Subsidiaries has any self-insurance or co-insurance programs.

2.18 Related Party Transactions. As of the date of this Agreement, and other than employment or compensation and employee benefit agreements or arrangements entered into in the ordinary course, and director and office indemnification agreements, neither the Company nor any of its Subsidiaries is a party to any Contract with, and no material transactions have taken place between the Company or any of its Subsidiaries, on the one hand, and any director, officer, employee or 1% or greater shareholder or other securityholder of the Company, any of its Subsidiaries, or any Affiliate of such individual (each an "Affiliate Arrangement"); *provided*, *however*, for purposes of this Section 2.18, Affiliate shall exclude portfolio companies of any Company shareholder that is a non-individual Person investor. No such Person has any interest in any property, real or personal or mixed, tangible or intangible, used in or pertaining to the businesses of the Company or any of its Subsidiaries, or owns directly or indirectly, on an individual or joint basis (other than as a passive, non-controlling investment), any interest in, or serves as an officer (or manager or other equivalent position) or director of, any competitor, customer or supplier of the Company or any of its Subsidiaries.

2.19 Legal Proceedings; Orders.

(a) As of the date hereof, there is no pending Legal Proceeding, and, to the Knowledge of the Company, no Person has threatened in writing to commence any Legal Proceeding: (i) that involves the Company or any of its Subsidiaries, or in which the Company or any of its Subsidiaries is a plaintiff, complainant or defendant with respect to any of the assets owned or used or any products or services provided by the Company or any of its Subsidiaries or any Person whose Liability for such Legal Proceeding the Company or any of its Subsidiaries has or may have retained or assumed, either contractually or by operation of law; (ii) that challenges, or that may have the effect of preventing, delaying, making illegal or otherwise interfering with, the Merger or any of the other transactions contemplated by this Agreement; or (iii) that relates to the ownership of any capital stock of the Company, or any option or other right to the capital stock or other securities of the Company, or right to receive consideration as a result of this Agreement. For the last three (3) years prior to the date hereof, no material Legal Proceeding has been commenced by or against, or to the Knowledge of the Company, threatened against, the Company or any of its Subsidiaries (or any director, officer, or other Representative of the Company or any of its Subsidiaries in their capacity as such).

(b) There is no Order to which the Company or any of its Subsidiaries, or any of the assets owned or used or any products or services provided by the Company or any of its Subsidiaries, is subject. To the Knowledge of the Company, no current Company Associate is subject to any Order that prohibits such Company Associate from engaging in or continuing any conduct, activity or practice relating to the business of the Company or any of its Subsidiaries.

2.20 Authority; Binding Nature of Agreement.

(a) The Company has all necessary right, power and authority to enter into and to perform its obligations under this Agreement and under each other agreement, document or instrument referred to in or contemplated by this Agreement to which the Company is or will be a party; and the execution, delivery and performance by the Company of this Agreement and of each such other agreement, document and instrument have been duly authorized by all necessary action on the part of the Company and its board of directors and, assuming the Required Merger Stockholder Votes are obtained as contemplated by this Agreement prior to the Effective Time, its stockholders. This Agreement and each other agreement, document and instrument referred to in or contemplated by this Agreement to which the Company is a party, assuming the due authorization, execution and delivery by the other parties hereto and thereto, constitutes the legal, valid and binding obligation of the Company, enforceable against the Company in accordance with its terms, subject to: (i) laws of general application relating to bankruptcy, insolvency and the relief of debtors; and (ii) rules of law governing specific performance, injunctive relief and other equitable remedies.

(b) The Company's board of directors has: (i) unanimously determined that the Merger is advisable and fair and in the best interests of the Company and its stockholders; (ii) unanimously recommended the adoption of this Agreement by the holders of Company Capital Stock and directed that this Agreement and the Merger be submitted for consideration by the Company's stockholders; and (iii) to the extent necessary, adopted a resolution having the effect of causing the Company not to be subject to any state takeover law or similar Legal Requirement that might otherwise apply to the Merger or any of the other transactions contemplated by this Agreement.

2.21 Non-Contravention; Consents. Except as set forth in Section 2.21 of the Disclosure Schedule, neither: (1) the execution, delivery or performance of this Agreement or the other agreements, documents or instruments referred to in this Agreement to which the Company is or will be a party; nor (2) the consummation of the Merger or any of the other transactions contemplated hereby or thereby, will (with or without notice or lapse of time):

(a) contravene, conflict with or result in a violation of: (i) any of the provisions of any Organizational Documents of the Company or any of its Subsidiaries; or (ii) any presently effective resolution adopted by the stockholders, board of directors or any committee of the board of directors, as applicable, of the Company or any of its Subsidiaries;

(b) contravene, conflict with or result in a violation of any of the terms or requirements of, or give any Governmental Body or other Person the right to challenge any of the transactions contemplated by this Agreement or to exercise any remedy or obtain any relief under, any Legal Requirement or any Order, in each case in any material respect, to which the Company or any of its Subsidiaries or any of the assets owned or used by the Company or any of its Subsidiaries is subject;

(c) contravene, conflict with or result in a violation of any of the terms or requirements of, or give any Governmental Body the right to revoke, withdraw, suspend, cancel, terminate or modify, any Governmental Authorization in any material respect that is held by the Company or any of its Subsidiaries or that otherwise relates to the business of the Company or any of its Subsidiaries or to any of the assets owned or used by the Company or any of its Subsidiaries; or

(d) contravene, conflict with or result in a violation or breach of, or result in a default under, any provision of any Material Contract, or give any Person the right to: (i) declare a default or exercise any remedy under any such Material Contract; (ii) accelerate the maturity or performance of any such Material Contract; or (iii) cancel, terminate or materially modify any such Material Contract (in each case described in this clause "(d)", except as would not be material to the Company or any its Subsidiaries or the Company's ability to consummate the transactions contemplated by this Agreement).

Except (i) as set forth in Section 2.21 of the Disclosure Schedule, (ii) for the filing of the Certificate of Merger with the Secretary of State of the State of Delaware and (iii) such other filings, notices or Consents that, if not filed, given or obtained would not be material to the Company or any of its Subsidiaries, or to the Company's execution, delivery and performance of this Agreement or any of the other agreements, documents or instruments referred to in this Agreement, or to the Company's ability to consummate the Merger or any of the other transactions contemplated by this Agreement, the Company is not or will not be required to make any filing with or give any notice to, or to obtain any Consent from, any Person in connection with: (x) the execution, delivery or performance of this Agreement or any of the other agreements, documents or instruments referred to in this Agreement; or (y) the consummation of the Merger or any of the other transactions contemplated by this Agreement.

2.22 Significant Business Relationships. Section 2.22 of the Disclosure Schedule sets forth an accurate and complete list of (i) the top 10 customers of the Company and its Subsidiaries based on amounts paid or payable to the Company and its Subsidiaries for the year ended December 31, 2020 and the customers of the Company and its Subsidiaries who have paid an amount in excess of $100,000 to the Company and its Subsidiaries for the year ending December 31, 2021 to date and (ii) the top 10 vendors and suppliers used by the Company and its Subsidiaries based on amounts paid or payable by the Company and its Subsidiaries for the year ended December 31, 2020 and the vendors and suppliers used by the Company and its Subsidiaries who have paid an amount in excess of $100,000 to the Company and its Subsidiaries for the year ending December 31, 2021 to date (each of the foregoing Persons, a "Key Business Partner"), together with the amount of purchases, payments, loans or transactions attributable to each during the year ended December 31, 2020 and the nine-month period ended September 30, 2021. Between December 31, 2020 and the date hereof, no Key Business Partner has terminated its relationship

with the Company and its Subsidiaries or demanded (or otherwise proposed) a material reduction or adverse change in the pricing or other terms of its relationship with the Company and its Subsidiaries. Neither the Company nor any of its Subsidiaries is engaged in any dispute with any Key Business Partner and, to the Knowledge of the Company as of the date hereof, no Key Business Partner intends to terminate, materially limit or materially reduce its business relations with the Company and its Subsidiaries, or materially reduce or adversely change the pricing or other terms of its business with the Company and its Subsidiaries. As of the date hereof, the Company has no Knowledge of any material dissatisfaction on the part of any Key Business Partner or any facts or circumstances that would reasonably lead to such material dissatisfaction.

2.23 Vote Required. The affirmative vote of: (a) the holders of a majority of the outstanding shares of Company Capital Stock (voting together as a single class on an as-converted to Company Common Stock basis); (b) the holders of a majority of the outstanding shares of Company Preferred Stock (voting together as a single class on an as-converted to Company Common Stock basis); and (c) if CCC is applicable, the holders of a majority of the outstanding shares of Company Common Stock (voting together as a single voting class), are the only votes of the holders of any class or series of Company Capital Stock necessary to adopt and approve this Agreement and approve the other transactions contemplated by this Agreement (the votes referred to in clauses "(a)" and "(b)" of this sentence being referred to collectively as the "Required Merger Stockholder Votes").

2.24 Trade Control Laws.

(a) The Company and each of its Subsidiaries has (i) conducted its activities in compliance in all material respects with all applicable Trade Control Laws and (ii) obtained all material licenses or authorizations required under all applicable Trade Control Laws for any export, re-export, transfer or provision of any goods, software, technology, data, or service to any Person.

(b) There are no current, pending, or, to the Knowledge of the Company, threatened Legal Proceedings against the Company or any of its Subsidiaries or, to the Knowledge of the Company, any Company Associate or other Representative of the Company or any of its Subsidiaries (to the extent that Company Associates and Representatives are acting on the Company's or its applicable Subsidiary's behalf) with respect to any Trade Control Laws.

2.25 Anti-Corruption. None of the Company, its Subsidiaries, or any of its or their respective directors, officers, managers, employees, or agents or Representatives acting on behalf of the Company or any of its Subsidiaries, have made, offered, promised, or authorized any payment or gift, of any money or anything of value, directly or indirectly, to or for the benefit of any Government Official for the purposes of: (a) influencing any official act or decision by a Government Official; (b) inducing such Government Official to use their influence to affect any act or decision of a Governmental Body; or (c) securing any improper advantage, in order to assist the Company or any of its Subsidiaries in obtaining or retaining business for or with, or directing business to, any Person. None of the Company, its Subsidiaries, or any of its or their respective directors, officers, managers, employees, or agents or Representatives acting on behalf of the Company or any of its Subsidiaries, have made or authorized any bribe, rebate, payoff, influence payment, kickback or other unlawful payment of funds, or received or retained any funds, in

violation of any laws. The Company and its Subsidiaries have maintained systems of internal controls (including, but not limited to, accounting systems, purchasing systems and billing systems) to ensure compliance with Anti-Corruption Laws. None of the Company, its Subsidiaries, or any of its or their respective directors, officers, managers, employees, or agents or representatives acting on behalf of the Company or any of its Subsidiaries, are the subject of any allegation, voluntary disclosure, investigation, prosecution or other civil or criminal enforcement action related to any Anti-Corruption Laws.

2.26 Minute Books. At the Closing, the minute books of the Company and its Subsidiaries will be in the possession of the Company, which minute books are accurate and complete in all material respects and contain records of all material actions taken, and summaries of all meetings held, by the stockholders and board of directors (and any committees thereof) of the Company and its Subsidiaries.

2.27 Brokers. Except as set forth in Section 2.27 of the Disclosure Schedule, no broker, finder or investment banker is entitled to any brokerage, finder's or other fee or commission in connection with the Merger or any of the other transactions contemplated by this Agreement based upon arrangements made by or on behalf of the Company or any of its Subsidiaries.

2.28 No Additional Representations. Except for the representations and warranties made by Company in this Article 2, neither the Company, nor any of its Representatives or Affiliates, or any other Person acting on its behalf, makes any other express or implied representation or warranty of any kind or nature in connection with the Transaction (except as expressly set forth in this Article 2 or as made by the Company or any of its Affiliates in any Transaction Document), including any express or implied representation or warranty with respect to any projections, estimates, or budgets made available to Parent or its Representatives or Affiliates of future revenues, future results of operations (or any component thereof), future cash flows or future financial condition (or any component thereof) of Company or the future business and operations of Company, unless such information is expressly included in a representation and warranty contained in this Article 2.

3. REPRESENTATIONS AND WARRANTIES OF PARENT AND MERGER SUB

Each of Parent and Merger Sub represents and warrants to and for the benefit of the Company as follows:

3.1 Organization and Standing. Each of Parent and Merger Sub is a corporation duly incorporated, validly existing and in good standing under the laws of Delaware. Parent directly owns beneficially and of record all outstanding capital stock and other equity interests of Merger Sub, and no other Person holds any capital stock and other equity interests of Merger Sub nor has any rights to acquire any interest in Merger Sub. None of Parent or Merger Sub are in violation of any of the provisions of its Organizational Documents.

3.2 Authority; Binding Nature of Agreement. Each of Parent and Merger Sub has all necessary right, power and authority to enter into and to perform their respective obligations under this Agreement and under each other agreement, document or instrument referred to in or contemplated by this Agreement to which each of them is or will be a party; and the execution,

delivery and performance by each of Parent and Merger Sub of this Agreement and of each such other agreement, document and instrument have been duly authorized by all necessary action on the part of Parent and Merger Sub, as applicable, and its board of directors or other governing body and, in the case of Merger Sub, assuming the approval thereof by its stockholders prior to the Effective Time, no other or further action or proceeding on the part of Parent or Merger Sub is necessary to authorize the execution and delivery by each of Parent and Merger Sub of this Agreement, the performance by them of their respective obligations hereunder, and the consummation by them of the transactions contemplated by this Agreement. This Agreement and each other agreement, document and instrument referred to in or contemplated by this Agreement to which Parent and Merger Sub is a party has been or will be duly executed and delivered by Parent and Merger Sub and, assuming the due authorization, execution and delivery by the other parties hereto and thereto, constitutes the legal, valid and binding obligation of Parent and Merger Sub, as applicable, enforceable against them in accordance with its terms, subject to: (i) laws of general application relating to bankruptcy, insolvency and the relief of debtors; and (ii) rules of law governing specific performance, injunctive relief and other equitable remedies.

3.3 Non-Contravention; Consents.

(a) Non-Contravention. Neither: (i) the execution, delivery or performance of this Agreement or any of the other agreements, documents or instruments referred to in this Agreement; nor (ii) the consummation of the Merger or any of the other transactions contemplated by this Agreement or any of such other agreements, documents or instruments, will (with or without notice or lapse of time) contravene, conflict with or result in a violation of: (A) any of the provisions of the Organizational Documents of Parent or Merger Sub; (B) any resolution adopted by the stockholders, members, or board of directors or any committee of the board of directors of Parent or the Merger Sub; (C) any provision of any material Contract by which Parent is bound; or (D) any applicable Legal Requirement or any Order to which Parent or Merger Sub are subject.

(b) Consents. Neither Parent nor Merger Sub will be required to make any filing with or obtain any Consent from, any Person in connection with: (i) the execution, delivery or performance of this Agreement or any of the other agreements referred to in this Agreement; or (ii) the consummation of the Merger or any of the other transactions contemplated by this Agreement, except for: (A) the filing of the Certificate of Merger with the Secretary of State of the State of Delaware; (B) filings required to be made or Consents required to be obtained by Parent or Merger Sub, in each case from any Governmental Body in connection with the Merger; and (C) any filing, notice or Consent which, if not made or obtained, would not reasonably be expected to result in a material adverse effect on Parent's or Merger Sub's ability to consummate the Merger or the other transactions contemplated hereby.

3.4 Brokers. No broker, finder or investment banker is entitled to any brokerage, finder's or other fee or commission in connection with the Merger or any of the other transactions contemplated by this Agreement based upon arrangements made by or on behalf of Parent or Merger Sub.

3.5 Stock Portion of Merger Consideration. Assuming the accuracy of the representations and warranties made by the Effective Time Holders in their respective Joinder Agreements, the shares of Parent Common Stock comprising a portion of the Merger Consideration issuable in connection with the Merger, when issued by Parent in accordance with this Agreement, will be duly issued, fully paid and non-assessable and issued in compliance with federal and state securities laws and free and clear of any and all restrictions and other Encumbrances (except for restrictions set forth in the applicable Lock-up Agreements).

3.6 Financing; Regulatory Filings; and Parent Financials.

(a) Prior to the Closing, Parent will have readily available cash resources sufficient for Parent to (i) pay the amounts payable by Parent pursuant to this Agreement in cash, including the Adjusted Closing Cash Consideration, (ii) pay any and all fees and expenses required to be paid by Parent in connection with the transactions contemplated by this Agreement, and (iii) satisfy all other payment obligations of Parent contemplated hereunder. It is not a condition to Closing under this Agreement for Parent to obtain financing.

(b) Parent has timely filed all material forms, reports, schedules, statements registration statements, prospectuses and other documents required to be filed or furnished by Parent with all applicable regulatory agencies and under all applicable securities laws, including without limitation, the ASX Listing Rules, together with any amendments, restatements or supplements thereto, and will file all such forms, reports, schedules, statements and other documents required to be filed subsequent to the date of this Agreement, and all such forms, reports, schedules, statements, registration statements, prospectuses and other documents and amendments, restatements or supplements thereto (collectively, the "Parent Securities Documents") have complied in all material respects with all legal requirements relating thereto, and has paid all fees and assessments due and payable in connection therewith. The Parent Securities Documents, when read together, do not contain any untrue statement of material fact or omit to state a material fact required to be stated therein or necessary in order to make the statements therein, in light of the circumstances under which they were made, not misleading. As of the date of this Agreement, there are no outstanding or unresolved comments received from ASX or its staff with respect to the Parent Securities Documents.

(c) The financial statements and notes of Parent contained or incorporated by reference in the Parent Securities Documents comply, as of their respective dates and, if amended, as of the date of the last such amendment, in all material respects with applicable accounting requirements and have been prepared in accordance with GAAP applied on a consistent basis during the periods involved (except as may be indicated in the notes thereto) and fairly present, in all material respects, the consolidated financial position of Parent and its Subsidiaries as of the dates thereof and the consolidated results of their operations and cash flows for the periods then ended (subject, in the case of unaudited quarterly statements, to normal year-end audit adjustments, the absence of notes and other adjustments described therein).

(d) As determined in accordance with the HSR Act, Parent's annual net sales and total assets do not exceed the current threshold of $184 million under Section 18a(a)(2)(B)(ii) of the HSR Act.

3.7 Inspections; Non-Reliance. Parent is an informed and sophisticated purchaser, and has engaged expert advisors, experienced in the evaluation and purchaser of businesses such as the Transaction described herein. The Company has given Parent reasonable access to the employees, documents, and facilities of the Company, and Parent has undertaken such investigation and has been provided with and has evaluated such documents and information as it has deemed necessary to enable it to make an informed and intelligent decision with respect to the execution, delivery and performance of this Agreement. Parent and Merger Sub each acknowledge that neither Parent nor Merger Sub nor any of their Representatives or Affiliates has relied on and is not relying on any representations and warranties regarding the Company, its Subsidiaries, or their respective business other than the representations and warranties expressly set forth in Article 2 or as made by Company or its Subsidiaries in any Transaction Document. Without limiting the generality of the foregoing, Parent and Merger Sub specifically acknowledge that no representations and warranties are made with respect to any projections, forecasts, estimates, budgets or prospective information that may have been made available to Parent, it Affiliates, or any of their Representatives, except those, if any, expressly made in Article 2.

4. CERTAIN COVENANTS OF THE COMPANY

4.1 Access and Investigation. During the period from the date of this Agreement and continuing until the earlier of the termination of this Agreement pursuant to Section 9 or the Effective Time (the "Pre-Closing Period"), the Company shall, and shall cause its Representatives to: (a) provide Parent and Parent's Representatives with reasonable access during normal business hours to the Company's Representatives, personnel and assets and to all existing books, records, Tax Returns, work papers and other documents and information relating to the Company and (b) provide Parent and Parent's Representatives with copies of such existing books, records, Tax Returns, work papers and other documents and information relating to the Company, and with such additional financial, operating and other data and information regarding the Company, as Parent may reasonably request; *provided, however*, the foregoing shall not require the Company to provide any such access or disclose any information to the extent the provision of such access or such disclosure would contravene any applicable Legal Requirements or result in the waiver of any attorney-client privilege. During the Pre-Closing Period, Parent may, following reasonable advance notice to the Company, make inquiries of Persons having business relationships with the Company (including Key Business Partners) and the Company shall use reasonable best efforts to help facilitate (and shall cooperate fully with Parent in connection with) such inquiries, in each case in compliance with all applicable Legal Requirements (including any applicable antitrust or competition laws or regulations). The terms set forth in this Section 4.1 shall be subject to the Mutual Nondisclosure Agreement between Parent and the Company, dated as of October 1, 2018 (the "Confidentiality Agreement").

4.2 Operation of the Business of the Company. During the Pre-Closing Period:

(a) the Company shall:

(i) use commercially reasonable efforts to conduct its business and operations in the ordinary course and in substantially the same manner as such business and operations have been conducted prior to the date of this Agreement; and

(ii) use commercially reasonable efforts to preserve intact its current business organization, keep available the services of Key Employees and its other current Company Associates and maintain its relations and goodwill with, all customers, landlords, employees, merchants, lenders, originators, processors, servicers and other Persons having beneficial business relationships with the Company, including all Key Business Partners (other than terminations of employees that were, in good faith, for cause); and

(b) the Company shall not, without the prior written consent of Parent:

(i) cancel (other than policies expiring by their terms) any of its insurance policies required to be identified in Section 2.17 of the Disclosure Schedule or reduce the amount of any insurance coverage provided by such insurance policies;

(ii) declare, accrue, set aside or pay any dividend or make any other distribution in respect of any shares of capital stock or other securities, or repurchase, redeem or otherwise reacquire any shares of capital stock or other securities (other than forfeitures of unvested Company Options or forfeitures or repurchases of Company RSUs, in either case, upon termination of service with any employee pursuant to the underlying award agreements in effect on the date of this Agreement);

(iii) sell, issue or authorize the issuance of: (A) any capital stock or other security; (B) any option or right to acquire any capital stock (or cash based on the value of capital stock) or other security; or (C) any instrument convertible into or exchangeable for any capital stock (or cash based on the value of capital stock) or other security (except that the Company shall be permitted to issue Company Capital Stock (I) upon the exercise of Company Options not later than three Business Days prior to the Closing Date, (II) upon the lapse of restrictions on Company RSUs, and (III) upon the conversion of Company Preferred Stock, in each case, outstanding as of the date of this Agreement and in accordance with their respective terms as in effect on the date of this Agreement);

(iv) amend or permit the adoption of any amendment to its Organizational Documents, or effect or permit the Company to become a party to any Acquisition Transaction (other than the transactions contemplated by this Agreement), recapitalization, reclassification of shares, stock split, reverse stock split or similar transaction;

(v) not form any Subsidiary or acquire any equity interest or other interest in any other Entity;

(vi) make any capital expenditure, except for capital expenditures that, when added to all other capital expenditures (in each case, as determined in accordance with GAAP) made on behalf of the Company during the Pre-Closing Period, do not exceed $100,000;

(vii) enter into, or permit any of the assets owned or used by it to become bound by, any Contract that is or would constitute a Material Contract;

(viii) amend, extend or prematurely terminate, or waive any material right or remedy under, any Company Contract that is or would constitute a Material Contract;

(ix) (A) acquire, lease or license any right or other asset from any other Person for an aggregate value in excess of $100,000; (B) sell or otherwise dispose of, or lease or license (or grant any other right with respect to), any right or other asset to any other Person; (C) waive or relinquish any right or (D) acquire, lease or license any interest in real property or other licensed space, except in the case of each of clauses (A)-(C), in the ordinary course;

(x) lend money to any Person (except that the Company may make routine travel and business expense advances to current employees of the Company in the ordinary course);

(xi) (A) enter into any collective bargaining agreement; (B) establish, adopt, amend or terminate any Company Employee Plan (except for renewals of health and welfare plans in the ordinary course of business consistent with past practice) to the extent required by applicable Legal Requirements or as necessary to comply with this Agreement and other than routine Company Employee Plan renewals); (C) pay, or make any commitment to pay, any bonus or make any profit-sharing payment, cash incentive payment or similar payment, other than commissions and bonuses paid in the ordinary course; (D) increase, or make any commitment to increase, the amount of the wages, salary, commissions, fringe benefits or other employee benefits or compensation (including equity-based compensation, whether payable in cash or otherwise) or remuneration payable to any of the officers, employees or members of the board of directors of the Company, except as required by any Company Employee Plan or with respect to increases in base salary or wages when both of the following conditions are satisfied: (i) such increase is in the ordinary course of business consistent with past practice; and (ii) such increase is with respect to a non-management employee; (E) promote or change the title of any of its management-level employees (retroactively or otherwise); (F) hire or make an offer to hire any new management-level employee; (G) terminate any employee (other than for cause); or (H) grant any new right to severance or termination pay to any present or former officer, director, employee or other personnel (whether employees or individual independent contractors);

(xii) extend the terms of its accounts payable or delay payment of its accounts payable inconsistent with past practice or otherwise change any of its methods of accounting or accounting practices in any material respect (other than as required by applicable accounting or auditing standards);

(xiii) make or change any material Tax election, change any Tax accounting method, enter into any Tax allocation agreement, Tax sharing agreement or Tax indemnity agreement (other than an agreement entered into in the ordinary course of business the primary purpose of which is not related to Taxes, such as leases, licenses or credit agreements), enter into any closing agreement or Tax ruling, settle or compromise any claim or assessment in respect of Taxes, consent to any extension or waiver of the limitation period applicable to any Tax claim or assessment other than pursuant to customary extensions of the due date for filing a Tax Return obtained in the ordinary course of business, or file any income or other material Tax Return or amend any Tax Return;

(xiv) commence or settle any material Legal Proceeding for damages in excess of $50,000, other than to enforce rights under this Agreement or in connection with the transactions contemplated hereby;

(xv) make any pledge of any of its assets or otherwise permit any of its assets to become subject to any Encumbrance (other than Permitted Encumbrances), except for: (A) pledges of immaterial assets made in the ordinary course; and (B) nonexclusive licenses granted by the Company in the ordinary course; or

(xvi) agree or commit to take any of the actions described in clauses "(iii)" through "(xv)" above.

Notwithstanding the foregoing, the Company may take any action described in clauses "(b)(i)" through "(b)(xvi)" above if: (i) Parent gives its prior written consent to the taking of such action by the Company (which written consent for purposes of this Section 4.2 may be in the form of email from Russell Burke (@ rburke@life360.com) following an email request by the Company); (ii) such action is expressly required to be taken by this Agreement; (iii) such action is disclosed in Section 4.2(b) of the Disclosure Schedule; or (iv) such action is required by any applicable Legal Requirements or Order (and the Company promptly notifies Parent of such action).

4.3 Stockholder Consent.

(a) Information Statement. As promptly as practicable after the execution of this Agreement (and in any event within ten Business Days), the Company shall, in accordance with its Organizational Documents and applicable Legal Requirements, provide to its stockholders who have not already provided written consents of the stockholders of the Company in favor of the adoption and approval of this Agreement and approval of the other transactions contemplated by this Agreement an Information Statement and other appropriate documents in connection with the obtaining of: (i) written consents of the stockholders of the Company in favor of the adoption and approval of this Agreement and approval of the other transactions contemplated by this Agreement (the "Written Consent"); and (ii) waivers by the stockholders of the Company of their appraisal rights in connection with the Merger. The Company shall use commercially reasonable efforts to obtain such written consents and waivers from holders of all outstanding shares of each class and series of Company Capital Stock. The Information Statement shall: (i) include the unanimous recommendation of the board of directors of the Company in favor of the adoption and approval of this Agreement and the approval of the other transactions contemplated by this Agreement; (ii) notify the stockholders of the receipt by the Company of the Required Merger Stockholder Votes, their appraisal rights pursuant to Section 262 of the DGCL or Chapter 13 of the CCC, as applicable; and (iii) comply with all applicable Legal Requirements. Notwithstanding anything to the contrary contained in this Agreement, the Information Statement and any other materials submitted to the Company's stockholders in connection with the transactions contemplated by this Agreement shall be subject to prior review and reasonable approval by Parent and its advisors.

(b) Parachute Payments. No later than five Business Days prior to the Closing Date, the Company shall deliver to Parent executed copies of the Parachute Payment Waiver Agreement of each Disqualified Individual who has received or could become entitled to receive Section 280G Payments. As soon as reasonably practicable after the execution of the Parachute Payment Waiver Agreements, but in no event later than three Business Days prior to the Closing, the Company shall submit to the stockholders of the Company (in a manner reasonably satisfactory to Parent), for approval by stockholders of the Company holding the number of shares of Company Capital Stock required by the terms of Section 280G(b)(5)(B) of the Code, a written consent in favor of a single proposal to render the parachute payment provisions of Section 280G of the Code and the Treasury Regulations thereunder (collectively, "Section 280G") inapplicable to any and all Section 280G Payments with respect to such Disqualified Individuals. Any such stockholder approval shall be sought by the Company in a manner which satisfies all applicable requirements of Section 280G(b)(5)(B) of the Code and the Treasury Regulations thereunder, including Q-7 of Section 1.280G-1 of such Treasury Regulations. The Company agrees that in the absence of such stockholder approval, no Section 280G Payments shall be made to the Disqualified Individuals. The form and substance of all stockholder approval documents contemplated by this Section 4.3(b), including the Parachute Payment Waiver Agreement, shall be subject to the prior review and reasonable approval of Parent.

4.4 Notification. During the Pre-Closing Period, the Company shall promptly notify Parent in writing of the Company obtaining Knowledge of: (a) any breach of any representation, warranty, covenant, agreement or obligation of the Company such that any of the conditions set forth in Section 7 would not be satisfied; or (b) any other event, condition, fact or circumstance that would make the timely satisfaction of any of the conditions set forth in Section 6.2(c) impossible or unlikely. In no event shall the delivery of any notice by the Company pursuant to this Section 4.4: (i) limit or otherwise affect the rights, obligations, representations, warranties, covenants or agreements of Parent or the conditions to the obligations of the parties under this Agreement; or (ii) be deemed to amend or supplement the Disclosure Schedule or constitute an exception to any representation, warranty, covenant or agreement. Notwithstanding the foregoing, the failure of the Company to satisfy its notice obligations under this Section 4.4 shall have no effect on the limitations of liability with respect to claims for indemnity relating to Company representations and warranties set forth in Article 10 of this Agreement which limitations shall control and not be recharacterized as a breach of covenant under this Section 4.4.

4.5 No Negotiation. During the Pre-Closing Period, the Company shall not, and shall cause its Subsidiaries not to, and the Company shall not authorize, encourage, instruct or permit any Representatives of the Company or any of its Subsidiaries to: (a) solicit, or encourage or facilitate the initiation or submission of, any expression of interest, inquiry, proposal or offer from any Person (other than Parent and Merger Sub) relating to a possible Acquisition Transaction; (b) participate in any discussions or negotiations or enter into any agreement, understanding or arrangement with, or provide any non-public information to, any Person (other than Parent and Merger Sub and their respective Representatives) relating to or in connection with a possible Acquisition Transaction; or (c) entertain, consider or accept any proposal or offer from any Person (other than Parent and Merger Sub) relating to a possible Acquisition Transaction. The Company shall, and shall cause its Subsidiaries to, and shall instruct its and their respective Representatives to, immediately cease and cause to be terminated all existing discussions, conversations, negotiations and other communications with any Person (other than Parent, Merger Sub and their respective Representatives) conducted heretofore with respect to any Acquisition Transaction. The Company shall promptly (and in any event within 24 hours of receipt thereof) provide Parent with: (i) a written description of any expression of interest, inquiry, proposal or offer relating to a

possible Acquisition Transaction that is received by the Company or any of its Subsidiaries or by any of its or their respective Representatives from any Person (other than Parent and Merger Sub), including in such description the identity of the Person from which such expression of interest, inquiry, proposal or offer was received (if such disclosure does not violate any confidentiality obligations of the Company or any of the Company's Representatives, as applicable); (ii) a complete summary of each other communication transmitted on behalf of such Person or any of such Person's Representatives to the Company or any of the Company's Representatives; and (iii) an accurate and complete copy of all written materials provided in connection with such expression of interest, inquiry, proposal or offer.

4.6 Termination of Certain Benefit Plans. The Company shall terminate, effective no later than the day immediately preceding the Closing Date in the case of a Company Employee Plan described in clause "(a)" and as of the Effective Time (or as soon as administratively practicable thereafter) in the case of any Company Employee Plan described in clause "(b)": (a) any Company Employee Plan that contains a cash or deferred arrangement intended to qualify under Section 401(a) of the Code (the "Company 401(k) Plans") and (b) any other Company Employee Plan requested by Parent at least three Business Days prior to the Closing Date, unless, in the case of clauses "(a)" and "(b)," Parent, in its sole and absolute discretion, notifies the Company in writing (an "Election Notice") at least three Business Days prior to the Closing Date that any such plan need not be terminated; notwithstanding the foregoing, in no event shall the Company FY22 Bonus Plan be terminated. Unless Parent provides an Election Notice to the Company, the Company shall deliver to Parent, prior to the Closing Date, evidence that the Company's board of directors has validly adopted resolutions to terminate the Company 401(k) Plans and other Company Employee Plans, as applicable (the form and substance of which resolutions shall be subject to review and approval of Parent), effective as of the dates specified above. In the event that the distributions of assets from the trust of a Company 401(k) Plan which is terminated pursuant to this Section 4.6 is reasonably anticipated by the Company to trigger liquidation charges, surrender charges, or other fees (other than ordinary administrative expenses) to be imposed upon the account of any participant or beneficiary of such terminated plan or upon the Company, then (i) the Company shall reasonably estimate the amount of such charges, fees and expenses and shall include such amount in the Estimated Closing Statement, and (ii) such charges, fees or expenses shall be borne by the Company, and Parent or any of its Affiliates shall not have any Liability with respect to such charges, fees or expenses.

4.7 Data Room Information. Within five Business Days after each of the date of this Agreement and the Closing Date, the Company shall deliver to Parent, through any electronic medium (including a .zip file delivered electronically or USB hard drive), an electronic copy of the documents and information contained in the virtual data room hosted on behalf of the Company at https://americas.datasite.com/manda/project/604bd8715de2d76bea904541/content/index (the "Virtual Data Room") as of each of 11:59 p.m., Pacific time, on the date of this Agreement and 11:59 p.m., Pacific time, on the day prior to the Closing Date.

4.8 Termination of Agreements and Release of Encumbrances. The Company shall use commercially reasonable efforts to: (a) cause the agreements identified on Schedule 4.8(a) to be terminated effective as of the Effective Time; and (b) take, or cause to be taken, all actions necessary to secure the termination and release of any and all Encumbrances (other than Permitted Encumbrances) upon the assets or properties of the Company; in each case in form and substance reasonably satisfactory to Parent.

4.9 Officer and Director Indemnification.

(a) Parent agrees, until the sixth anniversary of the Closing Date, to cause the Surviving Corporation to provide in Organizational Documents rights to indemnification, contribution and advancement of expenses that are no less favorable than those rights set forth in the Company's Organizational Documents and indemnification agreements, in each case as in effect on the date of this Agreement and in the forms made available to Parent with respect to indemnification of officers, managers, directors, employees and agents of the Company and its Subsidiaries (each, a "Company D&O Indemnified Party") against all Damages incurred in connection with any claim, action, suit, proceeding or investigation, whether civil, criminal, administrative or investigative, arising out of or pertaining to (i) the fact that the Company D&O Indemnified Party is or was an officer, director, manager, employee or agent of the Company or any of its Subsidiaries or (ii) matters existing or occurring at or prior to the Closing, whether asserted or claimed prior to, at or after the Closing, and agrees such rights shall not be modified or amended in a manner that would limit the scope of such indemnification of any Company D&O Indemnified Party, except as required by applicable law.

(b) This Section 4.9: (i) shall survive the consummation of the Merger; (ii) is intended to benefit each Company D&O Indemnified Party and their respective heirs, executors and administrators; (iii) is in addition to, and not in substitution for, any other rights to indemnification or contribution that any such person may have against Parent or the Surviving Corporation first arising after the Closing Date by contract or otherwise; and (iv) shall not be terminated or modified in such a manner as to adversely affect the rights of any Company D&O Indemnified Party under this Section 4.9 without the written consent of such affected Company D&O Indemnified Party.

(c) At or prior to the Closing, the Company shall obtain an extended reporting period endorsement under the Company's existing directors' and officers' liability insurance coverage (the "D&O Tail Policy") for the Company's directors and officers in a form mutually acceptable to the Company and Parent, which shall provide such directors and officers with coverage for six (6) years following the Closing Date of not less than the existing coverage under, and have other terms not materially less favorable to, the insured persons than the directors' and officers' liability insurance coverage maintained by the Company as of the date of this Agreement.

4.10 Payoff Letters and Invoices; Estimated Merger Consideration Certificate.

(a) At least five (5) Business Days prior to the Closing Date, the Company shall, to the extent applicable, deliver to Parent an accurate and complete copy of: (i) one or more payoff letters, each dated no more than five (5) Business Days prior to the Closing Date, with respect to all outstanding Indebtedness to be repaid in connection with the Closing, to satisfy such Indebtedness as of the Closing and terminate and release any Encumbrances related thereto; and (ii) an invoice from each advisor or other service provider to the Company, dated no more than five (5) Business Days prior to the Closing Date, with respect to all Company Transaction Expenses estimated to be due and payable to such advisor or other service provider, as the case may be, as of the Closing Date.

(b) At least five (5) Business Days prior to the Closing Date, the Company shall deliver to Parent an estimated Merger Consideration Certificate, in form and substance reasonably satisfactory to Parent and setting forth the information required by Section 1.3(c)(iv) on an accompanying spreadsheet, together with documentation, reasonably satisfactory to Parent, in support of the calculation of the amounts set forth in the estimated Merger Consideration Certificate.

5. CERTAIN COVENANTS OF THE PARTIES

5.1 Consents. Parent and the Company shall use reasonable best efforts to take, or cause to be taken, all actions necessary proper or advisable to consummate the Merger and make effective the other transactions contemplated by this Agreement as promptly as practicable. During the Pre-Closing Period: (a) the Company shall use reasonable best efforts to take, or cause to be taken, all actions necessary to satisfy the conditions set forth in Section 8, consummate the Merger and make effective the other transactions contemplated by this Agreement as promptly as practicable; and (b) Parent and Merger Sub shall use reasonable best efforts to take, or cause to be taken, all actions necessary to satisfy the conditions set forth in Section 7, consummate the Merger and make effective the other transactions contemplated by this Agreement as promptly as practicable. Without limiting the generality of the foregoing, each party to this Agreement: (i) shall make all filings (if any) and give all notices (if any) required to be made and given by such party in connection with the Merger and the other transactions contemplated by this Agreement; and (ii) shall use reasonable best efforts to obtain each Consent set forth on Schedule 5.1(b)(ii) by such party in connection with the Merger or any of the other transactions contemplated by this Agreement.

5.2 Further Action. If, at any time after the Effective Time, any further action is reasonably determined by Parent to be necessary or desirable to carry out the purposes of this Agreement or to vest the Surviving Corporation or Parent with full right, title and possession of and to all rights and property of the Company and Merger Sub, the officers and directors of the Surviving Corporation and Parent shall be fully authorized (in the name of Merger Sub, in the name of the Company and otherwise) to take such action.

5.3 Retention Awards. Parent will allocate equity incentive awards in the form of RSUs having an aggregate value (based on the Parent Per CDI Signing Price) equal to the Retention Consideration to certain Continuing Employees, to be determined by Parent in consultation with the Company CEO (the "Retention Awards"). Retention Awards will be subject to the approval of Parent's Board of Directors to occur on or prior to the Closing and all the terms and conditions set forth in (a) such Continuing Employee's Offer Letter with Parent and (b) the Parent Stock Plan and related award agreement to be entered into between the recipients of such Retention Awards and Parent, which terms shall include vesting provisions requiring achievement of the Business Performance Requirements as well as the holder's continued employment through the first anniversary of the Closing as to 50% of his or her Retention Award and continued employment through the second anniversary of the Closing as to the remaining 50% of his or her Retention Aware. In the event a Continuing Employee who has been issued a Retention Award, as set forth in his or her Offer Letter, terminates employment with Parent prior to such Retention Award becoming fully vested, such unvested Retention Award shall be forfeited and shall not be reallocated to any other Continuing Employee.

5.4 Employees.

(a) From the Effective Time until the 12-month anniversary of the Effective Time, Parent shall or cause the Company or Surviving Corporation to, provide Continuing Employee, with a base salary at or above what is currently offered by the Company.

(b) Parent shall use commercially reasonable efforts to treat, and to cause each benefit plan sponsored, maintained, or contributed to by Parent or any of its Subsidiaries after the Closing (other than any equity or equity-based compensation plan, program, agreement or arrangement and other than any cash bonus program designed, in whole or in substantial part, to provide benefits in the event of a change in control of Parent or any of its Subsidiaries) and in which any Continuing Employee participates or becomes eligible to participate (each, a "Parent Benefit Plan") to treat, for purposes of determining eligibility to participate and vesting all service with the Company as service with Parent and its Affiliates; *provided*, *however*, such service shall not be recognized (i) to the extent that such recognition would result in a duplication of benefits or coverage or such service was not recognized under the corresponding Company Employee Plan, (ii) with respect to a newly established plan for which prior service is not taken into account for similarly situated employees of Parent or any of its Subsidiaries or (iii) with respect to any deferred compensation, defined benefits pension, equity or equity-based compensation plan, program, agreement or arrangement or with respect to any cash bonus program designed, in whole or in substantial part, to provide benefits in the event of a change in control of Parent or any of its Subsidiaries.

(c) Parent shall use commercially reasonable efforts to cause each Parent Benefit Plan, to the extent permitted by the Parent Benefit Plan, that is a welfare plan, within the meaning of Section 3(1) of ERISA, (i) to waive any and all eligibility waiting periods, evidence of insurability requirements, and pre-existing condition limitations and exclusions with respect to each Continuing Employee to the extent waived, satisfied, or not included under the analogous Company Employee Plan, and (ii) to recognize for each Continuing Employee for purposes of applying annual deductible, co-payment, and out-of-pocket maximums under such Parent Benefit Plan any deductible, co-payment, and out-of-pocket expenses paid by the Continuing Employee under an analogous Company Employee Plan during the plan year in which the Closing Date occurs.

(d) The Company shall use commercially reasonable efforts to cause each promised optionholder, as set forth on Section 2.2(d) of the Disclosure Schedule, to enter into a waiver and release with respect thereto, in a form reasonably acceptable to Parent.

(e) Nothing in this Section 5.4 shall be treated as an amendment of, or undertaking to amend, any Company Employee Plan or Parent Benefit Plan or any other benefit plan, program, agreement or arrangement. The provisions of this Section 5.4 are solely for the benefit of the respective parties to this Agreement and nothing in this Section 5.4, express or implied, shall confer upon any Company Associate, or legal representative or beneficiary thereof

or any other Person, any rights or remedies, including any right to employment or continued employment for any specified period, or compensation or benefits of any nature or kind whatsoever under this Agreement or a right in any employee or beneficiary thereof or other Person under a Company Employee Plan or Parent Benefit Plan that such employee or beneficiary or other Person would not otherwise have under the terms thereof.

5.5 Equity Financing.

(a) Parent shall use commercially reasonable efforts to take, or cause to be taken, all actions and to do, or cause to be done, all things necessary, proper or advisable to arrange and obtain the Equity Financing on the terms and conditions described in the Underwriting Agreement and shall not permit any material amendment of the Underwriting Agreement that imposes additional conditions that materially delays or prevents the availability of the Equity Financing. Parent shall use commercially reasonable efforts (A) to maintain in effect the Underwriting Agreement until the consummation of the transactions contemplated hereby, (ii) to satisfy (or obtain waivers to) on a timely basis any conditions applicable to Parent or Merger Sub to funding in the Underwriting Agreement that are within its control and to consummate the Equity Financing at or prior to the Closing, (iii) to enforce its rights under the Underwriting Agreement and (iv) to comply with its obligations under the Underwriting Agreement. Parent shall keep the Company informed on a reasonably current basis in reasonable detail of the status of its efforts to arrange the Equity Financing. In the event any portion of the Equity Financing becomes unavailable on the terms and conditions contemplated by the Underwriting Agreement, Parent shall promptly notify the Company and shall use commercially reasonable efforts to arrange and obtain any such portion from alternative sources as promptly as reasonably practicable following the occurrence of such event.

(b) Prior to the Closing, the Company shall provide reasonable cooperation in connection with the arrangement of the Equity Financing as may be reasonably requested by Parent (provided, that such requested cooperation does not unreasonably interfere with the ongoing business of the Company), including, but not limited to, to the extent reasonably requested by Parent, using commercially reasonable efforts to: (i) provide due diligence materials to Parent's affiliates or Financing Sources (as defined below), provided that such parties agree to enter into a customary confidentiality agreement; (ii) furnish Parent and its Financing Sources with all financial statements and financial and other information that are reasonably required in connection with the Equity Financing; (iii) assist Parent and its Financing Sources in the preparation of an offering document for the Equity Financing; and (iv) cooperate with the marketing efforts of Parent and its Financing Sources for the Equity Financing. "Financing Source" means each entity (including, each agent and arranger) that has committed to provide or otherwise entered into agreements to provide financing in connection with the transactions contemplated hereby, together with each affiliate thereof and each officer, director, employee, partner, controlling person, advisor, attorney, agent and representative of each such entity or affiliate and their respective successors and assigns.

(c) Notwithstanding the provisions of Section 5.5(b) or any other provision of this Agreement, nothing in this Agreement will require Company or any of its Subsidiaries to: (i) waive or amend any terms of this Agreement or agree to pay any fees or reimburse any expenses prior to the Closing for which it has not received prior reimbursement or is not otherwise

indemnified by or on behalf of Parent; (ii) enter into any definitive agreement that is effective prior to the Closing; (iii) give any indemnities that are effective prior to the Closing or take any action that would constitute a breach of any representation, warranty, covenant or agreement in this Agreement; (iv) take any action contemplated by Section 5.5(b) that, in the good faith determination of the Company, would unreasonably interfere with the conduct of the business or operations of the Company and its Subsidiaries or create a risk of damage or destruction to any property or assets of the Company or any of its Subsidiaries; or (v) provide any information or take any action that would conflict with or violate any of its Organizational Documents or any applicable Legal Requirement or would result in a violation or breach of, or default under, any Contract to which the Company or any of its Subsidiaries is a party or would result in the waiver of a legal privilege; *provided*, that if Company or any of its Subsidiaries does not provide access to any document or information in reliance on this clause (v), the Company shall use its reasonable best efforts to communicate the applicable information to Parent in a way that would not violate any applicable Legal Requirement or applicable Contract or cause a waiver of the applicable privilege or trade secret right. In addition, no action, liability or obligation of the Company, any of its Subsidiaries or any of their respective Representatives pursuant to any certificate, agreement, arrangement, document or instrument relating to the Equity Financing will be effective until the Closing, and neither the Company nor any of its Subsidiaries will be required to take any action pursuant to any certificate, agreement, arrangement, document or instrument (including being an issuer or other obligor with respect to the Equity Financing) contemplated by Section 5.5(b) that is not contingent on the occurrence of the Closing or that would be effective prior to the Closing. Nothing in this Agreement will require (A) any board member, manager, officer or Representative of the Company or any of its Subsidiaries to deliver any certificate or opinion or take any other action pursuant to Section 5.5(b) or any other provision of this Agreement that could reasonably be expected to result in personal liability of such board member, manager, officer or Representative, or any liability of the Company prior to the Closing, or (B) the Board of Directors of the Company as constituted at any time prior to Closing to approve any financing or Contracts related thereto prior to the Closing.

(d) All non-public or other confidential information provided by Company or any of its Representatives pursuant to this Agreement will be kept confidential in accordance with the Confidentiality Agreement, except that Parent will be permitted to disclose such information with the prior written consent of the Company, such consent not to be unreasonably withheld, conditioned, or delayed (i) as is legally required to be disclosed in any offering documents related to the Equity Financing or (ii) to any financing sources or prospective financing sources, ratings agencies and other financial institutions and investors that are or may become parties to the Equity Financing and to any underwriters, initial purchasers or placement agents in connection with the Equity Financing (and, in each case, to their respective counsel and auditors) so long as (x) such Persons agree to be bound by the confidentiality, use and non-use provisions of the Confidentiality Agreement as if parties thereto, (y) such Persons are subject to other confidentiality undertakings customary for financings of the same type as the Equity Financing and (z) Parent is responsible to the Company for any breach of or failure to perform the foregoing obligations or undertakings by any of such Persons. For the avoidance of doubt, Parent agrees to take such responsibility described in clause (z) of the foregoing sentence by its execution of this Agreement.

6. TAX MATTERS

6.1 Straddle Period Taxes and Transfer Taxes.

(a) Straddle Period Taxes. For purposes of this Agreement, the determination of the Taxes of the Company for the portion of the Straddle Period ending on and including the Closing Date shall be: (i) in the case of real property, personal property and similar *ad valorem* Taxes be deemed to be the amount of such Tax for the entire Straddle Period *multiplied by* a fraction (A) the numerator of which is the number of days in the Straddle Period ending on the Closing Date and (B) the denominator of which is the number of days in the entire Straddle Period; and (ii) in the case of any other Tax, be deemed equal to the amount which would be payable if the relevant Straddle Period ended on and included the Closing Date (and shall be deemed to include any Taxes that would arise pursuant to Sections 951 or 951A of the Code had the Tax year of the Company ended on and included the Closing Date).

(b) Transfer Taxes. All real property transfer or gains Tax, sales Tax, use Tax, stamp Tax, stock transfer Tax, or other similar transfer Taxes ("Transfer Taxes") imposed on the transactions contemplated by this Agreement shall be borne 50% by the Effective Time Holders and 50% by Parent. The party legally responsible for preparing and filing any Tax Return required to be filed in connection with any Transfer Taxes shall prepare and timely file (or cause to be prepared any timely filed) such Tax Returns.

6.2 Tax Returns, Cooperation, Contests and Refunds.

(a) Tax Returns. The Company shall prepare and timely file (or cause to be prepared and timely filed) all Tax Returns required to be filed on or before the Closing Date (taking into account all extensions properly obtained); *provided*, that all such Tax Returns shall be prepared (or shall be caused to be prepared) in a manner consistent with prior tax accounting practices and methods of the Company, except as required by applicable Legal Requirements. Parent shall prepare and file (or cause to be prepared and filed) all Tax Returns of the Company for any Pre-Closing Tax Period that are required to be filed after the Closing Date. Parent shall provide the Securityholders' Agent copies of any such Tax Returns that are income Tax Returns or other Tax Returns reflecting a liability of more than $25,000 for any Pre-Closing Tax Period that reflects a Tax for which the Effective Time Holders are responsible pursuant to this Agreement at least twenty (20) days prior to their filing for income Tax Returns and at least ten (10) days prior to their filing for non-income Tax Returns (or if such Tax Return is due in fewer than twenty (20) days after the Closing Date, then as soon after the Closing Date as is reasonably practicable), shall permit the Securityholders' Agent to review and comment on each such Tax Return prior to filing and shall consider in good faith all reasonable comments made by the Securityholders' Agent in writing to Parent at least five (5) days prior to their filing.

(b) Tax Sharing Agreements. All Tax sharing, indemnification or allocation agreement, arrangement, practice or policy to which the Company is a party or by which it is bound (other than pursuant to an agreement entered into in the ordinary course of business the primary purpose of which is not related to Taxes) shall be terminated as of the Closing Date and the Company shall not have any liability or obligation pursuant thereto
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(c) Cooperation on Tax Matters. Parent, the Company, the Securityholders' Agent, and the Effective Time Holders shall cooperate, as and to the extent reasonably requested by the other party, in connection with the filing of Tax Returns pursuant to this Agreement and any Tax Contest. Such cooperation shall include the retention and (upon the other party's request) the provision of records and information which are reasonably relevant to any such Tax Contest and making employees available on a mutually convenient basis to provide additional information and explanation of any material provided hereunder. Parent, the Company, the Securityholders' Agent, and the Effective Time Holders agree to retain all books and records with respect to Tax matters pertinent to the Company relating to any taxable period beginning before the Closing Date until the expiration of the applicable statute of limitations (and, to the extent notified by Parent, any extensions thereof), and to abide by all record retention agreements entered into with any Governmental Body. Notwithstanding anything to the contrary in this Agreement, the Securityholders' Agent shall have no obligation to prepare or file any Tax Return.

(d) Tax Contests. Parent shall give prompt notice to the Securityholders' Agent of the existence of any audit, proposed adjustment or assessment, other administrative proceeding or inquiry or judicial proceeding, in each case, by a Governmental Body involving Taxes that Parent will seek indemnity pursuant to this Agreement (a "Tax Contest"). No delay in providing such notice shall affect the rights to indemnification hereunder, unless (and then only to the extent that) the Securityholders' Agent is materially prejudiced thereby. Parent shall have the right to control the conduct of any Tax Contest; *provided*, *however*, the Securityholders' Agent shall have the right, at the sole expense of Effective Time Holders, acting through the Securityholders' Agent in its capacity as such, to participate in the defense of any Tax Contest, and neither Parent nor the Company will settle a Tax Contest without the written consent of the Securityholders' Agent (such consent not to be unreasonably withheld, conditioned or delayed). To the extent that this Section 6.2(d) conflicts with any provision of Article 10, this Section 6.2(d) shall govern.

(e) Tax and Tariff Refunds. Tax and Tariff refunds that are received by the Company on or after the Closing Date attributable to a Pre-Closing Tax Period shall be for the account of the Effective Time Holders, and Parent shall cause the Company to pay to the Effective Time Holders their Pro Rata Portion of any such Tax and Tariff refunds, less any Taxes incurred as a result of such refunds and any reasonable out-of-pocket costs incurred solely for the purpose of obtaining such refunds, within fifteen (15) calendar days after receipt thereof; *provided*, that Parent shall not be obligated to pay over any such Tax or Tariff refund to the extent (i) such Tax or Tariff refund arises as a result of a Tax or Tariff paid by Parent or the Company after the Closing Date, (ii) such Tax or Tariff refund was previously included as an asset in the Merger Consideration, (iii) such Tax or Tariff refund is required to be paid to a third party pursuant to a Contract in place as of the Closing Date, or (iv) such Tax or Tariff refund results from the carryback of a post-Closing Tax loss, deduction, credit or other similar item. For avoidance of doubt, any tax savings from a loss, credit or attribute of the Company attributable to a Pre-Closing Tax Period that is carried forward to offset any income or gain in any taxable year (or portion of a Straddle Period) beginning after the Closing Date shall not be treated as a Tax or Tariff refund. Providedthat the Tax or Tariff refund is at least $25,000 and is supported in Parent's good faith judgement by at least a more likely than not position under applicable Law, to the extent that the assistance of Parent or any of its Affiliates is reasonably necessary to obtain any Tax or Tariff refund to which

the Effective Time Holders are entitled under this Section 6.2(e), at the Securityholders' Agent's written request (and at the sole expense of the Effective Time Holders), Parent shall, and shall cause its Affiliates to, use reasonable efforts to assist the Securityholders' Agent in obtaining any such Tax or Tariff refund. To the extent that any Tax or Tariff refund with respect to which payment was made to the Effective Time Holders pursuant to this Section 6.2(e) is subsequently disallowed or required to be returned (in whole or in part) to the applicable Governmental Body, the Effective Time Holders shall promptly repay the amount of such Tax or Tariff refund, together with any interest, penalties or other amounts imposed by such Governmental Body thereon, to Parent.

7. CONDITIONS PRECEDENT TO OBLIGATIONS OF PARENT AND MERGER SUB

The obligations of Parent and Merger Sub to cause the transactions contemplated by this Agreement to be consummated are subject to the satisfaction (or waiver by Parent), at or prior to the Closing, of each of the following conditions:

7.1 Accuracy of Representations. Each of: (a) the Company representations and warranties set forth in Section 2.1 (Due Organization; Organizational Documents) (solely as it relates to the Company and not the Subsidiaries), Section 2.20 (Authority; Binding Nature of Agreement), Section 2.21(a) (Non-Contravention; Consents) and Section 2.27 (Brokers) shall be true and correct in all respects (after giving effect to any materiality, Material Adverse Effect or similar qualification) as of the Closing as if made at and as of the Closing, other than any such Company representation set forth therein that by their terms are made as of a specific earlier date, which shall be true and correct in all respects as of such earlier date; (b) the Company representations set forth in Section 2.1 (Due Organization; Organizational Documents) (solely as it relates to the Company's Subsidiaries) and as set forth in Section 2.2 (Capital Structure) shall be true and correct other than with respect to de minimis inaccuracies (after giving effect to any materiality, Material Adverse Effect or similar qualification) as of the Closing as if made at and as of the Closing, other than any such Company representations set forth therein that by their terms are made as of a specific earlier date, which shall be true and correct in all respects other than de minimis inaccuracies as of such earlier date; and (c) the other representations and warranties made by the Company contained in this Agreement shall be true and correct in all material respects (without giving effect to any materiality, Material Adverse Effect or other similar qualifications therein) as of the Closing as if made at and as of the Closing, other than any such representations and warranties herein that by their terms are made as of a specific earlier date, which shall have been accurate in all material respects as of such earlier date.

7.2 Performance of Covenants. Each of the covenants and obligations that the Company is required to comply with or to perform at or prior to the Closing shall have been complied with and performed in all material respects.

7.3 No Material Adverse Effect. Since the date of this Agreement, there shall not have occurred any Material Adverse Effect.

7.4 Stockholder Approval. This Agreement shall have been duly adopted and approved by the Required Merger Stockholder Votes, and such adoption and approval shall not have been withdrawn, rescinded or otherwise revoked.

7.5 Dissenting Shares. No more than 5% of the Company Capital Stock shall constitute Dissenting Shares.

7.6 Officer's Certificate. Parent shall have received a certificate duly executed on behalf of the Company by the chief executive officer of the Company and dated as of the Closing Date, certifying that the conditions set forth in Sections 7.1, 7.2, 7.4 and 7.5 have been duly satisfied (the "Company Closing Certificate").

7.7 Closing Documents. Parent shall have received the deliverables contemplated by Section 1.3(d) to be delivered by the Company at the Closing.

7.8 No Restraints. No temporary restraining order, preliminary or permanent injunction or other Order preventing or otherwise impeding the consummation of the Merger shall have been issued by any court of competent jurisdiction or other Governmental Body and remain in effect.

7.9 Section 280G Stockholder Approval. With respect to all Disqualified Individuals who have received or could become entitled to receive Section 280G Payments, copies of duly executed Parachute Payment Waiver Agreements by and between the Company and the applicable Disqualified Individual, and evidence reasonably satisfactory to Parent that the shareholder vote described in Section 4.3(b) shall have occurred.

7.10 Termination of Employee Plans. The Company shall have provided Parent with evidence reasonably satisfactory to Parent as to the termination of the Company Employee Plans required to be terminated pursuant to Section 4.6.

7.11 Employment Matters. (a) Each of the Signing Date Employment Agreements, each of the Restrictive Covenants Agreements and, in the case of the CEO, the Revesting Agreement shall be in full force and effect and shall not have been revoked, rescinded or otherwise repudiated by the applicable Key Employee, and none of the Key Employees shall have terminated his or her employment with the Company or any of its Subsidiaries, or taken any action toward terminating his or her employment with the Company or any of its Subsidiaries at or prior to the Closing, or with the Surviving Corporation, Parent or any of their respect Subsidiaries following the Closing; and (b) no more than 15% of the employees of the Company as of date of this Agreement (excluding for purposes of both the numerator and denominator of such calculation any employee to whom Parent specifically declines to offer, or cause to be offered, continued employment, or for whom Parent causes a change in the terms of continued employment inconsistent with Section 5.4(a) of this Agreement) shall have terminated his or her employment with the Company, or delivered written notice to the Company of his or her intent to terminate his or her employment with the Company at or prior to the Closing, or with the Surviving Corporation, Parent or any of their respective Subsidiaries following the Closing.

8. CONDITIONS PRECEDENT TO OBLIGATIONS OF THE COMPANY

The obligations of the Company to consummate the transactions contemplated by this Agreement are subject to the satisfaction (or waiver), at or prior to the Closing, of the following conditions:

8.1 Accuracy of Representations Each of: (a) the Parent Specified Representations shall be true and correct in all respects (after giving effect to any materiality, material adverse effect or similar qualification) as of the Closing as if made at and as of the Closing, other than any such Parent Specified Representations that by their terms are made as of a specific earlier date, which shall be accurate in all respects as of such earlier date; and (b) the representations and warranties made by Parent and Merger Sub contained in this Agreement (other than the Parent Specified Representations) shall be true and correct (without giving effect to any materiality, material adverse effect or other similar qualifications therein) as of the Closing as if made at and as of the Closing, other than any such representations and warranties herein that by their terms are made as of a specific earlier date, which shall have been accurate in as of such earlier date, except, in the case of this clause (b), for inaccuracies and breaches of such representations and warranties that would not reasonably be expected to have a material adverse effect on the ability of Parent and Merger Sub, taken as a whole, to consummate the Merger.

8.2 Performance of Covenants. The covenants and obligations that Parent and Merger Sub are required to comply with or to perform at or prior to the Closing shall have been complied with and performed in all material respects.

8.3 Officer's Certificate. The Company shall have received a certificate duly executed by an authorized officer of Parent and dated as of the Closing Date, certifying that the conditions set forth in Sections 8.1 and 8.2 have been satisfied (the "Parent Closing Certificate").

8.4 Stockholder Approval. This Agreement shall have been duly adopted and approved by the Required Merger Stockholder Votes.

8.5 No Restraints. No temporary restraining order, preliminary or permanent injunction or other Order preventing or otherwise impeding the consummation of the Merger shall have been issued by any court of competent jurisdiction or other Governmental Body and remain in effect.

9. TERMINATION

9.1 Termination Events. This Agreement may be terminated prior to the Closing (whether before or after the adoption and approval of this Agreement by the Company's stockholders):

(a) by the mutual written consent of Parent and the Company;

(b) by either Parent or the Company, if the Closing has not taken place on or before 5:00 p.m. (Pacific time) on the date that is 90 days following the date of this Agreement (the "End Date"); *provided*, *however*, neither Parent nor the Company shall be permitted to terminate this Agreement pursuant to this Section 9.1(b) if (i) the failure to consummate the Merger by the End Date results from, or is caused by, a material breach by such party of any of its representations, warranties, covenants or agreements contained herein or (ii) the other party is seeking through a Legal Proceeding to specifically enforce this Agreement in accordance with Section 11.9 while any such Legal Proceeding is still pending;

(c) by Parent or the Company if a court of competent jurisdiction or other Governmental Body shall have issued a final and nonappealable Order, or shall have taken any other action, having the effect of permanently restraining, enjoining or otherwise prohibiting the Merger such that the conditions set forth in Section 7.8 and Section 8.6 would not be satisfied; *provided*, *however*, a party shall not be permitted to terminate this Agreement pursuant to this Section 9.1(c) if such party did not use reasonable best efforts to have such Order vacated prior to its becoming final and nonappealable;

(d) by Parent if: (i) any of the representations and warranties of the Company contained in this Agreement shall be inaccurate such that any condition set forth in Section 7.1 would not be satisfied; (ii) any of the covenants of the Company contained in this Agreement shall have been breached such that the condition set forth in Section 7.2 would not be satisfied; or (iii) any Material Adverse Effect shall have occurred; *provided*, *however*, in the case of clauses "(i)" and "(ii)" only, an inaccuracy in any of the representations and warranties of the Company as of a date subsequent to the date of this Agreement or a breach of a covenant by the Company is curable by the Company through the use of commercially reasonable efforts within fifteen Business Days after Parent notifies the Company in writing of the existence of such inaccuracy or breach (the "Company Cure Period"), then Parent may not terminate this Agreement under this Section 9.1(d) as a result of such inaccuracy or breach prior to the expiration of the applicable Company Cure Period, provided the Company, during the applicable Company Cure Period, continues to exercise commercially reasonable efforts to cure such inaccuracy or breach (it being understood that Parent may not terminate this Agreement pursuant to this Section 9.1(d) with respect to such inaccuracy or breach if such inaccuracy or breach is cured prior to the expiration of the applicable Company Cure Period);

(e) by the Company if: (i) any of Parent's representations and warranties contained in this Agreement shall be inaccurate such that the condition set forth in Section 8.1 would not be satisfied; or (ii) if any of Parent's covenants contained in this Agreement shall have been breached such that the condition set forth in Section 8.2 would not be satisfied; *provided*, *however*, if an inaccuracy in any of Parent's representations and warranties as of a date subsequent to the date of this Agreement or a breach of a covenant by Parent is curable by Parent through the use of commercially reasonable efforts within fifteen Business Days after the Company notifies Parent in writing of the existence of such inaccuracy or breach (the "Parent Cure Period"), then the Company may not terminate this Agreement under this Section 9.1(e) as a result of such inaccuracy or breach prior to the expiration of the Parent Cure Period, provided Parent, during the Parent Cure Period, continues to exercise commercially reasonable efforts to cure such inaccuracy or breach (it being understood that the Company may not terminate this Agreement pursuant to this Section 9.1(e) with respect to such inaccuracy or breach if such inaccuracy or breach is cured prior to the expiration of the Parent Cure Period); or

(f) by Parent if any of the Required Merger Stockholder Votes are not obtained and delivered to Parent within 24 hours after the execution of this Agreement; *provided*, *however*, the right of Parent to exercise the termination right set forth in this Section 9.1(f) shall expire and no longer be exercisable if not exercised prior to the time at which the Required Merger Stockholder Votes are obtained and delivered to Parent.

9.2 Termination Procedures. If Parent wishes to terminate this Agreement pursuant to Section 9.1, Parent shall deliver to the Company a written notice stating that Parent is terminating this Agreement and setting forth a brief description of the basis on which Parent is terminating this Agreement. If the Company wishes to terminate this Agreement pursuant to Section 9.1, the Company shall deliver to Parent a written notice stating that the Company is terminating this Agreement and setting forth a brief description of the basis on which the Company is terminating this Agreement.

9.3 Effect of Termination. If this Agreement is terminated pursuant to Section 9.1, all further obligations of the parties under this Agreement shall terminate; *provided*, *however*, that: (a) neither the Company nor Parent shall be relieved of any obligation or other Liability arising from any fraud, willful breach or intentional misrepresentation by such party of any provision contained in this Agreement occurring prior to the termination of this Agreement; and (b) the parties shall, in all events, remain bound by and continue to be subject to the provisions set forth in Section 10.

10. INDEMNIFICATION, ETC.

10.1 Survival of Representations, Etc.

(a) General Survival. Subject to Sections 10.1(b), 10.1(c) and 10.1(e), the representations and warranties made by the Company, Parent and Merger Sub in this Agreement and the representations and warranties set forth in the Company Closing Certificate (in each case other than the Company Specified Representations) shall survive the Effective Time until 11:59 pm (Pacific time) on the date that is 15 months following the Closing Date (the "Expiration Date"); *provided*, *however*, if, at any time on or prior to the Expiration Date, any Parent Indemnitee delivers to the Securityholders' Agent a Claim Notice asserting a right to indemnification under Section 10.2 based on an alleged inaccuracy or breach, then the corresponding representations or warranties described in such Claim Notice shall survive the Expiration Date, only for purposes of such claim, until such time as such claim is fully and finally resolved. The period during which a Parent Indemnitee may bring claims for indemnification under Sections 10.2(a)(ii), (iii), (v), (vi) and (vii) shall terminate on the third anniversary of the Closing Date. The period during which a Parent Indemnitee may bring claims for indemnification under Section 10.2(a)(iv) shall be co-terminus with the survival period for the Company representations and warranties set forth in Section 2.14.

(b) Company Specified Representations. Notwithstanding anything to the contrary contained in Section 10.1(a), but subject to Section 10.1(e), the Company Specified Representations shall survive the Effective Time until 11:59 p.m. (Pacific time) on the date that is sixty (60) days after expiration of the applicable statute of limitations (including any applicable extensions thereof); *provided*, *however*, if, at any time on or prior to the expiration of the applicable period referred to in this sentence, any Parent Indemnitee delivers to the Securityholders' Agent a Claim Notice asserting a right to indemnification under Section 10.2 based on an alleged inaccuracy or breach of any Specified Representations, then the corresponding Company Specified Representation described in such Claim Notice shall survive the applicable expiration date, only for purposes of such claim, until such time as such claim is fully and finally resolved.

(c) Covenants. Subject to Section 10.1(e), the covenants, agreements and obligations of the parties hereto contained in this Agreement (i) for which a time period is specified shall survive the Closing for such specified time period or until such covenant, agreement or obligation is waived and (ii) for which a time period is not specified shall survive the Closing until fully performed or waived; *provided*, *however*, in the case of each of clauses (i) and (ii), claims related to breaches of any such covenant, agreement or obligation shall survive the Closing until expiration of the applicable statute of limitations; *provided*, *further*, if, at any time on or prior to the Expiration Date, any Parent Indemnitee delivers to the Securityholders' Agent a Claim Notice asserting a right to indemnification under Section 10.2 based on any of the matters referred to in Section 10.2(a)(ii), then the corresponding covenants, agreements and obligations described in such Claim Notice shall survive the Expiration Date, only for purposes of such claim, until such time as such claim is fully and finally resolved.

(d) Other Indemnifiable Matters. If, at any time on or prior to the expiration of the applicable survival period specified in Section 10.1(a), any Parent Indemnitee delivers to the Securityholders' Agent a Claim Notice asserting a right to indemnification under Section 10.2 based on any of the matters referred to in Sections 10.2(a)(ii), (iii), (v), (vi) and (vii), inclusive, then the corresponding representations, warranties, covenants, agreements and obligations or other indemnifiable matter described in such Claim Notice shall survive the applicable expiration date, only for purposes of such claim, until such time as such claim is fully and finally resolved.

(e) Fraud. Notwithstanding anything to the contrary contained in this Agreement, any claim of Fraud against the party committing such Fraud shall survive the Effective Time until 11:59 p.m. (Pacific time) on the date of expiration of the statute of limitations (including any applicable extensions thereof) applicable to such matters.

10.2 Indemnification.

(a) Indemnification. From and after the Effective Time (but subject to Section 10.1 and the limitations set forth in this Section 10), each Effective Time Holder shall, severally and not jointly, hold harmless and indemnify each of the Parent Indemnitees from and against, and shall compensate and reimburse each of the Parent Indemnitees for, such Effective Time Holder's Pro Rata Share of any Damages paid or incurred at any time by any of the Parent Indemnitees (regardless of whether or not such Damages relate to any third party claim) to the extent resulting from:

(i) any inaccuracy in or breach of any representation or warranty made by the Company: (A) in this Agreement or (B) in the Company Closing Certificate;

(ii) any breach of any covenant or obligation of the Company in this Agreement required to be performed prior to the Effective Time;

(iii) the exercise by any stockholder of the Company of such stockholder's appraisal rights under the DGCL, if applicable, including all costs and expenses incurred by the Company or Parent in connection with any Legal Proceeding or settlement in connection therewith (it being understood that if such claim is settled or a final determination of the fair value of any Dissenting Shares is made by a court of

competent jurisdiction in connection with any such exercise of appraisal rights, then the only portion of such costs and expenses and such settlement or fair value to be included in calculation of the Damages incurred as a result of such exercise is the amount, if any, by which such costs and expenses and such settlement or fair value exceeds what otherwise would have been payable by Parent with respect to such Dissenting Shares in accordance with Section 1.5 hereof had they not been Dissenting Shares);

(iv) any Pre-Closing Taxes to the extent not taken into account in calculating Indebtedness;

(v) any inaccuracy in the Merger Consideration Certificate;

(vi) any Company Transaction Expenses or any Indebtedness remaining unpaid at the Closing and not accounted for in the calculation of the Final Adjusted Closing Cash Consideration;

(vii) any claim of an Effective Time Holder or former or alleged or purported holder of any Equity Interests in the Company, in his, her or its capacity as such, based upon a claim of ownership or rights to ownership of any Equity Interests in the Company (other than the right of Effective Time Holders to receive their respective Merger Consideration in accordance with the terms of this Agreement); and

(viii) any Fraud committed by or on behalf of the Company under this Agreement ("Company Fraud").

10.3 Limitations.

(a) Basket. Subject to Sections 10.3(b) and 10.3(d), the Parent Indemnitees shall not be entitled to make claims for indemnification pursuant to Section 10.2(a)(i) for any inaccuracy in or breach of any representation or warranty in this Agreement unless and until such time as the total amount of all Damages (including the Damages arising from such inaccuracy or breach and all other Damages arising from any other inaccuracies or breaches of any representations or warranties) that have been paid or incurred by any one or more of the Parent Indemnitees exceeds $500,000 in the aggregate (the "Basket Amount"); *provided*, *however*, Damages related to the Individual Litigation Matter, if any, shall not be included in the calculation of the Basket Amount. If the total amount of such Damages exceeds the Basket Amount, then, subject to the limitations set forth in this Section 10.3, the Parent Indemnitees shall be entitled to be indemnified against and compensated and reimbursed for all such Losses, including the Basket Amount.

(b) Applicability of Basket. The limitations set forth in Section 10.3(a) shall not apply (and shall not limit the indemnification or other obligations of any Effective Time Holder): (i) to inaccuracies in or breaches of any of the Company Specified Representations; or (ii) to any of the matters referred to in Sections 10.2(a)(ii) through Section 10.2(a)(viii), inclusive.

(c) Deductible for Individual Litigation Matter. Parent Indemnitees shall not be entitled to make claims for indemnification pursuant to Section 10.2(a)(i) for any inaccuracies or breaches of the representations or warranties related to the Individual Litigation Matter, unless and until such time as the total amount of all Damages that have been paid or incurred by one or more of the Parent Indemnitees related to such Individual Litigation Matter exceeds $500,000 in the aggregate (the "Individual Litigation Matter Deductible"). If the total amount of such Damages exceeds the Individual Litigation Matter Deductible, then subject to the General Cap limitation set forth in Section 10.3(d), Parent Indemnitees shall be entitled to be indemnified against and compensated and reimbursed for all such Losses that exceed the Individual Litigation Matter Deductible.

(d) General Cap and Maximum Cap. Claims against the Indemnity Escrow Fund plus the Parent Set-Off Rights against of up to 10% of a given Effective Time Holder's Contingent Stock Consideration if and to the extent otherwise earned (for each Effective Time Holder, his, her or its "General Cap") shall be the Parent Indemnitees' sole and exclusive remedy under this Agreement for monetary Damages resulting from the matters referred to in Section 10.2(a)(i) (except in the case of indemnification claims related to any breach of or inaccuracy in the Company Specified Representations). Notwithstanding anything herein to the contrary, each Effective Time Holder's aggregate indemnification liability for Damages pursuant to Section 10.2(a)(i) with respect to Company Specified Representations and Sections 10.2(a)(ii) through Section 10.2(a)(viii), inclusive of any and all other claims for indemnification relating to this Agreement and the Transaction (including with respect to any claims against such Effective Time Holder under his, her or its Joinder Agreement, Letter of Transmittal(s) and the Written Consent), shall not exceed 100% of the aggregate Merger Consideration actually received by such Effective Time Holder (pre-taxes) (for each Effective Time Holder, his, her or its "Maximum Cap"); *provided*, *however*, as to any of the above items for which the Maximum Cap applies, the Parent Indemnitees shall first seek payment from the Indemnity Escrow Fund plus the Parent Set-Off Rights against up to 10% of a given Effective Time Holder's Contingent Stock Consideration for such Damages to the extent then available before seeking payment from the Effective Time Holders directly; *provided*, *further*, each Effective Time Holder's liability for Fraud committed by such individual Effective Time Holder (including if committed by such Effective Time Holder on behalf of the Company) ("Individual Fraud"), shall not be subject to the Maximum Cap; *provided*, *further*, no Effective Time Holder shall be directly liable for the Individual Fraud of any other Effective Time Holder. The satisfaction of claims against the Indemnity Escrow Fund shall be made proportionally between the Cash Consideration and Stock Consideration (inclusive of New Parent Options contributed to the Indemnity Escrow Fund). Claims directly against an Effective Time Holder shall be made proportionally between the Cash Consideration and Stock Consideration (inclusive of New Parent Options) received by such Effective Time Holder, pursuant to Sections 1.5, 1.8 and 1.9 hereof, if and to the extent that such Effective Time Holder still retains Parent Common Stock. The deemed value of Parent Common Stock, including Parent Common Stock underlying New Parent Options, for all purposes of fulfilling indemnification obligations shall be the Parent Per CDI Signing Price.

(e) For the avoidance of doubt, the amount of Damages for any indemnification claim pursuant to this Agreement shall be net of (i) any third-party insurance proceeds that have actually been received by any of the Purchaser Indemnitees (net of any costs of collection, deductible, retroactive or prospective premium adjustment, reimbursement obligation or other cost related to the insurance claim in respect of Damages) as a direct result of such Damages, and (ii) the amount of any indemnification, contribution and other payment proceeds that have actually been recovered by any of the Purchaser Indemnitees from a third party directly related to such

Damages, net of any reasonable costs associated with obtaining such proceeds, in each case as of the time the indemnification claim is first made pursuant to Section 10.5(a); *provided*, *however*, the Purchaser Indemnitees shall not be required to seek any third-party insurance proceeds as a condition to pursuing its indemnification rights pursuant to this Agreement. The parties hereto agree that if a claim for indemnification may be made under more than on provision of this Agreement, there shall be no double recovery.

(f) Notwithstanding anything to the contrary contained in this Agreement, no Parent Indemnitee shall have any right to seek or obtain indemnification under this Agreement for any Damages, and such Damages shall not be included in meeting the Basket Amount in Section 10.3(a), if and to the extent the liability related to such Damages has been included in the calculation of the Company Transaction Expenses, Indebtedness or Net Working Capital.

(g) Notwithstanding anything to the contrary contained in this Agreement, any qualifications in the representations, warranties and covenants of the Company in this Agreement with respect to a Material Adverse Effect, materiality, material or similar terms will not have any effect with respect to the calculation of the amount of any Damages pursuant to this Agreement, though shall be taken into account in determining whether a breach has occurred.

(h) Notwithstanding anything to the contrary contained in this Agreement, no Parent Indemnitee shall have any right to seek or obtain indemnification under this Agreement for any Taxes arising from (i) an election made under Section 338 of the Code (or under any comparable provision) with respect to the Merger, or (ii) any action taken by Parent or the Company on the Closing Date after the Closing outside the ordinary course of business and not contemplated by this Agreement or required by applicable Legal Requirements.

10.4 No Contribution. No Effective Time Holder shall have any right of contribution, right of indemnity, advancement of expenses, right of subrogation or other right or remedy against the Surviving Corporation, the Company or Parent in connection with any indemnification obligation to which such Effective Time Holder may become subject under or in connection with this Agreement or any other agreement, document or instrument delivered to Parent in connection with this Agreement.

10.5 Claim Procedures. Any claim for indemnification, compensation or reimbursement pursuant to Section 10 shall be brought and resolved exclusively as follows:

(a) If any Parent Indemnitee has or claims in good faith to have paid or incurred, or believes in good faith that it may be required to pay or incur, Damages for which it is or may be entitled to indemnification, compensation or reimbursement under this Section 10 or for which it is or may otherwise be entitled to a monetary remedy relating to this Agreement, the Merger or any of the transactions contemplated hereby, such Parent Indemnitee may deliver a claim notice (a "Claim Notice") to the Securityholders' Agent. Each Claim Notice shall: (i) contain a brief description of the facts and circumstances supporting the Parent Indemnitee's claim and (ii) if practicable, contain a non-binding, preliminary, good faith estimate of the amount to which the Parent Indemnitee might be entitled (the aggregate amount of such estimate, as it may be modified by the Indemnitee in good faith from time to time, being referred to as the "Claimed Amount"). A Claim Notice may be updated and amended from time to time by the Parent Indemnitee by

delivering an updated or amended Claim Notice to the Securityholders' Agent, so long as such update or amendment asserts a basis for liability or Damages related to the underlying facts and circumstances set forth in such original Claim Notice. All claims for Damages properly set forth in the original Claim Notice or any update or amendment thereto shall remain outstanding until such claims have been finally resolved or satisfied, notwithstanding the expiration of the applicable claims period.

(b) During the 30-day period commencing upon receipt by the Securityholders' Agent of a Claim Notice from a Parent Indemnitee (the "Dispute Period"), the Securityholders' Agent may deliver to the Parent Indemnitee a written response (the "Response Notice") in which the Securityholders' Agent: (i) agrees that the full Claimed Amount is owed to the Parent Indemnitee; (ii) agrees that part, but not all, of the Claimed Amount is owed to the Parent Indemnitee; or (iii) indicates that no part of the Claimed Amount is owed to the Parent Indemnitee. If the Response Notice is delivered in accordance with clause "(ii)" or clause "(iii)" of the preceding sentence, the Response Notice shall also contain a brief description of the facts and circumstances supporting the Securityholders' Agent's claim that only a portion or no part of the Claimed Amount is owed to the Parent Indemnitee, as the case may be. Any part of the Claimed Amount that is not agreed to be owed to the Parent Indemnitee pursuant to the Response Notice (or the entire Claimed Amount, if the Securityholders' Agent asserts in the Response Notice that no part of the Claimed Amount is owed to the Parent Indemnitee) is referred to herein as the "Contested Amount" (it being understood that the Contested Amount shall be modified from time to time to reflect any good faith modifications by the Parent Indemnitee to the Claimed Amount). If a Response Notice is not received by the Parent Indemnitee from the Securityholders' Agent prior to the expiration of the Dispute Period, then the Securityholders' Agent shall be conclusively deemed to have agreed that an amount equal to the full Claimed Amount is owed to the Parent Indemnitee.

(c) If the Securityholders' Agent delivers a Response Notice to the Parent Indemnitee during the Dispute Period expressly stating that there is a Contested Amount, the Securityholders' Agent and the Parent Indemnitee shall attempt in good faith to resolve the dispute related to the Contested Amount. If the Securityholders' Agent and the Parent Indemnitee resolve such dispute, such resolution shall be binding on the Securityholders' Agent, the Effective Time Holders and such Parent Indemnitee, and a settlement agreement stipulating the amount owed to such Parent Indemnitee (the "Stipulated Amount") shall be signed by such Parent Indemnitee and the Securityholders' Agent. In the event the controversy is not resolved within 30 days after the date the Response Notice is given, the parties hereto may thereupon proceed to pursue any and all available remedies but subject to the limitations set forth in this Article 10.

(d) The provisions of this Section 10.5 shall not apply in the case of a Claim Notice provided in connection with a claim by a third Person made against Parent Indemnitee, which claims shall be governed by Section 10.6.

10.6 Defense of Third Party Claims. In the event of the assertion or commencement by any Person (other than Parent or any of its Affiliates) of any claim or Legal Proceeding (whether against the Surviving Corporation, the Company, Parent or any other Person) with respect to which any Effective Time Holder may become obligated to hold harmless, indemnify, compensate or reimburse any Parent Indemnitee pursuant to Section 10 (a "Third Party Claim") Parent shall have the right, in its sole discretion and at its election, to proceed with and control the defense of such Third Party Claim on its own with counsel. If Parent so proceeds with the defense of any such Third Party Claim:

(a) The Securityholders' Agent and each Effective Time Holder shall make available to Parent any documents and materials in its possession or control that may be necessary to the defense of such Third Party Claim.

(b) Parent shall have the right in its sole discretion to settle, adjust, resolve or compromise such Third Party Claim without the consent of the Securityholders' Agent; *provided*, *however*, no settlement, adjustment, resolution or compromise of a Third Party Claim shall be determinative of the existence or amount of any Damages incurred by the Parent Indemnitee in connection with such Third Party Claim or whether the Parent Indemnitee is entitled to indemnification pursuant to this Agreement in connection with such Third Party Claim unless the Securityholders' Agent has consented in writing to such settlement or resolution (it being understood that if Parent requests that the Securityholders' Agent consent to a settlement, adjustment or compromise, the Securityholders' Agent shall not unreasonably withhold, condition or delay such consent). With respect to each such Third Party Claim that Parent is defending, Parent shall make available to the Securityholders' Agent copies of complaints, pleadings, material notices and material third party communications, subject to execution by the Securityholders' Agent of Parent's standard form of nondisclosure agreement, and Parent shall keep the Securityholders' Agent reasonably informed with respect to all material developments related to such Third Party Claim; *provided*, *however*, Parent shall have no obligation to provide any of the foregoing if: (1) providing any of such information would cause any loss of any attorney-client privilege, attorney work product privilege or any other legal privilege; (2) any of such information is subject to any confidentiality obligation that prohibits Parent from sharing such information with the Securityholders' Agent; or (3) with respect to any claim or Legal Proceeding with a Governmental Body only, Parent reasonably determines that any of such information should remain confidential and should not be provided to the Securityholders' Agent.

(c) If Parent does not elect to proceed with the defense of any such Third Party Claim, the Securityholders' Agent may proceed with and control the defense of such Third Party Claim with counsel reasonably satisfactory to Parent; *provided*, *however*, the Securityholders' Agent may not settle, adjust or compromise any such Third Party Claim without the prior written consent of Parent (which consent may not be unreasonably withheld or delayed).

(d) Parent shall give the Securityholders' Agent prompt notice after discovery thereof of the commencement of any such Third Party Claim against Parent, Merger Sub, the Company or any other Parent Indemnitee; *provided*, *however*, that any failure on the part of Parent to so notify the Securityholders' Agent shall not limit any of the obligations of the Effective Time Holders under this Section 10 (except to the extent such failure materially prejudices the defense of such Third Party Claim).

10.7 Exclusive Remedy. Except for (a) claims against a given Effective Time Holder for his, her or its Individual Fraud, (b) non-monetary equitable remedies, and (c) claims arising under the Signing Date Employment Agreements, the Restrictive Covenant Agreements or the Revesting Agreement against the parties thereto, from and after the Effective Time the rights to

indemnification, compensation and reimbursement set forth in Section 1.12 and this Section 10 (and claims to enforce the foregoing) shall be the sole and exclusive remedy of the Parent Indemnitees with respect to any claims arising under this Agreement or the transactions contemplated hereby, including any breach of this Agreement or any certificate required to be delivered by the Company hereunder.

10.8 Parent's Right of Set-Off. Notwithstanding anything to the contrary in this Agreement, to the extent that the Indemnity Escrow Fund has been exhausted, and any Effective Time Holder has failed to timely pay any undisputed amounts required to be paid to Parent (or any other applicable Parent Indemnitee) by such Effective Time Holder under the terms of Section 1.12, this Section 10 or any other provision of this Agreement, Parent shall have the right to set-off such unpaid amounts against, and cause such amounts to be withheld and deducted from, any amounts otherwise payable to such Effective Time Holder under this Agreement (and Securityholders' Agent shall cooperate with Parent to effect the foregoing (collectively, the "Parent Set-Off Rights").

10.9 Exercise of Remedies Other Than by Parent. No Parent Indemnitee (other than Parent or any successor thereto or assign thereof) shall be permitted to assert any indemnification claim or exercise any other remedy under this Agreement unless Parent (or any successor thereto or assign thereof) shall have consented to the assertion of such indemnification claim or the exercise of such other remedy.

10.10 Tax Treatment of Indemnity Payments. The parties agree to report each indemnification payment made in respect of any Damages as an adjustment to the Merger Consideration for federal income Tax purposes to the maximum extent permitted by any applicable Legal Requirement.

11. MISCELLANEOUS PROVISIONS

11.1 Securityholders' Agent.

(a) Appointment. By virtue of the adoption and approval of this Agreement and the Joinder Agreements, and without further action of any of the Effective Time Holders or te Company, the Effective Time Holders hereby irrevocably nominate, constitute and appoint Fortis Advisors LLC, a Delaware limited liability company, as the exclusive agent and true and lawful attorney in fact of the Effective Time Holders (the "Securityholders' Agent"), with full power of substitution, to act in the name, place and stead of such Persons for purposes of executing any documents and taking or refrain from taking any actions or deeds that the Securityholders' Agent may, in the Securityholders' Agent's sole discretion, determine to be necessary, desirable or appropriate in connection with this Agreement, the Escrow Agreement, the Securityholders' Agent Engagement Agreement and any other agreement, document or instrument referred to in or contemplated by this Agreement, the Escrow Agreement, the Securityholders' Agent Engagement Agreement or any transaction contemplated hereunder or thereunder. The Securityholders' Agent hereby accepts its appointment as the Securityholders' Agent.

(b) Authority. The Effective Time Holders grant to the Securityholders' Agent full authority to execute, deliver, acknowledge, certify and file on behalf of such Persons (in the name of any or all of such Persons or otherwise) any and all documents that the Securityholders' Agent may, in its sole discretion, determine to be necessary, desirable or appropriate, in such forms and containing such provisions as the Securityholders' Agent may, in its sole discretion, determine to be appropriate, in performing its duties as contemplated by Section 11.1(a), the Escrow Agreement and the Securityholders' Agent Engagement Agreement. Notwithstanding the foregoing, the Securityholders' Agent shall have no obligation to act on behalf of the Effective Time Holders, except as expressly provided herein, in the Escrow Agreement and in the Securityholders' Agent Engagement Agreement, and for purposes of clarity, there are no obligations of the Securityholders' Agent in any ancillary agreement, schedule, exhibit or the Disclosure Schedule.

(c) Power of Attorney. The Effective Time Holders recognize and intend that the power of attorney granted in Section 11.1(a) and the immunities and rights to indemnification granted to the Securityholders' Agent Group hereunder: (i) are coupled with an interest and are irrevocable; (ii) may be delegated by the Securityholders' Agent; (iii) shall survive the death, incapacity, incompetence, dissolution, bankruptcy, liquidation or winding up of each of the Effective Time Holders; and (iv) shall survive the delivery of an assignment by any Effective Time Holder of all or any fraction of his, her or its interest in the Indemnity Escrow Fund and/or the Adjustment Escrow Fund.

(d) Replacement. If the Securityholders' Agent shall resign or otherwise be unable to fulfill its responsibilities hereunder, the Effective Time Holders shall (by consent of those Persons holding a majority of the Pro Rata Shares), within ten (10) days after such inability, appoint a successor to the Securityholders' Agent and immediately thereafter notify Parent of the identity of such successor. Any such successor shall succeed the Securityholders' Agent as Securityholders' Agent hereunder. If for any reason there is no Securityholders' Agent at any time, all references herein to the Securityholders' Agent shall be deemed to refer to the Effective Time Holders. The immunities and rights to indemnification shall survive the resignation or removal of the Securityholders' Agent or any member of the Advisory Group and the Closing and/or any termination of this Agreement, the Securityholders' Agent Engagement Agreement, and the Escrow Agreement.

(e) Advisory Group; Indemnification of the Securityholders' Agent. Certain Effective Time Holders have entered into an engagement agreement with the Securityholders' Agent (the "Securityholders' Agent Engagement Agreement") to provide direction to the Securityholders' Agent in connection with its services under this Agreement and the Escrow Agreement (such Effective Time Holders, including their individual representatives, collectively hereinafter referred to as the "Advisory Group"). The Effective Time Holders shall severally (based on their Pro Rata Shares), but not jointly, indemnify the Securityholders' Agent Group against any reasonable, documented, and out-of-pocket losses, claims, damages, fees, costs, liabilities and expenses (including fees, disbursements and costs of counsel and other skilled professionals and in connection with seeking recovery from insurers), judgments, fines or amounts paid in settlement (collectively "Representative Losses") arising out of or in connection with this Agreement, the Escrow Agreement or the Securityholders' Agent Engagement Agreement, in each case as such Representative Loss is suffered or incurred; *provided*, that in the event that any such Representative Loss is finally adjudicated to have been caused by the gross negligence or willful misconduct of the Securityholders' Agent, the Securityholders' Agent will reimburse the Effective

Time Holders the amount of such indemnified Representative Loss to the extent attributable to such gross negligence or willful misconduct. Representative Losses may be recovered by the Securityholders' Agent from: (i) the funds in the Expense Fund; (ii) any other funds that become payable to the Effective Time Holders under this Agreement, the Escrow Agreement, or the Securityholders' Agent Engagement Agreement at such time as such amounts would otherwise be distributable to the Effective Time Holders; and (iii) directly from the Effective Time Holders; *provided*, that while the Securityholders' Agent may be paid from the aforementioned sources of funds, this does not relieve the Effective Time Holders from their obligation to promptly pay such Representative Losses as they are suffered or incurred. Notwithstanding anything in this Agreement to the contrary, any restrictions or limitations on liability or indemnification obligations of, or provisions limiting the recourse against non-parties otherwise applicable to, the Effective Time Holders set forth elsewhere in this Agreement are not intended to be applicable to the indemnities provided to the Securityholders' Agent hereunder. The foregoing indemnities will survive the Closing, the resignation or removal of the Securityholders' Agent or any member of the Advisory Group or the termination of this Agreement. The Effective Time Holders acknowledge that the Securityholders' Agent shall not be required to expend or risk its own funds or otherwise incur any financial liability in the exercise or performance of any of its powers, rights, duties or privileges or pursuant to this Agreement, the Escrow Agreement, the Securityholders' Agent Engagement Agreement or the transactions contemplated hereby or thereby. Furthermore, the Securityholders' Agent shall not be required to take any action unless the Securityholders' Agent has been provided with funds, security or indemnities which, in its determination, are sufficient to protect the Securityholders' Agent against the costs, expenses and liabilities which may be incurred by the Securityholders' Agent in performing such actions. Neither the Securityholders' Agent nor its members, managers, directors, officers, contractors, agents and employees nor any member of the Advisory Group (collectively, the "Securityholders' Agent Group"), shall be liable to any Effective Time Holder with respect to any action or omission taken or omitted to be taken by the Securityholders' Agent in connection with the acceptance or administration of its responsibilities in connection with this Agreement and any agreements ancillary hereto, or the Securityholders' Agent Engagement Agreement, the Escrow Agreement, or the Securityholders' Agent's gross negligence or willful misconduct. The Securityholders' Agent shall not be liable for any action or omission pursuant to the advice of counsel.

(f) Expense Fund. The Expense Fund Amount shall be held by the Securityholders' Agent as agent and for the benefit of the Effective Time Holders in a client account and shall be used (i) for the purposes of paying directly or reimbursing the Securityholders' Agent for any Representative Losses incurred pursuant to this Agreement, the Escrow Agreement, or the Securityholders' Agent Engagement Agreement, or (ii) as otherwise determined by the Advisory Group (the "Expense Fund"). The Securityholders' Agent is not providing any investment supervision, recommendations or advice and shall have no responsibility or liability for any loss of principal of the Expense Fund other than as a result of its gross negligence or willful misconduct. The Securityholders' Agent is not acting as a withholding agent or in any similar capacity in connection with the Expense Fund and has no tax reporting or income distribution obligations. The Effective Time Holders will not receive any interest or earnings on the Expense Fund and irrevocably transfer and assign to the Securityholders' Agent any ownership right they may otherwise have had in any such interest or earnings. The Securityholders' Agent will hold these funds separate from its corporate funds and will not voluntarily make these funds available to its creditors in the event of a bankruptcy. As soon as reasonably determined by the

Securityholders' Agent that the Expense Fund is no longer required to be withheld, and in any event not later than the date on which all funds are released from the Indemnification Escrow Fund, the Securityholders' Agent shall distribute the then remaining amount of the Expense Fund, if any, to the Payment Agent for further distribution to the Effective Time Holders and shall include instructions to the Payment Agent indicating the specific amounts to be distributed to each Effective Time Holder based on their respective Pro Rata Shares.

(g) Reliance by the Securityholders' Agent. The Securityholders' Agent shall be entitled to: (i) rely upon any signature of an Effective Time Holder believed by it to be genuine; (ii) reasonably assume that a signatory has proper authorization to sign on behalf of the applicable Effective Time Holder; and (iii) rely upon the Merger Consideration Certificate. The powers, immunities and rights to indemnification granted to the Securityholders' Agent Group hereunder are coupled with an interest and shall be irrevocable and survive the death, incompetence, bankruptcy or liquidation of any Effective Time Holder and shall be binding on any successor thereto. All actions taken by the Securityholders' Agent under this Agreement shall be binding upon each Effective Time Holder and such Effective Time Holder's successors as if expressly confirmed and ratified in writing by such Effective Time Holder, and all defenses which may be available to any Effective Time Holder to contest, negate or disaffirm the action of the Securityholders' Agent taken in good faith under this Agreement, the Escrow Agreement or the Securityholders' Agent Engagement Agreement are waived.

11.2 Further Assurances. Each party hereto shall execute and cause to be delivered to each other party hereto such instruments and other documents, and shall take such other actions, as such other party may reasonably request (prior to, at or after the Closing) for the purpose of carrying out or evidencing any of the transactions contemplated by this Agreement.

11.3 Fees and Expenses. Except as otherwise set forth in this Agreement, each party to this Agreement shall bear and pay all fees, costs and expenses that have been incurred or that are incurred in the future by such party in connection with the transactions contemplated by this Agreement, including all fees, costs and expenses incurred by such party in connection with or by virtue of: (a) the negotiation, preparation and review of this Agreement (including the Disclosure Schedule) and all agreements, certificates, opinions and other instruments and documents delivered or to be delivered in connection with the transactions contemplated by this Agreement; (b) the preparation and submission of any filing or notice required to be made or given in connection with any of the transactions contemplated by this Agreement, and the obtaining of any Consent required to be obtained in connection with any of such transactions; and (c) the consummation of the Merger.

11.4 Notices. Any notice or other communication required or permitted to be delivered to any party under this Agreement shall be in writing and shall be deemed properly delivered, given and received: (a) if delivered by hand, when delivered; (b) if sent by email transmission before 11:59 p.m. (recipient's time) on the day sent by email; (c) if sent by registered, certified or first class mail, the third (3rd) Business Day after being sent; and (d) if sent by overnight delivery via a national courier service, one (1) Business Day after being sent, in each case to the address set forth beneath the name of such party below (or to such other address as such party shall have specified in a written notice given to the other parties hereto); *provided*, *however*, in the case of each of the foregoing clauses "(b)" and "(c)", any notice or other required or permitted

communication provided via email shall be deemed properly delivered, given and received as of the date set forth in such clause only if such notice or other communication is also sent by one of the methods set forth in clauses "(a)", "(d)" or "(e)" on the same date such notice is sent pursuant to clause "(b)" or "(c)"; *provided*, *further*, that with respect to any notice deliverable to the Securityholders' Agent, such notice shall be delivered solely via email in accordance with this Section 11.4 (or with respect to Securityholders' Agent, via email or facsimile transmission, with confirmed receipt in accordance with this Section 11.4):

If to Parent or Merger Sub (or the Surviving Corporation following the Effective Time):

Life360, Inc.
539 Bryant Street, Suite 402
San Francisco, CA 94107
Attention: Chris Hulls
Email: chris@life360.com

and with a copy (which shall not constitute notice) to:

Orrick, Herrington & Sutcliffe LLP
1000 Marsh Road
Menlo Park, CA 94025
Attention: Mark W. Seneca; Gregory Heibel
Email: mseneca@orrick.com; gheibel@orrick.com

If to the Company:

Tile, Inc.
1900 S. Norfolk Street, Suite 310
San Mateo, CA 94403

Attention: Charles ("CJ") Prober
Email: cj@tile.com

with a copy (which shall not constitute notice) to:

Fenwick & West LLP
801 California Street
Mountain View, CA 94041
Attention: Kris Withrow
Email: kwithrow@fenwick.com

If to the Securityholders' Agent:

Fortis Advisors LLC
Attention: Notices Department (Triumph)
Facsimile No: (858) 408-1843
Email: notices@fortisrep.com

11.5 Headings. The bold-faced headings and the underlined headings contained in this Agreement are for convenience of reference only, shall not be deemed to be a part of this Agreement and shall not be referred to in connection with the construction or interpretation of this Agreement.

11.6 Counterparts and Exchanges by Electronic Transmission . This Agreement may be executed in several counterparts, each of which shall constitute an original and all of which, when taken together, shall constitute one agreement. The exchange of a fully executed Agreement (in counterparts or otherwise) by electronic transmission in .pdf format shall be sufficient to bind the parties to the terms and conditions of this Agreement.

11.7 Governing Law; Dispute Resolution.

(a) Governing Law. This Agreement shall be construed in accordance with, and governed in all respects by, the internal laws of the State of Delaware (without giving effect to principles of conflicts of laws).

(b) Venue. Except as otherwise provided in Section 11.7(b), any action, suit or other Legal Proceeding relating to this Agreement or the enforcement of any provision of this Agreement shall be brought or otherwise commenced exclusively in any state or federal court located in the County of New Castle, State of Delaware. Each party to this Agreement: (i) expressly and irrevocably consents and submits to the exclusive jurisdiction of each state and federal court located in the County of New Castle, State of Delaware (and each appellate court located in the County of New Castle, State of Delaware) in connection with any such action, suit or Legal Proceeding; (ii) agrees that each state and federal court located in the County of New Castle, State of Delaware shall be deemed to be a convenient forum; and (iii) agrees not to assert (by way of motion, as a defense or otherwise), in any such action, suit or Legal Proceeding commenced in any state or federal court located in the County of New Castle, State of Delaware, any claim that such party is not subject personally to the jurisdiction of such court, that such action, suit or Legal Proceeding has been brought in an inconvenient forum, that the venue of such action, suit or other Legal Proceeding is improper or that this Agreement or the subject matter of this Agreement may not be enforced in or by such court.

11.8 Successors and Assigns. This Agreement shall be binding upon: (a) the Company and its successors and assigns (if any); (b) Parent and its successors and assigns (if any); (c) Merger Sub and its successors and assigns (if any); and (d) the Securityholders' Agent and its successors and assigns (if any). This Agreement shall inure to the benefit of: (i) the Company; (ii) Parent; (iii) Merger Sub; and (iv) the respective successors and assigns (if any) of the foregoing. Parent and Merger Sub may each freely assign any or all of their respective rights or obligations under this Agreement, in whole or in part, to any Affiliate of Parent without obtaining the consent or approval of any other party hereto or of any other Person; *provided*, that no such assignment shall relieve Parent or Merger Sub of any obligation hereunder.

11.9 Remedies Cumulative; Specific Performance. Except as expressly set forth in this Agreement including in Section 10.7, the rights and remedies of the parties hereto shall be cumulative (and not alternative). The parties to this Agreement agree that, in the event of any breach or threatened breach by the parties herein of any covenant, obligation or other provision set forth in this Agreement, each party: (a) shall be entitled to seek (i) a decree or order of specific performance or mandamus to enforce the observance and performance of such covenant, obligation or other provision and (ii) an injunction restraining such breach or threatened breach; and (b) shall not be required to provide any bond or other security in connection with any such decree, order or injunction or in connection with any related action or Legal Proceeding.

11.10 Waiver. No failure on the part of any Person to exercise any power, right, privilege or remedy under this Agreement, and no delay on the part of any Person in exercising any power, right, privilege or remedy under this Agreement, shall operate as a waiver of such power, right, privilege or remedy; and no single or partial exercise of any such power, right, privilege or remedy shall preclude any other or further exercise thereof or of any other power, right, privilege or remedy. No Person shall be deemed to have waived any claim arising out of this Agreement, or any power, right, privilege or remedy under this Agreement, unless the waiver of such claim, power, right, privilege or remedy is expressly set forth in a written instrument duly executed and delivered on behalf of such Person; and any such waiver shall not be applicable or have any effect except in the specific instance in which it is given.

11.11 Waiver of Jury Trial. **EACH OF THE PARTIES HERETO HEREBY IRREVOCABLY WAIVES ANY AND ALL RIGHT TO TRIAL BY JURY IN ANY ACTION, SUIT OR OTHER LEGAL PROCEEDING ARISING OUT OF OR RELATED TO THIS AGREEMENT OR THE TRANSACTIONS CONTEMPLATED HEREBY**.

11.12 Amendments. This Agreement may not be amended, modified, altered or supplemented other than by means of a written instrument duly executed and delivered: (a) prior to the Closing Date, by the Company, Parent, Merger Sub and the Securityholders' Agent; and (b) after the Closing Date, by Parent and the Securityholders' Agent (acting exclusively for and on behalf of all of the Effective Time Holders and holders of Outstanding Unvested Options). This Agreement may be amended by the parties hereto as provided in this Section 11.12 at any time before or after adoption of this Agreement by the Company's stockholders, but, after such adoption, no amendment shall be made which by applicable Legal Requirements requires the further approval of the Company's stockholders without obtaining such further approval.

11.13 Severability. In the event that any provision of this Agreement, or the application of any such provision to any Person or set of circumstances, shall be determined to be invalid, unlawful, void or unenforceable to any extent, the remainder of this Agreement, and the application of such provision to Persons or circumstances other than those as to which it is determined to be invalid, unlawful, void or unenforceable, shall not be impaired or otherwise affected and shall continue to be valid and enforceable to the fullest extent permitted by law.

11.14 Parties in Interest. Except as set forth in Section 11.8, none of the provisions of this Agreement is intended to provide any rights or remedies to any employee, creditor or other Person other than Parent, Merger Sub, the Company and their respective successors and assigns (if any).

11.15 No Public Announcement. Neither the Company nor the Securityholders' Agent (nor any of their respective Affiliates) shall, without the approval of Parent, make any press release or other public announcement concerning the transactions contemplated by this Agreement; *provided*, *however*, the foregoing shall not preclude communications or disclosures necessary to implement the provisions of this Agreement.

11.16 Entire Agreement. This Agreement and the other agreements referred to herein set forth the entire understanding of the parties hereto relating to the subject matter hereof and thereof and supersede all prior agreements and understandings among or between any of the parties relating to the subject matter hereof and thereof. The parties hereto acknowledge and agree that, effective as of the Effective Time, the Confidentiality Agreement will automatically terminate and shall be null and void and of no force or effect.

11.17 Disclosure Schedule. The Disclosure Schedule shall be arranged in separate parts corresponding to the numbered and lettered sections and subsections contained in this Agreement, and the information disclosed in any numbered or lettered part shall be deemed to relate to and to qualify only the particular representation or warranty of the Company set forth in the corresponding numbered or lettered section or subsection of this Agreement, except to the extent that (a) such information is explicitly cross-referenced in another part of the Disclosure Schedule, or (b) it is readily apparent on the face of the disclosure (without reference to or independent knowledge of any document referred to therein) that such information qualifies another representation and warranty of the Company in this Agreement. Nothing in the Disclosure Schedule shall be deemed adequate to disclose an exception to a representation or warranty of the Company made in this Agreement, unless the applicable part of the Disclosure Schedule identifies the exception with reasonable particularity and describes the relevant facts in reasonable detail. The mere listing of a document or other item in, or attachment of a copy thereof to, the Disclosure Schedule will not be deemed adequate to disclose an exception to a representation or warranty made in this Agreement (unless the representation or warranty pertains directly to the existence of the document or other item itself).

11.18 Construction.

(a) Gender; Etc. For purposes of this Agreement, whenever the context requires: the singular number shall include the plural, and vice versa; the masculine gender shall include the feminine and neuter genders; the feminine gender shall include the masculine and neuter genders; and the neuter gender shall include the masculine and feminine genders.

(b) Ambiguities. The parties hereto agree that any rule of construction to the effect that ambiguities are to be resolved against the drafting party shall not be applied in the construction or interpretation of this Agreement.

(c) Interpretation. As used in this Agreement: (i) the words "include" and "including," and variations thereof, shall not be deemed to be terms of limitation, but rather shall be deemed to be followed by the words "without limitation"; and (ii) the use of the word "or" shall not be exclusive. Any dollar amounts or thresholds set forth herein shall not be used as a determinative benchmark for establishing what is or is not "material" or a "Material Adverse Effect" (or words of similar import) under this Agreement.

(d) References. Except as otherwise indicated, all references in this Agreement to "Sections," "Parts," "Schedules" and "Exhibits" are intended to refer to Sections of this Agreement and Schedules and Exhibits to this Agreement.

(e) GAAP. All references to accounting terms shall be interpreted in accordance with GAAP unless otherwise specified, and Parent shall not be obligated to use any calculation required hereunder to be made by the Company to the extent such calculation was not made in accordance with GAAP.

(f) Rounding. Except as otherwise expressly set forth herein, calculations set forth herein shall be rounded to the tenth decimal place.

(g) Dollars. Except as otherwise expressly set forth herein, all references to $ or dollars shall mean United States Dollars.

11.19 Privilege. Parent, Merger Sub, and the Company agree that, as to all communications among as to all communications prior to the Closing among Fenwick & West LLP and the Company and its respective Affiliates (individually and collectively, the "Company Group") that relate in any way to the Transactions, the attorney-client privilege and the exception of client confidence belongs solely to Parent and may be controlled only by Parent. This right to the attorney-client privilege shall exist even if such communications may exist on the Company's computer system or in documents in the Company's possession. Following the Closing, such attorney-client privilege and the exception of client confidence belongs to Parent and may be controlled only by Parent, and shall not be claimed by any member of the Company Group; *provided*; *however*, Parent agrees, solely with respect to any dispute between Parent or any other Parent Indemnitee and the Company Group, not to (i) invoke any attendant attorney-client privilege, attorney work product protection or expectation of client confidentiality applicable to confidential communications between the Company Group, the Company and their respective Affiliates, on the one hand, and Fenwick & West LLP, on the other hand, or (ii) use such confidential communications as evidence in any dispute with the Company Group in connection with any such claim for indemnification; *provided*, *further*, the foregoing clause (ii) shall not apply to any claim of any Parent Indemnitee based on Fraud.

[*Signature Page Follows*]

The parties hereto have caused this Agreement to be executed and delivered as of the date first written above.

LIFE360, INC.

By: /s/ Chris Hulls
Name: Chris Hulls
Title: Chief Executive Officer

TRIUMPH MERGER SUB, INC.

By: /s/ Chris Hulls
Name: Chris Hulls
Title: Chief Executive Officer

TILE, INC.

By: /s/ Charles “CJ” Prober
Name: Charles “CJ” Prober
Title: Chief Executive Officer

FORTIS ADVISORS LLC,
in its capacity as Securityholders’ Agent

By: Ryan Simkin
Name: Ryan Simkin
Title: MD

FIRST AMENDMENT TO
AGREEMENT AND PLAN OF MERGER

THIS FIRST AMENDMENT TO AGREEMENT AND PLAN OF MERGER (this "Amendment"), dated as of December 20, 2021, is entered into by and among **LIFE360, INC.**, a Delaware corporation ("Parent"), **TRIUMPH MERGER SUB, INC.**, a Delaware corporation and a wholly owned Subsidiary of Parent ("Merger Sub"), **TILE, INC.**, a Delaware corporation (the "Company"), and **FORTIS ADVISORS LLC**, a Delaware limited liability company, as the Securityholders' Agent and amends the Agreement and Plan of Merger, dated as of November 21, 2021 (the "Merger Agreement") by and among Parent, Merger Sub, the Company and the Securityholders' Agent. Capitalized terms used, but not defined, herein have the meanings set forth in the Merger Agreement.

RECITALS

WHEREAS, pursuant to Section 1.3(a) of the Merger Agreement, the Closing is required to occur no later than the second (2nd) Business Day after the satisfaction or waiver of the last to be satisfied or waived of the conditions set forth in Sections 7 and 8, or at such other time and/or date as Parent and the Company may jointly designate.

WHEREAS, Parent and the Company have agreed to a Closing Date of no later than January 5, 2022, provided that (i) Parent agrees to be responsible for certain expenses incurred by the Company from the Company Closing Deliverables Completion Date (as defined below) until the Closing, and (ii) the parties agree to amend certain closing conditions to have a cut-off date of December 20, 2021, all as more fully set forth in this Amendment.

WHEREAS, pursuant to Section 11.12 of the Merger Agreement, prior to the Closing Date, any amendment to the Merger Agreement requires the written consent of the Company, Parent, Merger Sub, and the Securityholders' Agent.

NOW, THEREFORE, BE IT RESOLVED, in consideration of the foregoing recitals and mutual promises set forth herein, the sufficiency of which is acknowledged by the undersigned, Parent, Merger Sub, the Company and the Securityholders' Agent hereby agree to amend the Merger Agreement as follows:

1. Recitals. The foregoing Recitals are incorporated herein by reference.

2. Amendment of Section 1.3 of the Merger Agreement. Section 1.3 of the Merger Agreement is hereby amended and restated in its entirety as follows:

"**1.3 Closing; Merger**

(a) Closing. The consummation of the transactions contemplated by this Agreement (the "Closing") shall take place at the offices of Orrick, Herrington & Sutcliffe LLP, 1000 Marsh Road, Menlo Park, CA 94025 at 10:00 a.m. (Pacific time), or remotely via the electronic exchange of executed documents and other closing deliverables, on the later of (i) the second (2nd) Business Day after the satisfaction or waiver of the last to be

satisfied or waived of the conditions set forth in Sections 7 and 8 (other than those conditions which are to be satisfied at the Closing, but subject to the satisfaction or waiver of such conditions) or (ii) January 5, 2022 or (iii) such other time and/or date as Parent and the Company may jointly designate. The date on which the Closing takes place is referred to in this Agreement as the "Closing Date."

(b) Merger. On the Closing Date, Merger Sub and the Company shall duly execute the certificate of merger substantially in the form attached hereto as Exhibit E (the "Certificate of Merger") and file the same with the Secretary of State of the State of Delaware, in accordance with the relevant provisions of the DGCL. The Merger shall become effective upon the filing of the Certificate of Merger with the Secretary of State of the State of Delaware or at such other time as the parties shall agree and as shall be specified in the Certificate of Merger. The date and time when the Merger shall become effective is herein referred to as the "Effective Time".

(c) Company Closing Deliverables. On the dates designated herein, the Company shall deliver the following agreements and documents to Parent:

(i) on or before December 20, 2021, evidence that this Agreement has been duly adopted and approved by the Required Merger Stockholder Votes, and such adoption and approval has not been withdrawn rescinded or otherwise revoked;

(ii) on or before December 20, 2021, agreements, in form and substance reasonably satisfactory to Parent, terminating the agreements identified on Schedule 4.8(a), to be effective as of the Closing Date;

(iii) on or before December 31, 2021, the Company Closing Certificate;

(iv) on or before December 31, 2021, a certificate, in form and substance reasonably satisfactory to Parent, duly executed on behalf of the Company by the chief executive officer of the Company, containing the following information (to be set forth on an accompanying spreadsheet) and the representation and warranty of the Company that all of such information is accurate and complete (and in the case of dollar amounts, properly calculated) as of the date provided (such spreadsheet, supporting documentation and accompanying certificate being referred to hereafter collectively as the "Merger Consideration Certificate"):

(1) (A) the aggregate amount of all Company Transaction Expenses, together with a detailed breakdown thereof and payment instructions, as applicable; (B) the Closing Indebtedness Amount, together with a detailed breakdown thereof and payment instructions, as applicable; (C) the Aggregate Exercise Price; (D) the Closing Cash Amount; (E) the Closing Net Working Capital Shortfall Amount; (F) the Closing Net Working Capital Excess Amount; (G) the Closing Cash Consideration Percentage and the Closing Stock Consideration Percentage; (H) the resulting calculation of the Adjustment Amount, the Adjusted Closing Cash Consideration, the Closing Stock Consideration Amount, the Series A Cash Per Share, the Series A Stock Per Share, the Series B Cash Per Share, the Series B Stock Per Share, the Series B-1 Cash Per Share, the

Series B-1 Stock Per Share, the Series C Cash Per Share, the Series C Stock Per Share, the Series C-1 Cash Per Share, the Series C-1 Stock Per Share, the Common-Equivalents Cash Per Share and the Common-Equivalents Stock Per Share; (I) the Pro Rata Share of each Effective Time Holder; (J) the Pro Rata Share (Common-Equivalents) of each Common-Equivalents Holder; and (K) whether each Effective Time Holder will be paid by the Payment Agent or through the Surviving Corporation's payroll agent;

(2) with respect to each Person who is a holder of Outstanding Capital Stock: (A) the name and e-mail address of record of each such holder; (B) the number of shares of Outstanding Capital Stock of each class and series held by each such holder; (C) the consideration that each such holder is entitled to receive pursuant to Section 1.5; (D) such holder's Indemnity Escrow Fund Contribution Amount, Adjustment Escrow Fund Contribution Amount and Expense Fund Contribution Amount; (E) the net cash amount to be paid to each such holder by the Payment Agent in accordance with Section 1.11 (after deduction of any amounts to be contributed to the Indemnity Escrow Fund, the Adjustment Escrow Fund and the Expense Fund by such holder); and (F) the number of shares of Parent Common Stock to be issued to such holder by the Payment Agent in accordance with Section 1.12 (after deduction of the number of shares of Parent Common Stock to be contributed to the Indemnity Escrow Fund);

(3) with respect to each Person who is a holder of an Outstanding Option: (A) the name and e-mail address of record of such holder; (B) the exercise price per share (or deemed exercise price per share) and the number of shares of Company Common Stock subject to such Outstanding Options; (C) the consideration that such holder is entitled to receive pursuant to Section 1.8; and (D) such holder's Indemnity Escrow Fund Contribution Amount, Adjustment Escrow Fund Contribution Amount and Expense Fund Contribution Amount;

(4) with respect to each Person who is a holder of an Outstanding Company Warrant: (A) the name and e-mail address of record of such holder; (B) the exercise price per share, if any, and the number of shares and class of Company Capital Stock subject to such Outstanding Company Warrant; (C) the consideration that such holder is entitled to receive pursuant to Section 1.9; and (D) such holder's Indemnity Escrow Fund Contribution Amount, Adjustment Escrow Fund Contribution Amount and Expense Fund Contribution Amount; and

(5) documentation, reasonably satisfactory to Parent, in support of the calculation of the amounts set forth in the Merger Consideration Certificate;

(v) on or before December 20, 2021, the Certificate of Merger, duly executed by the Company;

(vi) on or before December 20, 2021, a certificate duly executed by the Secretary of the Company and dated as of the date provided, certifying and attaching: (A) the Organizational Documents of the Company; and (B) the resolutions adopted by the board of directors of the Company and the stockholders of the Company representing the Required Merger Stockholder Votes, in each case to authorize and adopt this Agreement, the Merger and the other transactions contemplated hereby;

(vii) on or before December 20, 2021, written resignations duly executed by each officer and member of the board of directors (or analogous governing body) of the Company, such resignations to be effective as of the Closing;

(viii) on or before December 20, 2021, (A) with respect to all Disqualified Individuals, copies of duly executed Parachute Payment Waiver Agreements by and between the Company and the applicable Disqualified Individual, and (B) evidence of the outcome of the vote of the stockholders of the Company regarding whether to approve any Section 280G Payment that may be payable to a Disqualified Individual, where, if approved by stockholders of the Company holding the number of shares of Company Capital Stock required under Section 280G in order for such Section 280G Payments not to be deemed parachute payments under Section 280G, such approval would comply with all applicable requirements of Section 280G(b)(5)(B) of the Code and all applicable regulations (whether proposed or final) relating to Section 280G (Parent shall use commercially reasonable efforts to provide comments to IRC 280G information statement within forty-eight (48) hours of receipt from Company);

(ix) on or before December 20, 2021, a certificate duly executed by an authorized officer of the Company, stating that the Company Capital Stock does not constitute "United States real property interests" under Section 897(c) of the Code, for purposes of satisfying Parent's obligations under Treasury Regulations Section 1.1445-2(c)(3), together with a properly executed notice to the IRS in accordance with the requirements of Treasury Regulations Section 1.897-2(h)(2), which Parent shall be authorized to deliver to the IRS on behalf of the Company (including the Surviving Corporation) following the Closing;

(x) on or before December 20, 2021, customary payoff letters with respect to the discharge or payment in full of the Indebtedness identified on Schedule 1.3(c)(x) (the "Pay-Off Indebtedness") which shall reflect the payment that would have been due in full had the Closing occurred on the Company Closing Deliveries Completion Date (as defined below), and which shall also reflect the payment that will be due in full if the Closing occurs on January 5, 2022. Parent shall be responsible (without any impact to the Merger Consideration) for 50% of any interest accruing on such Pay-Off Indebtedness between the Company Closing Deliveries Completion Date and the Closing Date;

(xi) on or before December 20, 2021, unless Parent provides the Company an Election Notice to the contrary in accordance with Section 4.6, evidence reasonably satisfactory to Parent as to the adoption by the board of directors of the Company of resolutions to terminate effective as of the Closing, any Company 401(k) Plans or other Company Employee Plans pursuant to Section 4.6;

(xii) on or before December 20, 2021, certificates of good standing from the Office of the Secretary of State of the State of Delaware, the Registrar of Companies for England and Wales, and the applicable Governmental Body in each other jurisdiction in which the Company and each of its Subsidiaries is incorporated or formed or otherwise is qualified to do business, dated as of a date no earlier than December 12, 2021, certifying that the Company and each of its Subsidiaries is in good standing and that all applicable Taxes and fees of the Company and each of its Subsidiaries through such certification date have been paid;

(xiii) on or before the Closing, all Consents set forth in Schedule 1.3(c)(xiii), in each case, in form and substance reasonably satisfactory to Parent and duly executed and in full force and effect;

(xiv) on or before December 20, 2021, the Escrow Agreement, duly executed by the Securityholders' Agent, to be effective as of the Closing Date;

(xv) on or before December 20, 2021, evidence, in form and substance reasonably satisfactory to Parent, of the termination of each Affiliate Arrangement, except for the Affiliate Arrangements set forth on Schedule 1.3(c)(xv), without Liability of the Company (including the Surviving Corporation), any of its Subsidiaries, Parent and its Affiliates thereunder from and after the Closing;

(xvi) on or before December 20, 2021, evidence, in form and substance reasonably satisfactory to Parent, that the D&O Tail Policy has been obtained and will be in full force and effect as of the Closing Date;

(xvii) on or before December 20, 2021, a Joinder Agreement, duly executed by at least 95% of the Company stockholders, with such 95% calculation based on shares of Company Capital Stock held by such Persons, each to be effective as of the Closing Date; and

(xviii) on or before December 20, 2021, a lockup agreement, in the form attached hereto as Exhibit F (each, a "Lock-Up Agreement") duly executed by at least 95% of the Company stockholders, who are receiving shares of Parent Common Stock, with such 95% calculation based on shares of Company Capital Stock held by such Persons, each to be effective as of the Closing Date.

For purposes hereof, "Company Closing Deliverables Completion Date" means the later of (a) December 20, 2021 and (b) the date the Company completes the matters set forth in this Section 1.3(c) (excluding the matters set forth in Sections 1.3(c)(iii), 1.3(c)(iv), and 1.3(c)(xiii))."

(d) Parent Closing Deliverables. On or before December 20, 2021, Parent shall deliver to the Company and to the Securityholders' Agent:

(i) the Escrow Agreement, duly executed by Parent and the Escrow Agent, to be effective as of the Closing Date;

(ii) the Joinder Agreements, duly executed by Parent, to be effective as of the Closing Date; and

(iii) the Lock-Up Agreements, duly executed by Parent, to be effective as of the Closing Date."

3. Amendment of Section 1.12(a) of the Merger Agreement. Section 1.12(a) of the Merger Agreement is hereby amended and restated in its entirety as follows:

"**(a)** Company Estimated Closing Statement. On or before December 31, 2021, the Company shall deliver to Parent a statement (the "Estimated Closing Statement") setting forth a good faith calculation, together with reasonably detailed supporting documentation, of: (i) the Company Transaction Expenses (the "Estimated Company Transaction Expenses"); (ii) the Closing Indebtedness Amount (the "Estimated Closing Indebtedness Amount"); (iii) the Aggregate Exercise Price (the "Estimated Aggregate Exercise Price"); (iv) the Closing Cash Amount (the "Estimated Closing Cash Amount"); (v) the Closing Net Working Capital Shortfall Amount (the "Estimated Closing Net Working Capital Shortfall Amount"); (vi) the Closing Net Working Capital Excess Amount (the "Estimated Closing Net Working Capital Excess Amount"); and (vii) the resulting calculation of the Adjustment Amount (the "Estimated Adjustment Amount"), the Adjusted Closing Cash Consideration (the "Estimated Adjusted Closing Cash Consideration"), the Series A Cash Per Share, the Series A Stock Per Share, the Series B Cash Per Share, the Series B Stock Per Share, the Series B-1 Cash Per Share, the Series B-1 Stock Per Share, the Series C Cash Per Share, the Series C Stock Per Share, the Series C-1 Cash Per Share, the Series C-1 Stock Per Share, the Common-Equivalents Cash Per Share (the "Estimated Common-Equivalents Cash Per Share") and the Common-Equivalents Stock Per Share (the "Estimated Common-Equivalents Stock Per Share"). The Estimated Closing Statement and the calculations thereunder shall be prepared and calculated by the Company in good faith and in accordance with the definitions set forth in this Agreement."

4. Amendment of Section 4.10 of the Merger Agreement.

(a) The parties hereto have agreed to amend the language of Section 4.10(a) to remove "[a]t least five (5) Business Day prior to the Closing Date" and to replace the same with "On or before December 20, 2021" with respect to the documents required to be delivered thereunder.

(b) The parties hereto have agreed to amend the language of Section 4.10(b) to remove "[a]t least five (5) Business Day prior to the Closing Date" and to replace the same with "On or before December 31, 2021" with respect to the documents required to be delivered thereunder.

5. Amendment to Section 7.1 of the Merger Agreement. Section 7.1 of the Merger Agreement is hereby amended and restated in its entirety as follows:

“Each of: (a) the Company representations and warranties set forth in Section 2.1 (Due Organization; Organizational Documents) (solely as it relates to the Company and not the Subsidiaries), Section 2.20 (Authority; Binding Nature of Agreement), Section 2.21(a) (Non-Contravention; Consents) and Section 2.27 (Brokers) shall be true and correct in all respects (after giving effect to any materiality, Material Adverse Effect or similar qualification) as of December 20, 2021 as if made at or as of December 20, 2021, other than any such Company representation set forth therein that by their terms are made as of a specific earlier date, which shall be true and correct in all respects as of such earlier date; (b) the Company representations set forth in Section 2.1 (Due Organization; Organizational Documents) (solely as it relates to the Company’s Subsidiaries) and as set forth in Section 2.2 (Capital Structure) shall be true and correct other than with respect to de minimis inaccuracies (after giving effect to any materiality, Material Adverse Effect or similar qualification) as of December 20, 2021 as if made at and as of December 20, 2021, other than any such Company representations set forth therein that by their terms are made as of a specific earlier date, which shall be true and correct in all respects other than de minimis inaccuracies as of such earlier date; and (c) the other representations and warranties made by the Company contained in this Agreement shall be true and correct in all material respects (without giving effect to any materiality, Material Adverse Effect or other similar qualifications therein) as of December 20, 2021 as if made at and as of December 20, 2021, other than any such representations and warranties herein that by their terms are made as of a specific earlier date, which shall have been accurate in all material respects as of such earlier date.”

6. Amendment to Section 7.3 of the Merger Agreement. Section 7.3 of the Merger Agreement is hereby amended and restated in its entirety as follows:

“Since the date of this Agreement and continuing through December 20, 2021, there shall not have occurred any Material Adverse Effect.”

7. Amendment to Section 7.7 of the Merger Agreement. Section 7.7 of the Merger Agreement is hereby amended and restated in its entirety as follows:

“Parent shall have received the deliverables contemplated by Section 1.3(c) to be delivered by the Company at or prior to the Closing.”

8. Amendment to Definitions set forth in Exhibit A of the Merger Agreement.

(a) Amendment to the Definition of Closing Cash Amount. The definition of Closing Cash Amount as set forth in Exhibit A of the Merger Agreement is hereby amended and restated in its entirety as follows:

““Closing Cash Amount” means the aggregate amount of outstanding Cash as of December 31, 2021.”

(b) Amendment to the Definition of Closing Indebtedness Amount. The definition of Closing Indebtedness Amount as set forth in Exhibit A of the Merger Agreement is hereby amended and restated in its entirety as follows:

““Closing Indebtedness Amount” means the aggregate amount of outstanding Indebtedness as of December 31, 2021.”

(c) Amendment to the Definition of Closing Net Working Capital. The definition of Closing Net Working Capital as set forth in Exhibit A of the Merger Agreement is hereby amended and restated in its entirety as follows:

> ""Closing Net Working Capital" means an amount (which may be negative) equal to the Current Assets *minus* the Current Liabilities as of the close of business on December 31, 2021."

9. The parties hereto agree and acknowledge that the obligations of Parent and Merger Sub to cause the transactions contemplated by the Merger Agreement to be consummated remain subject to the satisfaction (or waiver by Parent), at or prior to the Closing, of each of the conditions specified in Article 7 of the Merger Agreement after giving effect to the amendments thereto specified in this Amendment.

10. Parent Obligations with Respect to Pre-Closing Payroll Taxes. Transaction Payroll Taxes shall be calculated as of December 20, 2021. Any additional Transaction Payroll Taxes resulting from the Closing occurring after such date shall have no impact on the Merger Consideration.

11. Delays. If the Company does not complete the matters set forth above in the amended and restated Section 1.3(c) of the Merger Agreement by December 20, 2021 (excluding the delivery of the Company Closing Certificate and the Merger Consideration Certificate, which are to be delivered on or before December 31, 2021, and the deliverables set forth in the amended and restated Section 1.3(c)(xiii) of the Merger Agreement, which are to be delivered on or before Closing), all references above to December 20, 2021 shall be automatically revised to reflect the date upon which the last matter is satisfied.

12. Representations and Warranties. Each of Parent, Merger Sub, the Company and the Securityholders' Agent represents and warrants that (i) it has the corporate power and authority to execute and deliver this Amendment, (ii) this Amendment has been duly and validly authorized by all necessary action of its Board of Directors or Board of Managers, as applicable, and (iii) this Amendment has been duly and validly executed and delivered and, assuming due authorization and execution by all other parties hereto, constitutes its legal, valid and binding obligation enforceable against it in accordance with its terms.

13. No Other Modification or Amendment; Continuing Effect of Merger Agreement. The Merger Agreement shall not be modified or otherwise amended in any respect except as expressly set forth herein. The Merger Agreement shall remain in full force and effect as amended hereby.

14. Governing Law. This Amendment shall be construed in accordance with, and governed in all respects by, the internal laws of the State of Delaware (without giving effect to principles of conflicts of laws).

15. Counterparts. This Amendment may be executed in several counterparts, each of which shall constitute an original and all of which, when taken together, shall constitute one agreement. The exchange of a fully executed Amendment (in counterparts or otherwise) by electronic transmission in .pdf format shall be sufficient to bind the parties to the terms and conditions of this Amendment.

[*Signature Page Follows*]

The parties hereto have caused this Amendment to be executed and delivered as of the date first written above.

LIFE360, INC.

By: /s/ Russell Burke
Name: Russell Burke
Title: Chief Financial Officer

TRIUMPH MERGER SUB, INC.

By: Russell Burke
Name: Russell Burke
Title: ______________________

TILE, INC.

By: Charles "CJ" Prober
Name: Charles "CJ" Prober
Title: CEO

FORTIS ADVISORS LLC,
in its capacity as Securityholders' Agent

By: Ryan Simkin
Name: Ryan Simkin
Title: MD

[*Signature Page to First Amendment to Agreement and Plan of Merger*]

Exhibit 2.3

AGREEMENT AND PLAN OF MERGER

by and among

LIFE360, INC.,

JIOBIT MERGER SUB I, INC.,

JIOBIT MERGER SUB II, LLC,

JIO, INC.,

and

SHAREHOLDER REPRESENTATIVE SERVICES LLC,
as the Securityholders' Agent

Dated as of July 27, 2021

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LIST OF EXHIBITS AND SCHEDULES

EXHIBITS

Exhibit A	Certain Definitions
Exhibit B	Form of First Certificate of Merger
Exhibit C	Form of Second Certificate of Merger
Exhibit D	Form of Revesting Agreement
Exhibit E	Form of Restrictive Covenant Agreement
Exhibit F	Form of Joinder Agreement
Exhibit G	Form of Lock-Up Agreement
Exhibit H	Form of Master Parent Promissory Note
Exhibit I	Form of Escrow Agreement
Exhibit J	Form of PPP Escrow Agreement
Exhibit K	Form of Payment Agent Agreement
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Exhibit N	Retention Bonus Terms
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SCHEDULES

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AGREEMENT AND PLAN OF MERGER

THIS AGREEMENT AND PLAN OF MERGER is made and entered into as of July 27, 2021, by and among **LIFE360, INC.**, a Delaware corporation ("Parent"), **JIOBIT MERGER SUB I, INC.**, a Delaware corporation and a wholly owned Subsidiary of Parent ("Merger Sub I"), **JIOBIT MERGER SUB II, LLC**, a Delaware limited liability company and a wholly owned Subsidiary of Parent ("Merger Sub II" and together with Merger Sub I, the "Merger Subs"), **JIO, INC.**, a Delaware corporation (the "Company"), and **SHAREHOLDER REPRESENTATIVE SERVICES LLC**, a Colorado limited liability company, solely in its capacity as the Securityholders' Agent (as defined in Section 11.1(a)). Certain capitalized terms used in this Agreement are defined in Exhibit A.

RECITALS

A. Parent, the Merger Subs and the Company wish to effect a business combination through (i) the statutory merger of Merger Sub I with and into the Company (the "First Merger"), pursuant to which the Company would be the surviving corporation and would become a wholly owned Subsidiary of Parent (the Company, in its capacity as the surviving corporation of the First Merger, is sometimes referred to as the "Surviving Corporation"), on the terms and conditions set forth in this Agreement and in accordance with the Delaware General Corporation Law, as amended (the "DGCL"), and (ii) as part of the same overall transaction, and immediately following the First Merger, the statutory merger of the Surviving Corporation with and into Merger Sub II (the "Second Merger" and, together with the First Merger, the "Mergers"), pursuant to which Merger Sub II would be the surviving limited liability company and would become a wholly owned Subsidiary of Parent (Merger Sub II, in its capacity as the surviving limited liability company of the Second Merger, is sometimes referred to as the "Surviving LLC"), on the terms and conditions set forth in this Agreement and in accordance with the DGCL and the Delaware Limited Liability Company Act, as amended (the "DLLC").

B. The board of directors of the Company has unanimously: (i) determined that the Mergers are advisable, fair to and in the best interests of, the Company and its stockholders and approved this Agreement; (ii) approved the Mergers upon the terms and subject to the conditions set forth in this Agreement pursuant to the applicable provisions of the DGCL and the DLLC; and (iii) recommended that the stockholders of the Company adopt and approve this Agreement and the Mergers.

C. (i) The boards of directors of each of Parent and Merger Sub I have unanimously: (a) determined that the First Merger is advisable, fair to and in the best interests of, Parent and Merger Sub I and approved this Agreement; and (b) approved the First Merger upon the terms and subject to the conditions set forth in this Agreement pursuant to the applicable provisions of the DGCL; (ii) the board of directors of Merger Sub I has unanimously recommended that the sole stockholder of Merger Sub I adopt and approve the Merger Agreement and the First Merger; (iii) the board of directors of Parent has unanimously: (a) determined that the Second Merger is advisable, fair to and in the best interests of, Parent; and (b) approved this Agreement and approved the Second Merger upon the terms and subject to the conditions set forth in this Agreement pursuant to the applicable provisions of the DGCL and the DLLC; and (iv) Parent, in its capacity as the sole stockholder of Merger Sub I and the sole member of Merger Sub II, has adopted and approved this Agreement and the transactions contemplated hereby, including the Mergers.

D. The parties hereto intend, by executing this Agreement, that the Mergers are integrated steps in a single transaction and together will qualify as a tax-free reorganization within the meaning of Section 368(a) of the Code, and that this Agreement is intended to constitute a "plan of reorganization" within the meaning of Treasury Regulations Sections 1.368-2(g) and 1.368-3.

E. As an inducement for Parent and the Merger Subs to enter into this Agreement and consummate the Mergers, concurrently with the execution and delivery hereof, each of the Key Employees is executing and delivering to the Company and Parent an employment agreement with the Surviving LLC (each, a "Signing Date Employment Agreement" and, collectively, the "Signing Date Employment Agreements"), which shall become effective as of the Closing.

AGREEMENT

The parties to this Agreement agree as follows:

1. DESCRIPTION OF TRANSACTION

1.1 The Mergers. On the terms and subject to the conditions of this Agreement and in accordance with the DGCL, at the First Effective Time (as defined below), Merger Sub I shall merge with and into the Company, the separate corporate existence of Merger Sub I shall cease, and the Company shall continue as the surviving corporation and as a wholly owned Subsidiary of Parent; and all of the properties, rights, privileges, powers and franchises of the Company will vest in the Surviving Corporation, and all of the debts, liabilities, obligations and duties of the Company will become the debts, liabilities, obligations and duties of the Surviving Corporation. At the Second Effective Time (as defined below), the Surviving Corporation shall merge with and into Merger Sub II, an entity disregarded as separate from its owner for U.S. federal income Tax purposes, in accordance with the DGCL and the DLLC, whereupon the separate corporate existence of the Surviving Corporation shall cease and Merger Sub II shall be the surviving limited liability company, and shall remain an entity disregarded as separate from its owner for U.S. federal income Tax purposes, and shall continue to be governed by the laws of the State of Delaware as a wholly owned Subsidiary of Parent; and all of the properties, rights, privileges, powers and franchises of the Surviving Corporation will vest in the Surviving LLC, and all of the debts, liabilities, obligations and duties of the Surviving Corporation will become the debts, liabilities, obligations and duties of the Surviving LLC.

1.2 Effects of the Mergers. The Mergers shall have the effects as set forth herein and in the applicable provisions of the DGCL and the DLLC.

1.3 Closing; Mergers.

(a) Closing. The consummation of the transactions contemplated by this Agreement (the "Closing") shall take place at the offices of Orrick, Herrington & Sutcliffe LLP, 1000 Marsh Road, Menlo Park, CA 94025 at 10:00 a.m. (Pacific time), or remotely via the electronic exchange of executed documents and other closing deliverables, no later than the second (2nd) Business Day after the satisfaction or waiver of the last to be satisfied or waived of the conditions set forth in Sections 7 and 8 (other than those conditions which are to be satisfied at the Closing, but subject to the satisfaction or waiver of such conditions) or at such other time and/or date as Parent and the Company may jointly designate. The date on which the Closing takes place is referred to in this Agreement as the "Closing Date."

(b) First Merger. On the Closing Date, Merger Sub I and the Company shall duly execute the certificate of merger substantially in the form attached hereto as Exhibit B (the "First Certificate of Merger") and file the same with the Secretary of State of the State of Delaware, in accordance with the relevant provisions of the DGCL. The First Merger shall become effective upon the filing of the First Certificate of Merger with the Secretary of State of the State of Delaware or at such other time as the parties shall agree and as shall be specified in the First Certificate of Merger. The date and time when the First Merger shall become effective is herein referred to as the "First Effective Time".

(c) Second Merger. On the Closing Date and as soon as practicable after the First Effective Time, Parent shall cause the Surviving Corporation and Merger Sub II to duly execute the certificate of merger in substantially the form attached hereto as Exhibit C (the "Second Certificate of Merger" and, together with the First Certificate of Merger, the "Certificates of Merger") and file the same with the Secretary of State of the State of Delaware, in accordance with the relevant provisions of the DGCL and the DLLC. The Second Merger shall become effective upon the filing of the Second Certificate of Merger with the Secretary of State of the State of Delaware or at such other time as the parties shall agree and as shall be specified in the Second Certificate of Merger. The date and time when the Second Merger shall become effective is herein referred to as the "Second Effective Time".

(d) Company Closing Deliverables. At the Closing, the Company shall deliver the following agreements and documents to Parent:

(i) evidence that this Agreement has been duly adopted and approved by the Required Merger Stockholder Votes, and such adoption and approval has not been withdrawn rescinded or otherwise revoked;

(ii) agreements, in form and substance reasonably satisfactory to Parent, terminating or amending the agreements identified on Schedule 1.3(d)(ii) in the manner described on Schedule 1.3(d)(ii);

(iii) the Company Closing Certificate;

(iv) a certificate, in form and substance reasonably satisfactory to Parent, duly executed on behalf of the Company by the chief executive officer of the Company, containing the following information (to be set forth on an accompanying spreadsheet) and the representation and warranty of the Company that all of such information is accurate and complete (and in the case of dollar amounts, properly calculated) as of the Closing (such spreadsheet, supporting documentation and accompanying certificate being referred to hereafter collectively as the "Merger Consideration Certificate"):

(1) (A) the aggregate amount of all Company Transaction Expenses, together with a detailed breakdown thereof and payment instructions, as applicable; (B) the Closing Indebtedness Amount, together with a detailed breakdown thereof and payment instructions, as applicable; (C) the Aggregate Exercise Price; (D) the Closing Cash Amount; (E) the Closing Net Working Capital Shortfall Amount; (F) the Closing Net Working Capital Excess Amount; (G) the resulting calculation of the Adjustment Amount (the "Estimated Adjustment Amount"); (H) the Adjusted Closing Consideration; (I) the Per Share Closing Notes Amount; (J) the Per Share Closing Stock Amount; (K) the Pro Rata Share of each Effective Time Holder; and (L) the Common Stock Exchange Ratio;

(2) with respect to each Person who is a holder of Outstanding Capital Stock: (A) the name, e-mail address and last known address of record of each such holder; (B) the number of shares of Outstanding Capital Stock of each class and series held by each such holder; (C) the consideration that each such holder is entitled to receive pursuant to Section 1.5; (D) such holder's Indemnification Escrow Fund Contribution Amount, PPP Escrow Fund Contribution Amount and Expense Fund Contribution Amount; (E) the net cash amount to be paid to each such holder by the Payment Agent in accordance with Section 1.12 (after deduction of any amounts to be contributed to the Indemnification Escrow Fund, PPP Escrow Fund and the Expense Fund by such holder);

(3) with respect to each Person who is a holder of an Outstanding Option: (A) the name, e-mail address and last known address of record of such holder; (B) the exercise price per share (or deemed exercise price per share) and the number of shares of Company Common Stock subject to such Outstanding Option; and (C) the number of shares of Parent Common Stock issuable upon exercise of the Parent Option issued with respect to such Outstanding Option assumed by Parent pursuant to Section 1.9 and the exercise price per share of such Parent Option as determined pursuant to Section 1.9;

(4) with respect to each Person who is a holder of an Outstanding Company Warrant: (A) the name, e-mail address and last known address of record of such holder; (B) the exercise price per share, if any, and the number of shares and class of Company Capital Stock subject to such Outstanding Company Warrant; (C) the consideration that such holder is entitled to receive pursuant to Section 1.10; and (D) such holder's Indemnification Escrow Fund Contribution Amount, PPP Escrow Fund Contribution Amount and Expense Fund Contribution Amount; and

(5) documentation, reasonably satisfactory to Parent, in support of the calculation of the amounts set forth in the Merger Consideration Certificate;

(v) the First Certificate of Merger, duly executed by the Company;

(vi) a certificate, in form and substance reasonably satisfactory to Parent, duly executed by the Secretary of the Company and dated as of the Closing Date, certifying and attaching: (A) the Organizational Documents of the Company; (B) the resolutions adopted by the board of directors of the Company and the stockholders of the Company representing the Required Merger Stockholder Votes, in each case to authorize and adopt this Agreement, the Mergers and the other transactions contemplated hereby; and (C) the incumbency and signatures of the officers of the Company executing this Agreement and the other agreements, instruments and other documents executed by or on behalf of the Company pursuant to this Agreement or otherwise in connection with the transactions contemplated hereby, including the Mergers;

(vii) written resignations, in form and substance reasonably satisfactory to Parent, duly executed by each officer and member of the board of directors (or analogous governing body) of the Company, such resignations to be effective as of the Closing;

(viii) (A) with respect to all Disqualified Individuals, copies of duly executed Parachute Payment Waiver Agreements by and between the Company and the applicable Disqualified Individual, and (B) evidence reasonably satisfactory to Parent of the outcome of the vote of the stockholders of the Company regarding whether to approve any Section 280G Payment that may be payable to a Disqualified Individual, where, if approved by stockholders of the Company holding the number of shares of Company Capital Stock required under Section 280G in order for such Section 280G Payments not to be deemed parachute payments under Section 280G, such approval would comply with all applicable requirements of Section 280G(b)(5)(B) of the Code and all applicable regulations (whether proposed or final) relating to Section 280G;

(ix) a certificate, in form and substance reasonably satisfactory to Parent, duly executed by an authorized officer of the Company and dated as of the Closing Date, stating that the Company Capital Stock does not constitute "United States real property interests" under Section 897(c) of the Code, for purposes of satisfying Parent's obligations under Treasury Regulations Section 1.1445-2(c)(3), together with a properly executed notice to the IRS in accordance with the requirements of Treasury Regulations Section 1.897-2(h)(2), which Parent shall be authorized to deliver to the IRS on behalf of the Company (including the Surviving Corporation and the Surviving LLC) following the Closing;

(x) evidence reasonably satisfactory to Parent that all security interests and other Encumbrances (other than Permitted Encumbrances or any nonexclusive licenses granted by the Company or any of its Subsidiaries in the Ordinary Course) in any assets of the Company or any of its Subsidiaries have been released prior to or shall be released simultaneously with the Closing;

(xi) payoff letters, in form and substance reasonably satisfactory to Parent, evidencing the discharge or payment in full of the Indebtedness identified on Schedule 1.3(d)(xi) (the "Pay-Off Indebtedness") in each case duly executed by each holder of such Indebtedness, with, to the extent applicable, an agreement to provide termination statements on Form UCC-3 (or authorization for the Company (including the Surviving Corporation and the Surviving LLC) to file Form UCC-3), or other appropriate releases following any payoff thereof, which when filed will release and satisfy any and all Encumbrances relating to such Indebtedness, together with proper authority to file such termination statements or other releases at and following the Closing;

(xii) evidence reasonably satisfactory to Parent as to the adoption by the board of directors of the Company of resolutions to terminate any Requested Employee Plan;

(xiii) certificates of good standing from the Office of the Secretary of State of the State of Delaware and the applicable Governmental Body in each other jurisdiction in which the Company and each of its Subsidiaries is incorporated or formed or otherwise is qualified to do business, dated as of a date no more than five (5) Business Days prior to the Closing Date, that the Company and each such Subsidiary is in good standing;

(xiv) all assignments, Consents or other certificates set forth in Schedule 1.3(d)(xiv), in each case, in form and substance reasonably satisfactory to Parent and duly executed and in full force and effect;

(xv) the Escrow Agreement, duly executed by the Securityholders' Agent;

(xvi) a revesting agreement, in the form attached hereto as Exhibit D, (each a "Revesting Agreement"), duly executed by each Key Revesting Employee;

(xvii) a restrictive covenant and release agreement, in the form attached hereto as Exhibit E (each, a "Restrictive Covenant Agreement"), duly executed by each Key Employee;

(xviii) evidence, in form and substance reasonably satisfactory to Parent, of the termination of each Affiliate Arrangement, except for the Affiliate Arrangements set forth on Schedule 1.3(d)(xviii), without Liability of the Company (including the Surviving Corporation and the Surviving LLC), any of its Subsidiaries, Parent and its Affiliates thereunder from and after the Closing;

(xix) evidence, in form and substance reasonably satisfactory to Parent, that the D&O Tail Policy has been obtained and is in full force and effect;

(xx) a certificate, in form and substance reasonably satisfactory to Parent, duly executed by an authorized officer of the Company and dated as of the Closing Date, containing customary information as may be reasonably requested by Parent for purposes of establishing that the Mergers, taken together, qualify as a "reorganization" within the meaning of Section 368(a) of the Code;

(xxi) a joinder agreement, in the form attached hereto as Exhibit F (each, a "Joinder Agreement"), duly executed by each Effective Time Holder;

(xxii) a lockup agreement, in the form attached hereto as Exhibit G (each, a "Lock-Up Agreement") duly executed by each Effective Time Holder;

(xxiii) the PPP Escrow Agreement, duly executed by the Company and the PPP Escrow Agent; and

(xxiv) the Payment Agent Agreement, duly executed by the Securityholders' Agent.

(e) Parent Closing Deliverables. At the Closing, Parent shall deliver to the Company:

(i) the Escrow Agreement, duly executed by Parent and the Escrow Agent;

(ii) the Joinder Agreements, duly executed by Parent;

(iii) the Revesting Agreements, duly executed by Parent;

(iv) the Restrictive Covenant Agreements, duly executed by Parent;

(v) the Lock-Up Agreements, duly executed by Parent; and

(vi) the Payment Agent Agreement, duly executed by Parent and the Payment Agent.

(f) Closing Payments. At the Closing, Parent shall pay, or cause to be paid, the following amounts by wire transfer of immediately available funds:

(i) to each holder of the Pay-Off Indebtedness, an amount in cash set forth opposite such Person's name in the Estimated Closing Statement to the account or accounts designated by such Person therein;

(ii) to the Company, the aggregate amount of Change of Control Payments for further payment to the recipients thereof in accordance with the standard payroll practices of the Company (including the Surviving Corporation and the Surviving LLC), to the account or accounts designated by the Company in the Estimated Closing Statement;

(iii) to each Person owed Company Transaction Expenses (other than Change of Control Payments), an amount in cash set forth opposite such Person's name in the Estimated Closing Statement to the account or accounts designated by such Person therein;

(iv) to the Escrow Agent an amount in cash equal to the Indemnification Escrow Amount to the account designated by the Escrow Agent pursuant to the Escrow Agreement;

(v) to the PPP Escrow Agent an amount in cash equal to the PPP Escrow Amount to the account designated by the PPP Escrow Agent pursuant to the PPP Escrow Agreement; and

(vi) to the Securityholders' Agent, an amount in cash equal to the Expense Fund Amount, to the account or accounts designated by the Securityholders' Agent in the Estimated Closing Statement.

1.4 Certificate of Incorporation and Bylaws; Directors and Officers; LLC Agreement. Unless otherwise determined by Parent prior to the First Effective Time or Second Effective Time, as applicable:

(a) The certificate of incorporation of the Surviving Corporation shall be amended and restated as of the First Effective Time to conform to the certificate of incorporation of Merger Sub I as in effect immediately prior to the First Effective Time, except that the name of the Surviving Corporation shall be "Jio, Inc.". The bylaws of the Surviving Corporation shall be amended as of the First Effective Time to be identical to the bylaws of Merger Sub I, as in effect immediately prior to the First Effective Time, until thereafter amended as provided by the DGCL, by the terms of the certificate of incorporation of the Surviving Corporation and by the terms of such bylaws.

(b) At the First Effective Time and by virtue of the First Merger, the members of the board of directors of Merger Sub I and the officers of Merger Sub I as of immediately prior to the First Effective Time shall be the initial members of the board of directors of the Surviving Corporation and the officers of the Surviving Corporation, each to hold office in accordance with the certificate of incorporation and bylaws of the Surviving Corporation.

(c) The limited liability company agreement of Merger Sub II, as in effect immediately prior to the Second Effective Time, shall be the limited liability company agreement of the Surviving LLC as of the Second Effective Time until thereafter amended as provided by the DLLC and by the terms of the Surviving LLC's limited liability company agreement.

(d) At the Second Effective Time and by virtue of the Second Merger, Parent shall be the sole member of the Surviving LLC. The officers of Merger Sub II as of immediately prior to the Second Effective Time shall be the officers of the Surviving LLC immediately after the Second Effective Time, each to hold office in accordance with the provisions of the limited liability company agreement of the Surviving LLC.

1.5 Conversion of Shares.

(a) Conversion. Subject to Sections 1.11 and 1.12, at the First Effective Time, by virtue of the First Merger and without any further action on the part of Parent, the Merger Subs, the Company, any stockholder of the Company or any other Person:

(i) each share of Company Capital Stock held in the Company's treasury or owned by Parent, the Merger Subs, the Company or any direct or indirect wholly owned Subsidiary of Parent, the Merger Subs or the Company immediately prior to the First Effective Time ("Disregarded Shares"), if any, shall be extinguished and cancelled without payment of any consideration in respect thereof;

(ii) all shares of Company Capital Stock issued and outstanding immediately prior to the First Effective Time held by each Non-Dissenting Stockholder (other than Disregarded Shares) shall be converted automatically into the right to receive:

(A) at the Closing, an interest, rounded to the nearest cent, in the master promissory note issued by Parent in the form attached hereto as Exhibit H (the "Master Parent Promissory Note"), which shall include, among other terms, the ability for the holders of a majority of the outstanding principal amount interests in such Master Parent Promissory Note to convert the Master Parent Promissory Note into shares of Parent Common Stock at any time upon providing notice to Parent in writing, regardless of whether or not the Master Parent Promissory Note has matured per its terms (the "Master Parent Promissory Note Acceleration"); *provided*, *however*, any shares of Parent Common Stock issuable upon conversion of the Master Parent Promissory Note shall only be subject to the Lock-Up Agreement to the same extent as the shares issued at the Closing (*i.e.*, subject to lock-up only during the 180 days immediately following the Closing Date), equal to: (1) the product of (I) the Per Share Closing Notes Amount *times* (II) the total number of shares of Company Capital Stock held by such Non-Dissenting Stockholder; *minus* (2) the portion of such Non-Dissenting Stockholder's Indemnification Escrow Fund Contribution Amount attributable to such shares of Company Capital Stock; *minus* (3) the portion of such Non-Dissenting Stockholder's PPP Escrow Fund Contribution Amount attributable to such shares of Company Capital Stock; *minus* (4) the portion of such Non- Dissenting Stockholder's Expense Fund Contribution Amount attributable to such shares of Company Capital Stock;

(B) at the Closing, the number of shares of Parent Common Stock, rounded to the nearest whole share, equal to the product of (1) the Per Share Closing Stock Amount *times* (2) the total number of shares of Company Capital Stock held by such Non-Dissenting Stockholder;

(C) an additional interest in the Amended Master Parent Promissory Note, rounded to the nearest cent, equal to such Non-Dissenting Stockholder's portion of the Additional Closing Notes Consideration, if any, attributable to such shares of Company Capital Stock when issuable pursuant to Section 1.13(e)(ii);

(D) the number of shares of Parent Common Stock, rounded to the nearest whole share, equal to the product of (1) the Per Share Contingent Stock Amount (2021) *times* (2) the total number of shares of Company Capital Stock held by such Non- Dissenting Stockholder, if any, attributable to such shares of Company Capital Stock, when issuable pursuant to Section 1.7(a);

(E) the number of shares of Parent Common Stock, rounded to the nearest whole share, equal to the product of (1) the Per Share Contingent Stock Amount (2022) *times* (2) the total number of shares of Company Capital Stock held by such Non- Dissenting Stockholder, if any, attributable to such shares of Company Capital Stock when issuable pursuant to Section 1.7(b); and

(F) any cash disbursements required to be made from the Indemnification Escrow Fund, PPP Escrow Fund and the Expense Fund with respect to such shares to the former holder thereof in accordance with the Escrow Agreement, PPP Escrow Agreement and Section 11.1(f), if, as and when such disbursements are required to be made; and

(iii) each share of common stock, par value $0.00001 per share, of Merger Sub I issued and outstanding immediately prior to the First Effective Time shall be converted automatically into one share of common stock of the Surviving Corporation. From and after the First Effective Time, all certificates representing the common stock of Merger Sub I shall be deemed for all purposes to represent the number of shares of common stock of the Surviving Corporation into which they were converted in accordance with the immediately preceding sentence.

(b) The amount of cash, if any, that each holder is entitled to receive at any particular time for the shares of Outstanding Capital Stock or shares of Company Capital Stock subject to Outstanding Options or shares of Company Capital Stock subject to Outstanding Company Warrants (as defined in Section 1.10), in each case held by such holder (as the case may be), shall be rounded to the nearest cent (with $0.005 being rounded upward) and computed after aggregating the cash amounts payable at such time for all shares of each class and series of Outstanding Capital Stock and all Outstanding Options and Outstanding Company Warrants held by such holder. Notwithstanding anything to the contrary set forth herein, no holder of Company Capital Stock shall be entitled to receive any interest in the Master Parent Promissory Note or Parent Common Stock unless and until such holder has executed and delivered to Parent a Lock- Up Agreement and an applicable Investor Questionnaire.

(c) At the Second Effective Time, by virtue of the Second Merger and without any action on the part of Parent, Merger Sub II, the Surviving Corporation, or any other Person, each share of common stock of the Surviving Corporation shall be converted into a single membership interest in the Surviving LLC without payment of any consideration with respect thereto.

1.6 Escrows.

(a) Indemnification Escrow.

(i) Contribution. Notwithstanding anything to the contrary contained in this Agreement, at the Closing, Parent shall withhold from the Adjusted Closing Consideration issuable pursuant hereto and deposit into an escrow account with the Escrow Agent an amount in cash equal to the Indemnification Escrow Amount (the “Indemnification Escrow Fund”). The Indemnification Escrow Fund shall be held by the Escrow Agent and disbursed by it solely for the purposes and in accordance with the terms of this Agreement and the provisions of the escrow agreement to be entered into among Parent, the Securityholders’ Agent and the Escrow Agent on the Closing Date, substantially in the form attached hereto as Exhibit I (the “Escrow Agreement”).

(ii) Escrow Agreement Approval. The terms and provisions of the Escrow Agreement and the transactions contemplated thereby are specific terms of the Merger, and the approval and adoption of this Agreement and approval of the Merger by the Company stockholders pursuant to written consents evidencing the Required Merger Stockholder Vote shall constitute approval by such stockholders, as specific terms of the Merger. By executing a written consent approving and adopting this Agreement and approving the Merger and/or a Joinder Agreement, as applicable, the Effective Time Holders will have irrevocably agreed to be bound by and comply with the obligations relating to the Escrow Agreement and all of the arrangements and provisions of this Agreement relating thereto, including the deposit of the Indemnification Escrow Amount into escrow.

(b) PPP Escrow. Notwithstanding anything to the contrary contained in this Agreement, at the Closing, Parent shall withhold from the Adjusted Closing Consideration issuable pursuant hereto and deposit into an escrow account with the PPP Escrow Agent an amount in cash equal to the PPP Escrow Amount (the "PPP Escrow Fund"). The PPP Escrow Fund shall be held by the PPP Escrow Agent to secure payment of the PPP Loan. Following the Closing, Company shall take any and all actions necessary to, and Parent covenants and agrees that it will take all actions necessary to cause Company to, ensure the PPP Escrow Fund will be disbursed as follows and in accordance with the terms of the escrow agreement to be entered into among the Company, the PPP Escrow Agent and the PPP Lender, substantially in the form attached hereto as Exhibit J (the "PPP Escrow Agreement"): (i) to the Payment Agent for further distribution to the Effective Time Holders based on each Effective Time Holder's respective Pro Rata Share promptly following the Securityholders' Agent's receipt of confirmation from the PPP Lender that the PPP Loan has been forgiven by the United States Small Business Administration; or (ii) to the PPP Lender to repay the PPP Loan if the PPP Loan is not forgiven in its entirety by the United States Small Business Administration, with any amount remaining the PPP Escrow Fund (if any) following such repayment to be disbursed to the Effective Time Holders based on each Effective Time Holder's respective Pro Rata Share. Notwithstanding the foregoing, following the Closing, Company shall not, and Parent covenants and agrees that it will not permit Company to, (y) amend or modify the PPP Escrow Agreement in any manner or (z) consent, authorize or approve the disbursement of the PPP Escrow Fund in a manner inconsistent with the terms set forth in this Section 1.6(b) and the PPP Escrow Agreement, in each case, without obtaining the prior written consent of the Securityholders' Agent.

1.7 Contingent Consideration.

(a) Contingent Consideration (2021).

(i) On the Contingent Consideration Payment Date (2021) (as defined below), Parent shall issue and deliver to the Payment Agent for distribution to the Effective Time Holders, shares of Parent Common Stock comprising the Achieved Contingent Consideration (2021).

(ii) Within forty-five (45) days following the conclusion of the Year 1 Contingent Consideration Period, Parent shall deliver to the Securityholders' Agent a schedule prepared in good faith and setting forth in reasonable detail Parent's calculation of the Qualifying Units Sold (2021), the Qualifying Units Sold Achievement Percentage (2021), the Achieved Contingent Consideration Amount (2021), the Achieved Contingent Consideration (2021) and the Per Share Contingent Stock Amount (2021) (the "Contingent Consideration Schedule (2021)").

(iii) Following delivery of the Contingent Consideration Schedule (2021), Parent shall allow the Securityholders' Agent reasonable access to such information, books, records, work papers, personnel and resources of Parent and the Company, in each case, to the extent used in, or related to, Parent's preparation of the Contingent Consideration Schedule (2021). For purposes of this Agreement, the "Contingent Consideration Payment Date (2021)" shall be on the earlier of (i) within ten (10) days following final determination of the Achieved Contingent Consideration (2021) pursuant to Section 1.7(c), or (ii) if no dispute is raised pursuant to Section 1.7(c), on the earlier of (A) thirty (30) days following the delivery of the Contingent Consideration Schedule (2021), or (B) ten (10) days following receipt by Parent of written notice from the Securityholders' Agent that the Contingent Consideration Schedule (2021) is not disputed.

(b) Contingent Consideration (2022).

(i) On the Contingent Consideration Payment Date (2022) (as defined below), Parent shall issue and deliver to the Payment Agent for distribution to the Effective Time Holders, shares of Parent Common Stock comprising the Achieved Contingent Consideration (2022).

(ii) Within forty-five (45) days following the conclusion of the Year 2 Contingent Consideration Period, Parent shall deliver to the Securityholders' Agent a schedule prepared in good faith and setting forth in reasonable detail Parent's calculation of the Qualifying Units Sold (2022), the Qualifying Units Sold Achievement Percentage (2022), the Achieved Contingent Consideration Amount (2022), the Achieved Contingent Consideration (2022) and the Per Share Contingent Stock Amount (2022) (the "Contingent Consideration Schedule (2022)").

(iii) Following delivery of the Contingent Consideration Schedule (2022), Parent shall allow the Securityholders' Agent reasonable access to such information, books, records, work papers, personnel and resources of Parent and the Company, in each case, to the extent used in, or related to, Parent's preparation of the Contingent Consideration Schedule (2022). For purposes of this Agreement, the "Contingent Consideration Payment Date (2022)" shall be on the earlier of (i) within ten (10) days following final determination of the Achieved Contingent Consideration (2022) pursuant to Section 1.7(c), or (ii) if no dispute is raised pursuant to Section 1.7(c), on the earlier of (A) thirty (30) days following the delivery of the Contingent Consideration Schedule (2022), or (B) ten (10) days following receipt by Parent of written notice from the Securityholders' Agent that the Contingent Consideration Schedule (2022) is not disputed.

(c) Contingent Consideration Dispute Resolution.

(i) In the event the Securityholders' Agent disputes any of the calculations set forth in the Contingent Consideration Schedule (2021) or the Contingent Consideration Schedule (2022), as applicable (a "Contingent Consideration Dispute"), the Securityholders' Agent shall give notice to Parent in writing of such disagreement in reasonable detail and the basis for such disagreement on a line-by-line basis, including the Securityholders' Agent's determination of any amount therein that is disputed within twenty (20) Business Days following receipt of the Contingent Consideration Schedule (2021) or the Contingent Consideration Schedule (2022), as applicable (a "Contingent Consideration Dispute Notice"). In the event the Securityholders' Agent fails for any reason to deliver a Contingent Consideration Dispute Notice to Parent within such twenty (20) Business Day-period, the Contingent Consideration Schedule (2021) or the Contingent Consideration Schedule (2022), as applicable, shall be final and binding on the Parties hereto and the Achieved Contingent Consideration (2021) or the Achieved Contingent Consideration (2022), as applicable, set forth therein shall be deemed final for all purposes under this Agreement. In the event of such a Contingent Consideration Dispute, Parent and the Securityholders' Agent shall first use their diligent good faith efforts to resolve such Contingent Consideration Dispute among themselves. If Parent and the Securityholders' Agent are unable to resolve the Contingent Consideration Dispute within thirty (30) calendar days after delivery of the Contingent Consideration Dispute Notice (the "Contingent Consideration Resolution Period"), then any remaining items in dispute shall be submitted to a nationally recognized accounting firm jointly chosen by Parent and the Securityholders' Agent (the "Audit Firm").

(ii) If any Contingent Consideration Dispute is submitted to the Audit Firm, Parent and the Securityholders' Agent will each prepare a separate written report of such unresolved item or items specified in the Contingent Consideration Dispute Notice and deliver such reports, along with copies of the Contingent Consideration Dispute Notice and the Contingent Consideration Schedule (2021) or the Contingent Consideration Schedule (2022), as applicable, marked to indicate those items that remain in dispute, to the Audit Firm within ten (10) calendar days after the end of the Contingent Consideration Resolution Period. Thereafter, each of Parent and the Securityholders' Agent will, and will use reasonable best efforts to cause its independent registered public accounting firm to, furnish to the Audit Firm such work papers and other documents and information relating to the disputed issues (including information of the Company) as the Audit Firm may reasonably request and are available to Parent or the Securityholders' Agent, or their respective independent registered public accounting firms, as the case may be; *provided*, *however*, such independent registered public accounting firms shall not be obligated to make any work papers available to the Audit Firm until the Audit Firm has signed a customary agreement relating to such access to working papers in form and substance reasonably acceptable to such independent registered public accounting firms. Parent and the Securityholders' Agent will each be afforded the opportunity to present to the Audit Firm material relating to the determination of the Achieved Contingent Consideration

(2021) or the Achieved Contingent Consideration (2022), as applicable, and to discuss such determination with the Audit Firm at a meeting with Parent and the Securityholders' Agent present. The Parties acknowledge and agree that (i) the Audit Firm shall not attribute a value to any disputed amount greater than the greatest amount proposed by either Parent or the Securityholders' Agent, or an amount less than the least amount proposed by either Parent or the Securityholders' Agent, (ii) the review by and determinations of the Audit Firm shall be limited to, and only to, the unresolved item or items specified in the Contingent Consideration Dispute Notice and contained in the reports prepared and submitted to the Audit Firm by Parent and the Securityholders' Agent, and (iii) the determinations by the Audit Firm shall be based solely on such reports submitted by Parent and the Securityholders' Agent, and the work papers and other documents and information provided to the Audit Firm that form the basis for Parent's and the Securityholders' Agent's respective positions. The written decision of the Audit Firm shall (1) be rendered within no more than sixty (60) days from the date that the matter is referred to such firm, (2) be final and binding on the Parties hereto and, in the absence of fraud or manifest error, shall not be subject to dispute or review, (3) have the same effect for all purposes as if such determinations had been embodied in a final judgment entered by a court of competent jurisdiction, and either Parent or the Securityholders' Agent may petition the Delaware courts to reduce such decision to judgment and (4) be an expert determination under Delaware law governing expert determinations. Following any such dispute resolution (whether by mutual agreement of Parent and the Securityholders' Agent or by written decision of the Audit Firm), all calculations in the Contingent Consideration Schedule (2021) and/or the Contingent Consideration Schedule (2022), as applicable (in each case as determined in such dispute resolution), shall be deemed final. The costs and expenses of the Audit Firm shall be allocated by the Audit Firm between Parent and the Securityholders' Agent (for the account of the Effective Time Holders), on the other, in the same proportion that the aggregate amount of unsuccessfully disputed or defended items, as applicable, submitted by each of Parent and the Securityholders' Agent bears to the total amount of disputed items; *provided*, *however*, if the engagement agreement, if any, entered into with the Audit Firm requires Parent and the Securityholders' Agent to be jointly and severally liable to the Audit Firm for its fees and disbursements and either Parent or the Securityholders' Agent (for the account of the Effective Time Holder) pays more than its portion of such fees and disbursements as determined according to this sentence, the Party paying less than its portion of such fees and disbursements hereby agrees to reimburse the first Party for any excess portion paid by such first Party to the Audit Firm.

(d) Contingent Consideration Covenants. It is understood and agreed that after the Closing Date: (x) Parent shall have no obligation to operate the Company after the Closing in order to maximize the number of Qualifying Units Sold; and (y) there can be no assurance that the Contingent Consideration will be achieved in whole or in part; *provided*, *however*, notwithstanding the foregoing, during the period commencing on the Closing Date and continuing until the expiration of the Year 2 Contingent Consideration Period (the "Contingent Consideration Period"), the Parties agree as follows:

(i) Parent shall maintain the Company as a separate wholly owned subsidiary of Parent with separate books and records and shall be designed to result in a Company Modified EBITDA (as defined below) of *negative* Five Million Seven Hundred Eighty-Eight Thousand Two Hundred Dollars (-$5,788,200) for the fiscal year ending December 31, 2021 (the "Target 2021 Company Modified EBITDA") and of *negative* Seven Million One Hundred Fifty-Nine Thousand Four Hundred Dollars (-$7,159,400) for the fiscal year ending December 31, 2022 (the "Target 2022 Company Modified EBITDA"); *provided*, *however*, in no event shall the Company be operated in a manner that results in the actual Company Modified EBITDA for the fiscal year ending (y) December 31, 2021 being less (*i.e.*, a larger negative number) than *negative* Six Million Three Hundred Sixty-Seven Thousand Twenty Dollars (-$6,367,020) or (z) December 31, 2022 being less (*i.e.*, a larger negative number) than *negative* Seven Million Eight Hundred Seventy-Five Thousand Three Hundred Forty Dollars (-$7,875,340). Notwithstanding the foregoing, in the event of an Uncontrollable Event that results in a modification to the Year 1 Contingent Consideration Period and/or Year 2 Contingent Consideration Period, the Target 2021 Company Modified EBITDA and/or Target 2022 Company Modified EBITDA, as applicable, shall be adjusted accordingly so there is a net neutral impact to the Target 2021 Company Modified EBITDA and Target 2022 Company Modified EBITDA and the Parties will act in good faith to adjust such numbers to have a neutral impact on the Company's ability to achieve the maximum Contingent Consideration. For purposes of this Agreement, "Company Modified EBITDA" shall mean an amount, calculated pursuant to and consistent with the Company Financial Statements, equal to the Company's net revenue, *less* product cost of goods sold, *less* operating expenses; and shall not include or otherwise take into account interest income and expense, income tax, depreciation, amortization, stock based compensation expense, costs relating to the transaction contemplated by this Agreement, and any general overhead expense allocations or other allocations relating to Parent's expenses that are not directly attributable to the operation of the Company;

(ii) to ensure that Company is able to produce and sell Company product units sufficient to earn the Qualifying Units Sold Target (2021) and the Qualifying Units Sold Target (2022) and achieve the targeted Company Modified EBITDA for the fiscal years ending December 31, 2021 and 2022, Parent shall fund the Company's working capital requirements as appropriate. Without limiting the foregoing, Parent covenants and agrees that it will maintain at least $1,000,000 at any point in time in a separate operating bank account for the Company's use throughout the Contingent Consideration Period; *provided*, *however*, in the event Parent desires Company to allocate individual units of the Company's product to Parent for sales through the Life360 application or other non-Jio Sales Channels, Parent shall, at the time of such allocation of units, ensure that Company has sufficient cash and inventory on hand to allocate such units without undermining or adversely affecting the Company's ability to maximize its achievement of the Contingent Consideration;

(iii) to ensure that the Company is able to hire and retain new employees to achieve the Qualifying Units Sold Target (2021) and the Qualifying Units Sold Target (2022) while maintaining Company Modified EBITDA in accordance with Section 1.7(d)(i), Parent shall ensure the Company has the ability to facilitate the grant of options to purchase shares of Parent Common Stock (or equivalent incentive equity compensation, such as restricted stock units) to new employees in an aggregate amount of no less than $1,500,000 for the 2021 and 2022 calendar years;

(iv) to ensure that Company is able to retain Continuing Employees to achieve the Qualifying Units Sold Target (2021) and the Qualifying Units Sold Target (2022) while maintaining Company Modified EBITDA in accordance with Section 1.7(d)(i), Parent shall ensure the Company has the ability to facilitate the grant of options to purchase shares of Parent Common Stock (or equivalent incentive equity compensation, such as restricted stock units) to Continuing Employees in an aggregate amount of no less than $856,000 for the 2021 and 2022 calendar years;

(v) except to the extent mutually agreed upon by Parent and the Securityholders' Agent: (A) the Company will sell its products using pricing consistent with its historical product pricing methodology in the Ordinary Course; and (B) Parent shall not mandate any material change to such product pricing methodology;

(vi) Parent shall refrain from taking any action with respect to the Company, or causing the Company to take any action, with the intended purpose of adversely affecting the ability of the Company to maximize its achievement of the Contingent Consideration;

(vii) Parent shall refrain from terminating (or causing the Company to terminate) any Key Revesting Employee without Cause (as such term is defined in such Key Revesting Employee's Retention Bonus Agreement) or taking any actions that result in any Key Revesting Employee resigning for Good Reason (as such term is defined in such Key Revesting Employee's Retention Bonus Agreement);

(viii) Parent shall refrain from terminating (or causing the Company to terminate) any Key Employee without Cause (as such term is defined in such Key Employee's Retention Bonus Agreement) or taking any actions that result in any Key Employee resigning for Good Reason (as such term is defined in such Key Employee's Retention Bonus Agreement);

(ix) Parent may (y) take advantage of such operational synergies as Parent may determine in its good faith business judgment (including, without limitation, consolidation of overlapping and/or duplicative functions, participation in joint purchasing programs, and similar actions) and (z) pursue growth opportunities for Parent and its Subsidiaries (including the Company) to the benefit of Parent and its Subsidiaries (including the Company); *provided*, *however*, in each case, any such actions shall be taken by Parent in a manner that does not undermine or adversely affect the Company's ability to maximize its achievement of the Contingent Consideration; and

(x) if Parent breaches any of the foregoing covenants, and such breach, if curable, is not cured within fifteen (15) days following written notice of such breach, the sole remedy of the Securityholders' Agent (on behalf of the Effective Time Holders) shall be to seek Damages, which Damages (if any) shall not, in the aggregate with all other Damages payable by Parent pursuant to this Section 1.7(d)(ix), exceed an amount equal to (A) the Adjusted Contingent Consideration less any portion of the Adjusted Contingent Consideration, if any, previously paid and issued *plus* (B) any other Damages incurred by the Securityholders' Agent in enforcing its rights pursuant to this Section 1.7(d)(ix) (which

Damages in clauses (A) and (B) shall be satisfied by Parent through the issuance to the Effective Time Holders of the number of shares of Parent Common Stock determined by *dividing* (x) the amount of such unsatisfied Damages by (y) the Parent Per Share Price (Stipulated)). Notwithstanding the foregoing, the Parties agree that (y) any willful and intentional breach by Parent of Section 1.7(d) prior to the Contingent Consideration Payment Date (2021) shall result in deemed Damages equal to the Adjusted Contingent Consideration Amount *plus* any other Damages incurred by the Securityholders' Agent in enforcing its rights pursuant to this Section 1.7(d)(ix) and (z) any willful and intentional breach by Parent of Section 1.7(d) on or after the Contingent Consideration Payment Date (2021) and prior to the Contingent Consideration Payment Date (2022) shall result in deemed damages equal to the Contingent Consideration Amount (2022) *plus* any other Damages incurred by the Securityholders' Agent in enforcing its rights pursuant to this Section 1.7(d)(ix).

(e) Change of Control of Parent. In the event of a change of control of Parent (including, without limitation, a merger involving Parent where the stockholders of Parent immediately prior to the transaction hold less than 50% of the shares of the surviving entity or a sale of all or substantially all of the assets owned by Parent) or, directly or indirectly, a change of control of the Surviving LLC or any other entity that holds the assets of the Company at such time, in any case prior to the Contingent Consideration Payment Date (2022), Parent shall (A) ensure that such purchaser affirmatively assumes the obligations of Parent with respect to this Section 1.7 and all other sections of this Agreement relating to, or otherwise impacting, the Contingent Consideration as contemplated hereunder or (B) issue and deliver to the Payment Agent for distribution to the Effective Time Holders immediately prior to the closing of such transaction (1) shares of Parent Common Stock comprising the Change of Control Contingent Consideration (2021-2022) in the event the closing of such change of control transaction occurs prior to the Contingent Consideration Payment Date (2021), or (2) shares of Parent Common Stock comprising the Change of Control Contingent Consideration (2022) in the event the closing of such change of control transaction occurs on or after the Contingent Consideration Payment Date (2021) and prior to the Contingent Consideration Payment Date (2022).

(f) Extension of Contingent Consideration Periods. Notwithstanding anything to the contrary set forth in this Agreement, in the event of any Force Majeure Event, including, for the avoidance of doubt, any material constraints, limitations, or restrictions on the Company's supply chain arising for reasons beyond the Company's control and outside of the reasonable ability of the Company to foresee and plan around on commercially reasonable terms without incurring undue expense or other hardship, in each case that adversely impacts or otherwise limits the Company's ability to order, produce, transport, sell or deliver Qualifying Units in a manner that would allow the Company to achieve the applicable Qualifying Units Sold Target, (i) that occurs during the Year 1 Contingent Consideration Period or Year 2 Contingent Consideration Period and (ii) for which Company provides notice to Parent of such event within ten (10) Business Days of such event occurring (each such event, an "Uncontrollable Event"), the Year 1 Contingent Consideration Period and/or Year 2 Contingent Consideration Period, as applicable, shall be automatically modified to extend the period covered by the Year 1 Contingent Consideration Period and/or Year 2 Contingent Consideration Period, as applicable, by a number of days (calculated on a day-to-day basis) equal to the product of (A) the number of days in which such Uncontrollable Event adversely impacted the Company's ability to order, produce, transport, sell

or deliver Qualifying Units *times* (B) the quotient of (1) the applicable Multiplier (Disrupted Month) for the month in which such impacted day is contained *divided by* (2) the applicable Multiplier (Extension Month) for the month in which such extension day is contained, as set forth on Schedule 1.7(e), rounded up to the nearest whole day (each such modification, a "Contingent Consideration Extension"); *provided*, *however*, in no event shall the Year 1 Contingent Consideration Period be extended by more than 90 days or the Year 2 Contingent Consideration Period be extended by more than 90 days (*i.e.*, up to 180 days in the aggregate). By way of example only, in the event of an Uncontrollable Event that lasts for 10 days during the months of July and August and, using the 4 week delay, the Multiplier (Disrupted Month) results in using 5 days in August (which has a Multiplier (Disrupted Month) equal to 2.05) and 5 days in September (which has a Multiplier (Disrupted Month) equal to 2.02), and the Company was not able to remedy or resolve the impact of such Uncontrollable Event during the six week period immediately following the initial occurrence of such Uncontrollable Event, the Year 1 Contingent Consideration Period shall be automatically modified to the period commencing on January 1, 2021 and ending on January 21, 2022 ((A) 5 days *times* (B) the quotient of (1) 2.05 *divided by* (2) 1.00, which equals 10.25 and (Y) 5 days *times* (Z) the quotient of (1) 2.02 *divided by* (2) 1.00, which equals 10.10, resulting in a total of 20.35 which is rounded up to 21 days and is added to the original Year 1 Contingent Consideration Period of December 31, 2021), and the Year 2 Contingent Consideration Period shall commence on January 22, 2022 and end on January 21, 2023 unless further extended. Notwithstanding the foregoing, in the event (A) there is an Uncontrollable Event and (B) the Company fully remedies and resolves the negative impact of such Uncontrollable Event (i) within six weeks following the initial occurrence of the Uncontrollable Event and (ii) during the Contingent Consideration Period in which the Uncontrollable Event occurred, then no Contingent Consideration Extension shall apply to such Uncontrollable Event (*e.g.*, if there is an Uncontrollable Event from July 1-6 that causes a shortage of 1,000 units, and, by no later than August 12 (the six week anniversary of the initial occurrence of the Uncontrollable Event) the Company is able to obtain such 1,000 units (in addition to all other units that were forecasted to be received) and sell those 1,000 units (in addition to all other units that were forecasted to be sold), then the Company shall not be entitled to a Contingent Consideration Extension with respect to such Uncontrollable Event). Notwithstanding the foregoing and without limiting the foregoing, the Parties acknowledge and agree that an Uncontrollable Event commenced on or about July 10, 2021, the Company provided notice of such Uncontrollable Event to Parent, and the treatment of such Uncontrollable Event will be handled pursuant to this Section 1.7(e).

1.8 Income Tax Reporting. Parent, the Company and the Effective Time Holders intend that each payment of the Contingent Consideration (other than with respect to Outstanding Options) in accordance with the terms of this Agreement will be treated for U.S. federal income Tax purposes as an installment obligation for purposes of Section 453 of the Code that is received in exchange for such Effective Time Holders' shares of Company Capital Stock; *provided*, *however*, nothing in this Section 1.8 shall prohibit any Effective Time Holder from electing out of installment sale treatment; *provided*, *further*, notwithstanding anything to the contrary herein, nothing in this Section 1.8 shall constitute a representation or warranty by Parent as to the U.S. federal income tax treatment to the Effective Time Holders of the receipt of the Contingent Consideration. Parent shall report such payments to the Effective Time Holders in a manner consistent with the foregoing, except as otherwise required by a "determination" within the meaning of Section 1313(a) of the Code (or any similar provision of state, local of foreign Tax law).

1.9 Treatment of Company Options.

(a) Outstanding Vested Options. At the First Effective Time, each Company Option that is vested, outstanding and unexercised immediately prior to the First Effective Time (after giving effect to any vesting that is contingent upon the completion of the Merger) (each, an "Outstanding Vested Option") shall automatically and without any action on the part of the holder thereof be assumed by Parent and converted into an option to purchase the number of shares of Parent Common Stock (rounded down to the nearest whole share) (each, a "New Parent Vested Option") determined by *multiplying* (i) the total number of shares of Company Common Stock subject to such Outstanding Vested Option immediately prior to the First Effective Time *by* (ii) the Common Stock Exchange Ratio, at an exercise price per share (rounded up to the nearest whole cent) determined by *dividing* (A) the exercise price per share of Company Common Stock at which such Outstanding Vested Option was exercisable immediately prior to the First Effective Time *by* (B) the Common Stock Exchange Ratio. Except as otherwise provided in this Section 1.9(a), each such New Parent Vested Option shall continue to have, and shall be subject to, the same terms and conditions (including without limitation the applicable exercisability rights) as applied to the corresponding Outstanding Vested Option immediately prior to the First Effective Time, except as otherwise required under Section 424(a) of the Code (with respect to any Outstanding Vested Option to which Section 422 of the Code applies) or Section 409A of the Code.

(b) Outstanding Unvested Options Held by Continuing Employees. At the First Effective Time, each Company Option that is unvested, outstanding and unexercised immediately prior to the First Effective Time (after giving effect to any vesting that is contingent upon the completion of the Merger), in each case that is held by a Continuing Employee (each, an "Outstanding Unvested Option"), shall automatically and without any action on the part of the holder thereof be assumed by Parent and converted into an option to purchase the number of shares of Parent Common Stock (rounded down to the nearest whole share) (each, a "New Parent Unvested Option") determined by *multiplying* (i) the total number of shares of Company Common Stock subject to such Outstanding Vested Option immediately prior to the First Effective Time *by* (ii) the Common Stock Exchange Ratio, at an exercise price per share (rounded up to the nearest whole cent) determined by *dividing* (A) the exercise price per share of Company Common Stock at which such Outstanding Unvested Option was exercisable immediately prior to the First Effective Time *by* (B) the Common Stock Exchange Ratio. Except as otherwise provided in this Section 1.9(b), each such New Parent Unvested Option shall continue to have, and shall be subject to, the same terms and conditions (including the applicable time-vesting and/or performance- vesting conditions) as applied to the corresponding Outstanding Unvested Option immediately prior to the First Effective Time.

(c) Outstanding Unvested Options. Each Company Option that is unvested, outstanding and unexercised immediately prior to the Effective Time (after giving effect to any vesting that is contingent upon the completion of the Merger), in each case that is held by a Person who is not a Continuing Employee, shall be cancelled as of the First Effective Time without payment to the holder thereof.

(d) Necessary Actions. Prior to the First Effective Time, the Company shall take all action that may be necessary (under the Company Stock Plan or otherwise) to effectuate the provisions of this Section 1.9 and to ensure that, from and after the First Effective Time, each holder of an Outstanding Vested Option, Outstanding Unvested Option or other Company Option shall cease to have any rights with respect thereto, except as expressly provided herein. The Company and the Parent shall take all actions reasonably necessary to cause the Company Stock Plan to be assumed by Parent concurrently with the Closing Date.

1.10 Treatment of Company Warrants. Except for the Company Warrant set forth on Schedule 1.10 (the "Terminated Warrant"), which shall terminate pursuant to its terms immediately prior to the First Effective Time, at the First Effective Time, each other Company Warrant that is outstanding and unexercised immediately prior to the First Effective Time (each, an "Outstanding Company Warrant") shall be cancelled and the holder thereof shall be entitled to receive pursuant to this Section 1.10, for such holder's Company Capital Stock subject to such Outstanding Company Warrant:

(a) at the Closing, an interest in the Master Parent Promissory Note equal to: (A) the product of (1) the Per Share Closing Notes Amount *minus* the Closing Notes Percentage (Second Adjustment) of the per share exercise price payable in respect of a share of Company Capital Stock subject to such Outstanding Company Warrant *by* (2) the total number of shares of Company Capital Stock subject to such Outstanding Company Warrant held by such holder; *minus* (B) the portion of such holder's Indemnification Escrow Fund Contribution Amount attributable to the total number of shares of Company Capital Stock subject to such Outstanding Company Warrant held by such holder; *minus* (C) the portion of such holder's PPP Escrow Fund Contribution Amount attributable to the total number of shares of Company Capital Stock subject to such Outstanding Company Warrant held by such holder; *minus* (D) the portion of such holder's Expense Fund Contribution Amount attributable to the total number of shares of Company Capital Stock subject to such Outstanding Company Warrant held by such holder;

(b) at the Closing, the number of shares of Parent Common Stock equal to (A) the product of (1) the Per Share Closing Stock Amount *times* (2) the total number of shares of Company Capital Stock that were subject to such Outstanding Company Warrant held by such holder *minus* (B) the quotient of (x) the Closing Stock Percentage (Second Adjustment) of the per share exercise price payable in respect of a share of Company Capital Stock subject to such Outstanding Company Warrant *times* the total number of shares of Company Capital Stock that were subject to such Outstanding Company Warrant held by such holder *divided by* (y) Parent Per Share Price (Stipulated);

(c) an additional interest in the Amended Master Parent Promissory Note equal to such holder's portion of the Additional Closing Notes Consideration, if any, attributable to the total number of shares of Company Capital Stock that were subject to such Outstanding Company Warrant held by such holder, when issuable pursuant to Section 1.13(e)(ii);

(d) the number of shares of Parent Common Stock equal to the product of (A) the Per Share Contingent Stock Amount (2021) *times* (B) the total number of shares of Company Capital Stock that were subject to such Outstanding Company Warrant held by such holder, when issuable pursuant to Section 1.7(a);

(e) the number of shares of Parent Common Stock equal to the product of (A) the Per Share Contingent Stock Amount (2022) *times* (B) the total number of shares of Company Capital Stock that were subject to such Outstanding Company Warrant held by such holder, when issuable pursuant to Section 1.7(b); and

(f) any cash disbursements required to be made from the Indemnification Escrow Fund, the PPP Escrow Fund and the Expense Fund with respect to such Outstanding Company Warrant to the former holder thereof in accordance with the Escrow Agreement, the PPP Escrow Agreement and Section 11.1(f) if, as and when such disbursements are required to be made.

Prior to the Effective Time, the Company shall take all action that may be necessary to effectuate the provisions of this Section 1.10 and to ensure that, from and after the Effective Time, each holder of an Outstanding Company Warrant cancelled as provided in this Section 1.10 shall cease to have any rights with respect thereto, except the right for each holder of an Outstanding Company Warrant to receive the consideration specified in this Section 1.10, without interest. Notwithstanding anything to the contrary set forth herein, no holder of an Outstanding Company Warrant shall be entitled to receive any interest in the Master Parent Promissory Note or Parent Common Stock in exchange therefor until such holder has executed and delivered to Parent a Joinder Agreement, a Lock-Up Agreement and an applicable Investor Questionnaire.

1.11 Dissenting Shares.

(a) Effect on Dissenting Shares. Notwithstanding any provisions of this Agreement to the contrary, shares of Company Capital Stock held by a holder who has demanded and perfected a demand for appraisal of such holder's shares of Company Capital Stock in accordance with Section 262 of the DGCL and as of the First Effective Time has neither effectively withdrawn nor lost such holder's appraisal rights pursuant to the DGCL (the "Dissenting Shares") shall not be converted into the applicable Merger Consideration pursuant to Section 1.5, but shall be entitled to only such rights as are granted by the DGCL. Parent shall be entitled to retain any Merger Consideration not paid on account of such Dissenting Shares pending resolution of the claims of such holders, and no other Person shall be entitled to any portion of such retained Merger Consideration.

(b) Loss of Dissenting Share Status. Notwithstanding the provisions of Section 1.11(a), if any holder of shares of Company Capital Stock who demands appraisal with respect to such holder's shares under the DGCL shall effectively withdraw or lose (through the failure to perfect or otherwise) such holder's right to appraisal under the DGCL, then as of the First Effective Time or the occurrence of such event, whichever occurs later, such holder's shares of Company Capital Stock shall automatically be converted into the right to receive the applicable Merger Consideration, without interest thereon, promptly following the surrender of the certificate or certificates representing such shares of Company Capital Stock in accordance with Section 1.12.

(c) Notice of Dissenting Shares. The Company shall give Parent: (i) prompt notice of any demands for appraisal received by the Company, withdrawals of any demands, and any other instruments or notices served or otherwise delivered pursuant to the DGCL and received by the Company; and (ii) the opportunity to direct all negotiations and proceedings with respect to any such demands for appraisal or other instruments or notices. The Company shall not, except with the prior written consent of Parent (which consent shall not be unreasonable withheld, conditioned or delayed), make any payment with respect to any demands for appraisal of shares of Company Capital Stock or offer to settle any such demands.

1.12 Exchange of Company Stock Certificates; Payment Agent.

(a) Payment Agent. PNC Bank, National Association shall act as payment agent in the Merger (the "Payment Agent") pursuant to the Payment Agent Agreement between the Payment Agent, Parent and the Securityholders' Agent in the form attached hereto as Exhibit K (the "Payment Agent Agreement"). On or promptly after each installment payment date specified in the Master Parent Promissory Note or Amended Master Parent Promissory Note, as applicable, Parent shall deposit with the Payment Agent cash sufficient to pay any cash consideration payable thereunder on such installment payment date; *provided*, *however*, Parent may in its sole discretion cause any such cash payments to Effective Time Holders who are subject to employee tax withholding to be made through Parent's (or the Surviving Corporation's) payroll system in accordance with standard payroll practices (including withholding for applicable Taxes as required by applicable Legal Requirements). The cash amounts so deposited with the Payment Agent are referred to herein, collectively, as the "Payment Fund." The Payment Agent will be instructed to invest the funds included in the Payment Fund in the manner directed by Parent. Any interest or other income resulting from the investment of such funds shall be the property of, and will be paid to, Parent.

(b) Letters of Transmittal. Promptly following the First Effective Time, the Payment Agent shall deliver:

(i) To each Person who is a record holder of Outstanding Capital Stock immediately prior to the Effective Time: (A) a letter of transmittal in substantially the form attached hereto as Exhibit L (a "Letter of Transmittal"), including a provision confirming that delivery of Company Stock Certificates (as defined in Section 1.12(d)) shall be effected, and risk of loss and title to Company Stock Certificates shall pass, only upon delivery of such Company Stock Certificates to the Payment Agent, a general release and a provision whereby such holder agrees to be bound by the provisions of Sections 1.5, 1.12, 11.1 and the other applicable provisions of this Agreement); and (B) instructions for use in effecting the exchange of Outstanding Capital Stock for the Merger Consideration payable with respect to such Outstanding Capital Stock. Upon the surrender to the Payment Agent of a duly executed Letter of Transmittal, Joinder Agreement, Lock-Up Agreement (if applicable), Investor Questionnaires and such other documents as Parent or the Payment Agent may reasonably request, such record holder shall, subject to Section 1.12(g), if applicable, be entitled to receive in exchange therefor the Merger Consideration that such holder has the right to receive pursuant to Section 1.5 at the times specified in Section 1.5, and Outstanding Capital Stock so surrendered shall forthwith be cancelled. From and after the Effective Time, any book-entry or physical stock certificate which prior to the Effective Time represented shares of Company Capital Stock shall be deemed to represent only the right to receive the Merger Consideration, if any, payable with respect to such shares, and the holder of thereof shall cease to have any rights with respect to the shares of Company Capital Stock formerly represented thereby; and

(ii) to each Person who is a holder of an Outstanding Company Warrant immediately prior to the First Effective Time as set forth on the Merger Consideration Certificate a letter of transmittal substantially in the form attached hereto as Exhibit M (a "Warrant Letter of Transmittal"). Upon the surrender to the Payment Agent of a duly executed Warrant Letter of Transmittal, Joinder Agreement, Lock-Up Agreement, Investor Questionnaire and such other documents as Parent or the Payment Agent may reasonably request, the holder of such Outstanding Company Warrant shall, subject to Section 1.12(g), if applicable, be entitled to receive in exchange therefor cash and shares of Parent Common Stock in an amount equal to the Merger Consideration that such holder has the right to receive pursuant to Section 1.10, as applicable, following the time of such delivery.

(c) Payments to Others. If payment of Merger Consideration in respect of shares of Company Capital Stock converted pursuant to Section 1.5 is to be made to a Person other than the Person in whose name surrendered Outstanding Capital Stock is registered, it shall be a condition to such payment that the Letter of Transmittal reflecting such Outstanding Capital Stock so surrendered shall be properly completed or shall be otherwise in proper form for transfer and that the Person requesting such payment shall have paid any transfer and other Taxes required by reason of such payment in a name other than that of the registered holder of such Outstanding Capital Stock surrendered or shall have established to the satisfaction of Parent that such Tax either has been paid or is not payable.

(d) Stock Transfer Books. As of the Effective Time, the stock transfer books of the Company shall be closed and there shall not be any further registration of transfers of shares of Company Capital Stock thereafter on the records of the Company. If, after the Effective Time, shares of Outstanding Capital Stock are presented to the Surviving Corporation, they shall be canceled and exchanged for the Merger Consideration, if any, payable with respect to such shares as provided for in Section 1.5. No interest shall accrue or be paid on any Merger Consideration payable upon the surrender of Outstanding Capital Stock.

(e) Undistributed Payment Funds. Any portion of the Payment Fund that remains undistributed as of the date that is 180 days after the Effective Time shall be delivered to Parent upon demand, and the Effective Time Holders who have not theretofore surrendered their Outstanding Capital Stock in accordance with this Section 1.12, shall thereafter look only to Parent for satisfaction of their claims for the Merger Consideration payable with respect to such Outstanding Capital Stock, without any interest thereon.

(f) Escheat. Notwithstanding anything in this Agreement to the contrary, neither Parent nor any other Person shall be liable to any Effective Time Holder or to any other Person for any amount paid to a public official pursuant to applicable abandoned property law, escheat law or similar applicable Legal Requirement. Any Merger Consideration or other amounts remaining unclaimed three years after the First Effective Time (or such earlier date immediately prior to such time as such amounts would otherwise escheat to or become property of any Governmental Body) shall, to the extent permitted by applicable Legal Requirements, become the property of Parent free and clear of any Encumbrance.

(g) Withholding. Each of the Payment Agent, Parent, the Company, the Surviving Corporation, the Surviving LLC, the Escrow Agent, the PPP Escrow Agent and their respective representatives shall be entitled to deduct and withhold (or cause to be deducted and withheld) from any amounts payable pursuant to this Agreement such amounts as are required to be deducted or withheld therefrom or in connection therewith under the Code or any provision of state or local Tax Legal Requirement of the United States. To the extent such amounts are so deducted or withheld and timely paid to the applicable Governmental Body, such amounts shall be treated for all purposes under this Agreement as having been paid to the Person to whom such amounts would otherwise have been paid.

(h) Issuance of New Parent Vested Options and New Parent Unvested Options. Promptly following the First Effective Time, Parent shall issue the New Parent Vested Options, as provided in Section 1.9(a), and the New Parent Unvested Options, as provided in Section 1.9(b).

1.13 Purchase Price Adjustment.

(a) Company Estimated Closing Statement. Not more than five (5) Business Days but not less than three (3) Business Days prior to the Closing, the Company shall deliver to Parent a statement (the "Estimated Closing Statement") setting forth a good faith calculation, together with reasonably detailed supporting documentation, of: (i) the Company Transaction Expenses (the "Estimated Company Transaction Expenses"); (ii) the Closing Indebtedness Amount (the "Estimated Closing Indebtedness Amount"); (iii) the Aggregate Exercise Price (the "Estimated Aggregate Exercise Price"); (iv) the Closing Cash Amount (the "Estimated Closing Cash Amount"); (v) the Closing Net Working Capital Shortfall Amount (the "Estimated Closing Net Working Capital Shortfall Amount"); (vi) the Closing Net Working Capital Excess Amount (the "Estimated Closing Net Working Capital Excess Amount"); (vii) the Vested Option Spread; (viii) the Unvested Option Spread; (ix) the Unvested Option Adjustment Amount; (x) the resulting calculation of the Adjustment Amount (the "Estimated Adjustment Amount"), the Adjusted Closing Consideration (the "Estimated Adjusted Closing Consideration"), the Per Share Closing Notes Amount (the "Estimated Per Share Closing Notes Amount"), the Per Share Closing Stock Amount (the "Estimated Per Share Closing Stock Amount"), the Per Share Closing Stock Amount (Options) (the "Estimated Per Share Closing Stock Amount (Options)") and the Per Share Holdback Amount (the "Estimated Per Share Holdback Amount"); and (xi) the Tax-Free Stock Percentage (Modified). The Estimated Closing Statement and the calculations thereunder shall be prepared and calculated by the Company in good faith and in accordance with the definitions set forth in this Agreement.

(b) Parent Closing Statement. No later than ninety (90) calendar days following the Closing Date (or such reasonable extension thereof as approved by the Securityholders' Agent) (such period, the "Post-Closing Review Period"), Parent will conduct a review of the Merger Consideration Certificate (the "Post-Closing Review") and, based on the Post-Closing Review, shall furnish the Securityholders' Agent a certificate of Parent setting forth Parent's good faith calculation of: (i) the Company Transaction Expenses; (ii) the Closing Indebtedness Amount; (iii) the Aggregate Exercise Price; (iv) the Closing Cash Amount, (v) the Closing Net Working Capital Shortfall Amount; (vi) the Closing Net Working Capital Excess Amount; (vii) the Vested Option Spread; (viii) the Unvested Option Spread; (ix) the Unvested Option Adjustment Amount; and (x) the resulting calculation of the Adjustment Amount, the Adjusted Closing Consideration, the Per Share Closing Notes Amount, the Per Share Closing Stock Amount, the Per Share Closing Stock Amount (Options) and the Per Share Holdback

Amount (the "Parent Closing Statement"); *provided*; *however*, if Parent fails to deliver the Parent Closing Statement pursuant to this Section 1.13(b) prior to the expiration of the Post-Closing Review Period, then the calculations set forth on the Estimated Closing Statement shall be deemed final and conclusive and binding upon all of the parties hereto. The Parent Closing Statement shall be prepared by Parent in good faith and in accordance with the definitions set forth in this Agreement.

(c) Post-Closing Dispute Notice. If the Securityholders' Agent disputes the accuracy of the calculation of any of the items set forth in the Parent Closing Statement, the Securityholders' Agent shall provide written notice to Parent no later than sixty (60) calendar days following the Securityholders' Agent's receipt of the Parent Closing Statement (the "Post-Closing Dispute Notice"), setting forth in reasonable detail those items that the Securityholders' Agent disputes. During such sixty (60) day period (and, in addition, until the resolution of any disputed amounts in accordance with this Section 1.13), Parent shall, and shall cause the Company to, (A) assist the Securityholders' Agent in the review of the Parent Closing Statement and provide the Securityholders' Agent and its representatives with access to (and the right to make copies of) the books, records (including work papers, schedules, memoranda and other documents), supporting data, facilities, accountants and employees of the Company (including the Surviving LLC) and its Affiliates for purposes of its review of the Parent Closing Statement, and (B) cooperate with the Securityholders' Agent and its representatives in connection with such review, including by providing on a timely basis all other information necessary or useful in connection with the review of the Parent Closing Statement and access to the Company's accountants and advisors. If the Securityholders' Agent accepts the calculation of the items set forth in the Parent Closing Statement, or if the Securityholders' Agent fails within such sixty (60) day period to notify Parent of any dispute with respect thereto, then the calculation of such items and the resulting Adjustment Amount, Adjusted Closing Consideration, Per Share Closing Notes Amount and Per Share Closing Stock Amount set forth in the Parent Closing Statement shall be deemed final and conclusive and binding upon all Parties.

(d) Dispute Resolution. During the thirty (30) day period following delivery of a Post-Closing Dispute Notice, Parent and the Securityholders' Agent will meet and negotiate in good faith with a view to resolving their disagreements over the disputed items. If Parent and the Securityholders' Agent resolve their differences over the disputed items in accordance with the foregoing procedure, (i) the Company Transaction Expenses, (ii) the Closing Indebtedness Amount, (iii) the Aggregate Exercise Price, (iv) the Closing Cash Amount, (v) the Closing Net Working Capital Shortfall Amount, (vi) the Closing Net Working Capital Excess Amount, and (vii) the resulting calculation of the Adjustment Amount, the Adjusted Closing Consideration, the Per Share Closing Notes Amount and the Per Share Closing Stock Amount shall be the amount agreed upon by them. If Parent and the Securityholders' Agent fail to resolve their differences over the disputed items within such thirty (30) day period, then Parent and the Securityholders' Agent shall forthwith jointly request that a mutually agreed nationally recognized accounting firm (the "Accounting Firm") make a binding determination in accordance with this Agreement as to any disputed items that remain unresolved as of the date on which the Accounting Firm is retained (the "Outstanding Disputes"). The Accounting Firm will, under the terms of its engagement, have no more than thirty (30) calendar days from the date of engagement within which to render its written decision with respect to the Outstanding Disputes (and only with respect to any unresolved Outstanding Disputes set forth in the Post-Closing Dispute Notice), which decision shall be final

and binding upon the Parties and enforceable by any court of competent jurisdiction. Parent and the Securityholders' Agent shall also instruct the Accounting Firm to, and the Accounting Firm shall, make its determination based solely on presentations and written materials submitted by Parent and the Securityholders' Agent to the Accounting Firm (with substantially simultaneous delivery to the other Party) that are in accordance with the guidelines and procedures set forth in this Agreement (*i.e.*, not on the basis of an independent review). In resolving any Outstanding Dispute, the Accounting Firm may not assign a value to any item greater than the greatest value for such item claimed by either Party or less than the smallest value for such item claimed by either Party. The fees and expenses of the Accounting Firm shall be paid by Parent, on the one hand, and/or the Securityholders' Agent (on behalf of the Effective Time Holders), on the other hand, based upon the percentage which the portion of the contested amount not awarded to each Party with respect to the Outstanding Disputes bears to the amount actually contested by such Party with respect to the Outstanding Disputes, as determined by the Accounting Firm. For the avoidance of doubt and without in any way limiting Parent's or the Securityholders' Agent's (on behalf of the Effective Time Holders), as applicable, obligation to pay any amount due pursuant to the post- closing adjustment set forth in Section 1.13(e), the determination of the (i) the Company Transaction Expenses, (ii) the Closing Indebtedness Amount, (iii) the Aggregate Exercise Price, (iv) the Closing Cash Amount, (v) the Closing Net Working Capital Shortfall Amount, (vi) the Closing Net Working Capital Excess Amount, and (vii) the resulting calculation of the Adjustment Amount, the Adjusted Closing Consideration, the Per Share Closing Notes Amount and the Per Share Closing Stock Amount pursuant to this Section 1.13 shall be deemed final, conclusive and binding upon the Parties, including as to any and all items and matters underlying the calculations of any and all such amounts. The Company Transaction Expenses, the Closing Indebtedness Amount, the Aggregate Exercise Price, the Closing Cash Amount, the Closing Net Working Capital Shortfall Amount, the Closing Net Working Capital Excess Amount and the resulting calculation of the Adjustment Amount, the Adjusted Closing Consideration, the Per Share Closing Notes Amount and the Per Share Closing Stock Amount as finally determined pursuant to this Section 1.13, are referred to herein as the "Final Company Transaction Expenses", the "Final Closing Indebtedness Amount", the "Final Aggregate Exercise Price", the "Final Closing Cash Amount", the "Final Closing Net Working Capital Shortfall Amount", the "Final Net Working Capital Excess Amount", the "Final Adjustment Amount", the "Final Adjusted Closing Consideration", the "Final Per Share Closing Notes Amount", the "Final Per Share Closing Stock Amount", the "Final Per Share Closing Stock Amount (Options)" and the "Final Per Share Holdback Amount", respectively.

(e) Payment of Post-Closing Adjustments.

(i) If the Estimated Adjusted Closing Consideration exceeds the Final Adjusted Closing Consideration (such excess, a "Closing Consideration Excess") by an amount equal to or greater than $25,000, then Parent shall be entitled to set off such amounts against the interests in the Master Parent Promissory Note held by the Effective Time Holders pursuant to the Parent Set-Off Rights. Any such set-off shall be in accordance with Each Effective Time Holder's Pro Rata Share. If the Closing Consideration Excess is less than $25,000, then the Closing Consideration Excess shall be deemed to be equal to zero dollars ($0.00) and no payments shall be due or owing to Parent and Parent shall not have any Parent Set-Off Rights with respect to such Closing Consideration Excess.

(ii) If the Final Adjusted Closing Consideration exceeds the Estimated Adjusted Closing Consideration (such amount, a "Closing Consideration Shortfall") by an amount equal to or greater than $25,000, then, within five (5) Business Days after the determination of the Final Adjusted Closing Consideration, Parent shall amend and restate the Master Parent Promissory Note (the "Amended Master Parent Promissory Note") to (A) reflect an aggregate increase to the principal amount thereof equal to the Closing Consideration Shortfall (such amount, the "Additional Closing Notes Consideration") and (B) specify each Effective Time Holder's increased interest therein, which interests shall be in accordance with each Effective Time Holder's Pro Rata Share. If the Closing Consideration Shortfall is less than $25,000, then the Closing Consideration Shortfall shall be deemed to be equal to zero dollars ($0.00), the Additional Closing Notes Consideration shall be equal to zero dollars ($0.00), and no payments or other consideration shall be due or owing to the Effective Time Holders with respect to such Closing Consideration Shortfall.

(iii) If the difference (positive or negative) between (A) the amount equal to (i) the Estimated Per Share Closing Notes Amount *plus* (ii) the Estimated Per Share Closing Stock Amount (Options) *minus* (iii) the Estimated Per Share Holdback Amount and (B) the amount equal to (i) the Final Per Share Closing Notes Amount *plus* (ii) the Final Per Share Closing Stock Amount (Options) *minus* (iii) the Final Per Share Holdback Amount such amount (such difference, the "Common Stock Exchange Ratio (Difference)") is equal to or less than +/-$0.01, then the Common Stock Exchange Ratio set forth on the Merger Consideration and the New Parent Vested Options and New Parent Unvested Options issued at the Closing in accordance with Sections 1.9(a) and 1.9(b) shall remain in effect unchanged.

(iv) If the Common Stock Exchange Ratio (Difference) is greater than +/-$0.01, then the number of New Parent Vested Options and New Parent Unvested Options shall be adjusted in accordance with such final numbers.

1.14 Tax Free Reorganization Matters. The parties hereto intend that, for U.S. federal income Tax purposes, the Mergers, taken together, will qualify as a "reorganization" within the meaning of Section 368(a) of the Code and the Treasury Regulations to which each of Parent and the Company are to be parties under Section 368(b) of the Code and the Treasury Regulations and this Agreement is intended to be, and is adopted as, a plan of reorganization for purposes of Sections 354, 361 and the 368 of the Code and within the meaning of Treasury Regulations Section 1.368-2(g) (the "Intended Tax Treatment"). The parties will prepare and file all Tax Returns consistent with the Intended Tax Treatment and will not take any inconsistent position on any Tax Return or during the course of any audit, litigation or other proceeding with respect to Taxes, except as otherwise required by a change in applicable law after the date hereof or a determination within the meaning of Section 1313(a) of the Code (or any similar U.S. state, local or non-U.S. law). Each of the parties hereto agrees to (x) promptly notify all other parties of any challenge to the Intended Tax Treatment by any Governmental Body, and (y) cooperate with each other and their respective counsel to document and provide factual support for the Intended Tax Treatment. Parent makes no representations or warranties to the Company or to any Effective Time Holders regarding the Tax treatment of the Mergers, or any of the Tax consequences to the Company or any Effective Time Holders of this Agreement, the Mergers or any of the other transactions or agreements contemplated hereby. The Company acknowledges that the Company and the Effective Time Holders are relying solely on their own Tax advisors in connection with this Agreement, the Mergers and the other transactions and agreements contemplated hereby.

1.15 Further Action. If, at any time after the First Effective Time, any further action is reasonably determined by Parent to be necessary or desirable to carry out the purposes of this Agreement or to vest the Surviving Corporation, the Surviving LLC or Parent with full right, title and possession of and to all rights and property of the Merger Subs and the Company, the officers and directors of the Surviving Corporation, the Surviving LLC and Parent shall be fully authorized (in the name of the Merger Subs, in the name of the Company and otherwise) to take such action.

2. REPRESENTATIONS AND WARRANTIES OF THE COMPANY

Except as specifically set forth in the Disclosure Schedule prepared by the Company and delivered to Parent prior to the execution of this Agreement setting forth specific exceptions to the Company's representations and warranties set forth in this Section 2 in accordance with Section 11.17, the Company represents and warrants to Parent and the Merger Subs as follows:

2.1 Due Organization; Organizational Documents.

(a) The Company is a corporation duly incorporated, validly existing and in good standing under the laws of Delaware and has all necessary corporate or similar power and authority to conduct its business in the manner in which its business is currently being conducted. The Company is duly qualified to do business and is in good standing under the laws of all jurisdictions where such qualification is required, except where the failure to be so qualified would not be material to the Company. The Company does not have and has never had any Subsidiaries.

(b) Accurate and complete copies of the Organizational Documents of the Company and all amendments thereto have been made available to Parent. As of the date hereof the stockholders of the Company have not approved, and the Board of Directors of the Company has not approved or proposed, any amendment to any of the Organizational Documents except for such amendments that are contemplated by this Agreement. The Company is in compliance with its Organizational Documents in all material respects.

(c) Section 2.1(c) of the Disclosure Schedule lists the Company's directors and officers as of the date of the Agreement.

2.2 Capital Structure.

(a) The authorized capital stock of the Company consists of: (i) 45,000,000 shares of Company Common Stock, of which 14,957,480 shares are issued and outstanding as of the date of this Agreement, including 9,216,000 shares of Company Common Stock subject to Company Restricted Stock Awards; and (ii) 24,076,676 shares of Company Preferred Stock, of which: (A) 2,266,215 shares are designated as "Series 1 Preferred Stock", and 2,266,215 of which are issued and outstanding as of the date of this Agreement; (B) 826,803 shares are designated as "Series 2 Preferred Stock", and 826,803 of which are issued and outstanding as of the date of this Agreement; (C) 880,600 shares are designated as "Series 3 Preferred Stock", and 880,600 of which are issued and outstanding as of the date of this Agreement; (D) 6,653,058 shares are designated

as “Series 4 Preferred Stock”, and 6,653,058 of which are issued and outstanding as of the date of this Agreement; (E) 11,350,000 shares are designated as “Series 5 Preferred Stock”, and 9,975,428 of which are issued and outstanding as of the date of this Agreement; and (F) 2,100,000 shares are designated as “Series 6 Preferred Stock”, and 2,037,497 of which are issued and outstanding as of the date of this Agreement. There are no shares of capital stock held in the Company’s treasury. The Company has never declared or paid any dividends on any shares of Company Capital Stock. Section 2.2(a) of the Disclosure Schedule sets forth the names of the Company’s stockholders, and the class, series and number of shares of Company Capital Stock owned of record by each of such stockholders as of the date of this Agreement, and except as set forth on Section 2.2(a) of the Disclosure Schedule, there are no other shares of Company Capital Stock authorized, issued, reserved for issuance or outstanding. All of the outstanding shares of Company Capital Stock have been duly authorized and validly issued, and are fully paid and nonassessable, and none of such shares is subject to any repurchase option, forfeiture provision or restriction on transfer (other than restrictions on transfer imposed by virtue of applicable federal and state securities laws). Each issued and outstanding share of Company Preferred Stock is convertible into shares of Company Common Stock on a one-for-one basis.

(b) The Company has reserved 5,356,297 shares of Company Common Stock for issuance under the Company Stock Plan, of which Company Options with respect to 2,189,055 shares are outstanding as of the date of this Agreement, 800,097 of which are fully vested and exercisable, and of which Company Restricted Stock Awards with respect to zero shares are outstanding as of the date of this Agreement. Section 2.2(b) of the Disclosure Schedule accurately sets forth, with respect to each Company Option and Company Restricted Stock Award that is outstanding as of the date of this Agreement: (i) the name of the holder of such Company Option or Company Restricted Stock Award; (ii) the total number of shares of Company Common Stock that are or were subject to such Company Option or Company Restricted Stock Award; (iii) the date on which such Company Option or Company Restricted Stock Award was granted and the term of such Company Option or Company Restricted Stock Award; (iv) the vesting schedule and the vesting commencement date of such Company Option or Company Restricted Stock Award (including the number of shares of Company Common Stock subject thereto that are vested and unvested as of the date of this Agreement) and whether the vesting of such Company Option or Company Restricted Stock Award is subject to any acceleration in connection with the Merger, any termination of employment or separation from service, or any of the other transactions contemplated by this Agreement; (v) the exercise price per share of Company Common Stock purchasable under such Company Option and the purchase price, if any, of any Company Restricted Stock Award; (vi) whether such Company Option is an “incentive stock option” as defined in Section 422 of the Code or subject to Section 409A of the Code; and (vii) whether early exercise is permitted with respect to such Company Option. Except as set forth in Section 2.2(b) of the Disclosure Schedule, no holder of a Company Option may exercise such Company Option prior to the date on which such Company Option becomes vested. Each grant of a Company Option was duly authorized no later than the date on which the grant of such Company Option was by its terms to be effective (the “Grant Date”) by all necessary corporate action, including, as applicable, approval by the board of directors of the Company (or a duly constituted and authorized committee thereof) and any required stockholder approval, in each case, by the necessary number of votes or written consents, and the award agreement governing such grant (if any) was duly executed and delivered by each party thereto and is in full force and effect, each such grant was made in accordance in all material respects with the terms of the applicable Company Stock Plan

and all other applicable Legal Requirements, and the per share exercise price of each Company Option was equal to the fair market value of a share of Company Common Stock on the applicable Grant Date. All options and restricted stock awards or other equity awards with respect to shares of Company Common Stock that were ever issued by the Company ceased to vest on the date on which the holder thereof ceased to be an employee, consultant or director of the Company. The exercise of the Company Options and the payment of cash in respect thereof complied and will comply in all material respects with the terms of the applicable Company Stock Plan, all Contracts applicable to such Company Options and all Legal Requirements. As of the First Effective Time, no former holder of a Company Option or Company Restricted Stock Award will have any rights with respect to any Company Option or Company Restricted Stock Award other than the rights contemplated by Section 1.9. The Company has made available to Parent accurate and complete copies of the Company Stock Plan, each form of agreement currently used thereunder pursuant to which any Company Option or Company Restricted Stock Award is outstanding and each Contract pursuant to which any Company Option or Company Restricted Stock Award is outstanding. The terms of the Company Stock Plan or the Contracts evidencing the Company Options authorize the treatment of the Company Options and Company Restricted Stock Award, in each case, as contemplated by Section 1.9 without any required consent or approval of the holders of such Company Options or Company Restricted Stock Awards.

(c) The Company has reserved 1,353,791 shares of Series 5 Preferred Stock and Company Common Stock for issuance pursuant to the Outstanding Company Warrants and 176,471 shares of Company Common Stock for issuance pursuant to the Terminated Warrant. Section 2.2(c) of the Disclosure Schedule accurately sets forth, with respect to each Outstanding Company Warrant as of the date of this Agreement: (i) the name of the holder of such Outstanding Company Warrant; (ii) the total number of shares of Company Common Stock that are subject to such Outstanding Company Warrant; (iii) the date on which such Outstanding Company Warrant was issued and the term of such Outstanding Company Warrant; (iv) whether such Outstanding Company Warrant is subject to any acceleration in connection with the Mergers; and (v) the exercise price per share of Company Common Stock purchasable under such Outstanding Company Warrant. Each Outstanding Company Warrant was duly authorized by all necessary corporate action, including, as applicable, approval by the board of directors of the Company (or a duly constituted and authorized committee thereof) and any required stockholder approval, in each case, by the necessary number of votes or written consents, and the warrant agreement governing such Outstanding Company Warrant (if any) was duly executed and delivered by each party thereto and is in full force and effect, and each such Outstanding Company Warrant was made in accordance in all material respects with the terms of all applicable Legal Requirements. The exercise of the Outstanding Company Warrants and the payment of cash in respect thereof complied and will comply in all material respects with the terms of all Contracts applicable to such Outstanding Company Warrants and all Legal Requirements. As of the First Effective Time, no former holder of an Outstanding Company Warrant will have any rights with respect to any Outstanding Company Warrant other than the rights contemplated by Section 1.10. The Company has made available to Parent accurate and complete copies of each Outstanding Company Warrant and Terminated Warrant. The terms of the Contracts governing such Outstanding Company Warrants authorize the treatment of the Outstanding Company Warrants and the Terminated Warrant as contemplated by Section 1.10 without any required consent or approval of the holders of such Outstanding Company Warrants and Terminated Warrant.

(d) Except for the conversion privileges of the Company Preferred Stock and except as set forth in Section 2.2(a), Section 2.2(b) and Section 2.2(c) of the Disclosure Schedule, there is no: (i) outstanding subscription, option, call, convertible note, warrant or right (whether or not currently exercisable) to acquire any shares of or interest in Company Capital Stock or other securities of the Company; (ii) outstanding security, note, instrument or obligation (including any share or award of restricted stock, restricted stock unit, deferred stock or deferred stock unit or similar award) that is or may become convertible into or exchangeable for any shares of Company Capital Stock (or cash based on the value of such shares) or other securities of the Company; (iii) Contract under which the Company is or may become obligated to sell or otherwise issue any shares of or interests in Company Capital Stock or other securities, including any promise or commitment to grant Company Options or any other securities of the Company to an employee of or other service provider to the Company; or (iv) condition or circumstance that would reasonably be likely to give rise to or provide a basis for the assertion of a claim by any Person who has not otherwise released such claim to the effect that such Person is entitled to acquire or receive any shares of or interests in Company Capital Stock or any other securities of the Company. As of the First Effective Time, there will be no outstanding options, warrants, convertible notes or other rights granted by the Company to purchase or otherwise acquire shares of Company Capital Stock.

(e) All outstanding shares of Company Capital Stock, all outstanding Company Options, all Outstanding Company Warrants and all other securities that have ever been issued or granted by the Company have been issued and granted in compliance in all material respects with: (i) all applicable securities laws and other applicable Legal Requirements; and (ii) all requirements set forth in all applicable Contracts. None of the outstanding shares of Company Capital Stock was issued in violation of any preemptive rights or other rights to subscribe for or purchase securities of the Company. Section 2.2(e) of the Disclosure Schedule accurately identifies each Company Contract other than this Agreement relating to any securities of the Company that contains any information rights, rights of first refusal, registration rights, financial statement requirements or other terms that would survive the Closing unless terminated or amended prior to the Closing.

(f) Section 2.2(f) of the Disclosure Schedule accurately identifies each Company Contract other than this Agreement relating to any securities of the Company, or between the Company and any holder(s) of Company Capital Stock or other securities of the Company, that contains any voting rights, governance or management rights, information rights, rights of first refusal, registration rights, financial statement requirements or other terms that would survive the Closing unless terminated or amended prior to the Closing. The Company is not in breach or in default under any such Company Contract, and to the Knowledge of the Company, no other party to any such Company Contract is in breach or in default, and to the Knowledge of the Company no event, occurrence, condition or act exists or has occurred that, with the giving of notice or the lapse of time, would reasonably be expected to become a material breach or material default under any such Company Contract.

2.3 Financial Statements and Related Information.

(a) Section 2.3 of the Disclosure Schedule sets forth the following financial statements and notes (collectively, the "Company Financial Statements"): (i) the unaudited balance sheets of the Company as of December 31, 2018, December 31, 2019 and December 31, 2020, and the related unaudited statements of operations, statements of stockholders' equity and statements of cash flows of the Company for the years ended December 31, 2018, December 31, 2019 and December 31, 2020, together with the notes (if any) thereto and (ii) the unaudited balance sheet of the Company as of March 31, 2021 (the "Unaudited Interim Balance Sheet"), and the related unaudited income statement, statement of cash flows and statement of changes in stockholders' equity of the Company for the three (3) months ended March 31, 2021. The Company Financial Statements present accurately and fairly in all material respects the consolidated financial position of the Company as of the respective dates thereof and the results of operations and cash flows of the Company for the periods covered thereby. The Company Financial Statements are in accord with the corporate books and records of the Company and have been prepared in accordance with GAAP (except for the omission of notes from any unaudited Company Financial Statements and, in the case of the interim Company Financial Statements, normal and recurring year-end adjustments, none of which is material).

(b) The Company maintains systems of internal controls over financial reporting and accounting sufficient to provide reasonable assurances regarding the reliability of financial reporting and the preparation of accurate financial statements, including to provide assurance that: (i) transactions are executed in accordance with management's general or specific authorization; (ii) transactions are recorded as necessary to permit the preparation of financial statements in conformity with GAAP and to maintain accountability for assets; (iii) access to assets is permitted only in accordance with management's general or specific authorization; and (iv) the recorded accountability for assets is compared with the actual levels at reasonable intervals and appropriate action is taken with respect to any differences. There are no material deficiencies or material weaknesses in the design or operation of the Company's internal controls that could adversely affect the Company's ability to record, process, summarize and report financial data, and the Company has no Knowledge of any related complaint, allegation, assertion or claim.

2.4 No Liabilities; Indebtedness; Accounts Receivable; Accounts Payable.

(a) Absence of Liabilities. Except as set forth on Section 2.4(a) of this Disclosure Schedule, the Company does not have any material Liabilities of any nature, whether accrued, absolute, contingent, matured, unmatured or otherwise, other than: (i) Liabilities specifically reflected and reserved against in the Unaudited Interim Balance Sheet; (ii) accounts payable, accrued expenses or accrued salaries and other employee compensation that have been incurred by the Company since the date of the Unaudited Interim Balance Sheet in the Ordinary Course; (iii) Liabilities under the Company Contracts made available to Parent that are expressly set forth in and identifiable by reference to the text of such Company Contracts and are not required to be reflected in financial statements prepared in accordance with GAAP (and none of which relate to breach of contract, breach of warranty, tort, infringement, violation of or Liability under any Legal Requirement or any Legal Proceeding); (iv) the Company Transaction Expenses; or (v) Liabilities that are disclosed on the Disclosure Schedule pursuant to any other representation or warranty contained in this Section 2.4(a) and are readily apparent on the face of such disclosure that such items would constitute a Liability of the Company.

(b) Indebtedness. Section 2.4(b) of the Disclosure Schedule sets forth a complete and correct list of each item of Indebtedness as of the date of this Agreement, identifying the creditor to which such Indebtedness is owed, the title of the instrument under which such Indebtedness is owed, the amount of such Indebtedness as of the close of business on the date of this Agreement (or such other time as is specified in Section 2.4(b) of the Disclosure Schedule, which shall be no earlier than the close of business on the day that is two (2) Business Days prior to the date hereof). Except as set forth in Section 2.4(b) of the Disclosure Schedule, no Indebtedness contains any restriction upon (i) the prepayment of any of such Indebtedness, (ii) the incurrence of any other Indebtedness, or (iii) the ability of the Company to grant any Encumbrance on any of its assets. The Company has not guaranteed, is not responsible and does not have any Liability for any Indebtedness of any other Person, and the Company has not guaranteed any other obligation of any other Person.

(c) Accounts Receivable. Section 2.4(c) of the Disclosure Schedule sets forth, as of the date of this Agreement (or such other time as is specified in Section 2.4(c) of the Disclosure Schedule, which shall be no earlier than the close of business on the day that is two (2) Business Days prior to the date hereof): (i) an accurate and complete breakdown of all accounts receivable, notes receivable and other receivables of the Company (the "Accounts Receivable"); and (ii) the aging of such Accounts Receivable from the date of invoice. Except as set forth in Section 2.4(c) of the Disclosure Schedule, all Accounts Receivable (including those Accounts Receivable reflected on the Unaudited Interim Balance Sheet that have not yet been collected): (A) represent sales actually made in the Ordinary Course; (B) constitute only valid, undisputed claims of the Company not subject to claims of set-off or other defenses or counterclaims other than normal cash discounts accrued in the Ordinary Course; (C) subject to a reserve for bad debts shown on the Unaudited Interim Balance Sheet or, with respect to Accounts Receivable arising after the date of the Unaudited Interim Balance Sheet, on the accounting records of the Company, are collectible in full within ninety (90) days after billing; (D) do not represent obligations for goods sold on consignment; and (E) are not the subject of any formal Legal Proceeding brought by or on behalf of the Company. Since the date of the Unaudited Interim Balance Sheet, the Company have collected their respective Accounts Receivable in the Ordinary Course and have not accelerated any such collections.

(d) Accounts Payable. All accounts payable of the Company arose in the Ordinary Course consistent with past practice, and no such accounts payable is past due or otherwise in default in its payment. Since the date of the Unaudited Interim Balance Sheet, the Company has paid its accounts payable in the Ordinary Course, except for those accounts payable the Company is contesting in good faith.

2.5 Absence of Changes. Since the date of the Unaudited Interim Balance Sheet through the date of this Agreement:

(a) there has not been any Material Adverse Effect; and

(b) the Company has not taken any action that would have been prohibited or otherwise restricted under Section 4.2 hereof, had such action been taken during the Pre-Closing Period.

2.6 Tangible Personal Property. The Company has good title to all of the items of tangible personal property owned by the Company (including all tangible personal property reflected on the Unaudited Interim Balance Sheet as owned by the Company, except for assets disposed of, accounts receivable collected, prepaid expenses realized and Contracts fully performed, expired or terminated since the date of the Unaudited Interim Balance Sheet). All tangible personal property owned by the Company is owned free and clear of all Encumbrances, except for Permitted Encumbrances. The Company has a valid leasehold interest in all properties leased by it, in each case free and clear of all Encumbrances, except for liens under such leases and Permitted Encumbrances. With respect to such leased assets, the Company is in material compliance with such leases. There are no existing defaults under such leases by the Company or, to the Company's Knowledge, by any other party to any such lease. All material tangible personal property owned or leased by the Company has been maintained by the Company in accordance with generally accepted industry practice in all material respects, is adequate and suitable for the purposes to which it is put to use by Company, and is in all material respects in good repair and working order, normal wear and tear excepted.

2.7 Bank Accounts. Section 2.7 of the Disclosure Schedule provides the following information with respect to each account maintained by or for the benefit of the Company at any bank or other financial institution: (a) the name of the bank or other financial institution at which such account is maintained; (b) the account number; (c) the type of account; and (d) the names of all Persons who are authorized to (i) sign checks or other documents with respect to such account, (ii) access such account, view the account balance and view the transactions with respect to such account, including all Persons with online and remote access, and (iii) input or release payments from such account.

2.8 Real Property; Lease Agreements. The Company does not own any real property. Section 2.8 of the Disclosure Schedule contains a true and complete list of all real property interests leased by the Company pursuant to a lease, sublease, use and occupancy or other similar agreement under which the Company is a lessee (collectively, the "Company Leases" and the leased premises specified in such leases being referred to herein collectively as the "Company Properties"), including the address and lessee under such Company Leases. All the Company Leases are in full force and effect and are valid and binding obligations of the Company, enforceable against the Company and, to the Knowledge of the Company, against the lessor parties thereto in accordance with their respective terms. Accurate and complete copies of all Company Leases have been made available to Parent. The Company Properties constitute all the interests in real property currently used or currently held for use in connection with the business of the Company. The Company is not in breach of or default under the terms of any Company Lease and, to the Knowledge of the Company, no event has occurred that, with notice or lapse of time or both, would constitute such breach of or default or permit termination, modification or acceleration of such Company Lease. No landlord under any Company Lease has exercised (or communicated an intent to exercise) any option or right to cancel or terminate such Company Lease or shorten or lengthen the term thereof, lease additional premises, reduce, expand or relocate the premises demised by such Company Lease. The Company Properties are sufficiently supplied in all material respects with utilities and other services as necessary for the operation of such Company Properties, are in commercially reasonable condition, and are adequate and suitable for the purposes to which they are put to use by Company.

2.9 Intellectual Property; Privacy and Data Security; Information Technology.

(a) Section 2.9(a) of the Disclosure Schedule sets forth an accurate and complete list of all Registered Company IP, in each case listing, as applicable, (i) the name of the applicant/registrant and current owner, (ii) the jurisdiction where the application/registration is located (or, for Domain Names, the applicable registrar), (iii) the application or registration number, (iv) the filing date and issuance/registration/grant date, and (v) the prosecution status. Each item of Registered Company IP is owned solely by the Company. The foregoing registrations are in effect and subsisting, are valid and enforceable and comply in all material respects with all applicable laws (including payment of any filing, examination and maintenance fees and proofs of use). As of the date of this Agreement, the Company has not received any written communications challenging, or, to the Knowledge of the Company, threatening to challenge, the ownership, use, validity, scope or enforceability of the Registered Company IP. Section 2.9(a) of the Disclosure Schedule also contains a complete and accurate list of all material Trademarks used or held for use by the Company that are not registered or the subject of Trademark registrations.

(b) Section 2.9(b) of the Disclosure Schedule sets forth an accurate and complete list of all Contracts under which the Company has been granted rights to practice or use any Intellectual Property or Intellectual Property Rights of another Person that are material to the Company's business, including Contracts under which any other Person has granted or agreed to grant to the Company any license, covenant, release, immunity or other right with respect to Intellectual Property or Intellectual Property Rights, in each case except for Off-The-Shelf Contracts.

(c) Section 2.9(c) of the Disclosure Schedule sets forth an accurate and complete list of all Contracts under which the Company has granted or agreed to grant to any other Person any license, covenant not-to-sue, release, immunity or other similar right to practice or use any material Owned Company IP, except for Contracts granting customers non-exclusive licenses to practice or use Company IP entered into in the Ordinary Course.

(d) All Company IP Agreements are in full force and effect, and enforceable in accordance with their terms. Except as set forth in Section 2.9(d) of the Disclosure Schedule, the Company is in compliance with, and has not breached any term of, the Company IP Agreements and, to the Knowledge of the Company, all other parties to the Company IP Agreements are in compliance with, and have not breached any term of, the Company IP Agreements. There are no pending or, to the Knowledge of the Company, threatened, disputes regarding the Company IP Agreements, including disputes with respect to the scope thereof, performance thereunder, or payments made or received in connection therewith.

(e) Neither the execution and delivery of this Agreement by the Company nor the consummation by the Company of the transactions contemplated by this Agreement will result in any limitation on the Company's right, title or interest (to the extent applicable) in or to any Company IP or Company Systems. The Intellectual Property and Intellectual Property Rights included in the Owned Company IP and the Licensed Company IP include all of the Intellectual Property and Intellectual Property Rights that are necessary to enable the Surviving Corporation to conduct the business of the Company in the same manner as currently conducted, and following the Closing, the Surviving Corporation will own or have (pursuant to the Company IP Agreements

other than Off-The-Shelf Contracts) the same rights (whether ownership, license or otherwise) that the Company had immediately prior to the Closing with respect to such Intellectual Property and Intellectual Property Rights, without the payment of any additional amounts or consideration other than ongoing fees, royalties or payments which the Company would otherwise have been required to pay.

(f) Section 2.9(f) of the Disclosure Schedule sets forth a complete and accurate list and/or description of all material Licensed Company IP (including Software but excluding Open Source Software) that is included, incorporated or embedded in, linked to, or combined or distributed with a Company Product.

(g) Except as set forth in Section 2.9(g) of the Disclosure Schedule, the Company solely and exclusively owns all right, title and interest in and to (including the sole right to enforce) the Owned Company IP, free and clear of all Encumbrances (other than Permitted Encumbrances), and have not: (i) licensed any such Owned Company IP, or any other Company IP, to any Person, except pursuant to (A) a Company IP Agreement listed in Section 2.9(c) of the Disclosure Schedule or (B) Contracts granting customers non-exclusive licenses to practice or use Company IP entered into in the Ordinary Course in connection with the Company Products; or (ii) exclusively licensed any such Owned Company IP, or any other Company IP, to any Person.

(h) The Company has taken steps consistent with generally accepted industry standards, and in any event no less than reasonable steps, to safeguard and maintain the secrecy and confidentiality of, and its proprietary rights in, all information and materials not generally known to the public that are included in the Company IP (including any Trade Secrets provided by or to third Persons). The Company has not authorized the disclosure of any Trade Secret included in the Company IP, nor to the Knowledge of the Company has any such Trade Secret been disclosed, other than pursuant to a valid and enforceable confidentiality agreement with respect thereto. The Company has no Knowledge of any misappropriation or unauthorized disclosure of any Trade Secret included in the Company IP (or claimed or understood to be so included), or breach of any obligations of confidentiality with respect to the Company or the Company IP.

(i) The business of the Company as currently conducted and as planned to be conducted, including the design, development, use, provision, import, branding, advertising, promotion, marketing, and sale of any Company Products, (i) does not infringe, misappropriate, use or disclose without authorization, or otherwise violate (and, when conducted by the Surviving Corporation following the Closing in substantially the same manner, will not infringe, misappropriate, use or disclose without authorization, or otherwise violate) any Intellectual Property Rights of any third Person, and (ii) does not and will not constitute unfair competition or trade practices under any Legal Requirement. Except as set forth on Section 2.9(i) of the Disclosure Schedule, neither the Company nor any of the officers or directors of the Company has received any written notice alleging that the Company has violated or infringed, or, by conducting its business as presently conducted, would violate or infringe, any Intellectual Property Rights of any other Person, or that the business of the Company constitutes unfair competition or trade practices under any Legal Requirement.

(j) Except as set forth on Section 2.9(j) of the Disclosure Schedule, to the Knowledge of the Company, no Person or any of such Person's products or services or other operation of such Person's business is infringing on, misappropriating, or otherwise violating any of the Company IP.

(k) No director, officer or stockholder of the Company owns any rights in any Intellectual Property that is directly competitive with the business of the Company or that is derived from any Company IP, and no present or former employee, officer, independent contractor or other Company Associate has any ownership, license or other right, title or interest, directly or indirectly, in whole or in part, in any Owned Company IP. To the Company's Knowledge, no Company Associate has misappropriated the Trade Secrets of any other Person in the course of their employment or other engagement with the Company.

(l) The Company has made available to Parent (i) an accurate and complete list of all Open Source Software that is included, incorporated or embedded in, linked to, or combined or distributed with a Company Product, and (ii) if the Open Source Software is utilized by the Company under a Copyleft License, a description of the manner in which each such Company Product incorporates, is integrated or bundled with or links to such Open Source Software. The Company has used commercially reasonable efforts to (A) identify such Open Source Software and (B) regulate the use and distribution of Open Source Software in connection with its business and the Company Products, in each case in compliance with and as required by the applicable Open Source Software licenses. The Company has not included, incorporated or embedded in, linked to, or combined or distributed with a Company Product (or otherwise used in or with any Company Product) any Open Source Software under a Copyleft License in a manner that would require any Company Product to be licensed, distributed, or otherwise made available: (x) in a form other than binary or object code (e.g., in source code form); (y) under terms that permit redistribution, reverse engineering, or creation of derivative works or other modification; or (z) without a license fee.

(m) The Company has implemented and maintains commercially reasonable procedures and practices designed to ensure that User Content (and its exploitation in connection with the Company Products) complies with applicable law and does not infringe, misappropriate, or otherwise violate any Intellectual Property Right or other rights of any Person and to address allegations of infringement with respect to User Content. To the Knowledge of the Company, no claims have been received, asserted or threatened with respect to any User Content.

(n) Except as set forth on Section 2.9(n) of the Disclosure Schedule, to the Knowledge of the Company, the Software used by the Company is free of any defects, bugs and errors in accordance with generally accepted industry standards, and does not contain or make available any disabling codes or instructions, spyware, Trojan horses, worms, viruses or other software routines that permit or cause unauthorized access to, or disruption, impairment, disablement, or destruction of, Software, data or other materials ("Software Contaminants").

(o) The Company is, and in the past at all times has made itself, in compliance with each Applicable Privacy and Data Security Requirement. At all times since inception, the Company has maintained a policy or policies that govern its collection, use, storage, retention, disclosure, and disposal of Personal Information (each, a "Privacy Policy"), provided notice of its Privacy Policy on all of its websites and mobile applications in a manner compliant with all Applicable Privacy and Data Security Requirements, and given all notices and obtained all consents, rights and permissions required by its Privacy Policy and all Applicable Privacy and Data Security Requirements, including as required to permit the transfer of Personal Data in connection with the transactions contemplated by this Agreement, and such transfer will not violate in any material respect any Privacy Policy or Applicable Privacy and Data Security Requirements. The Company's Privacy Policies fully and accurately disclose how the Company Processes Personal Information. Complete and correct copies of all Privacy Policies have been made available to Parent.

(p) The Company has implemented, maintains and complies with a privacy compliance program that is comprised of appropriate internal processes, policies and controls designed to comply with each Applicable Privacy and Data Security Requirement, including processes for providing notice and obtaining and maintaining records of verifiable parental consent regarding the processing of Personal Information about children under the age of 13. The Company complies with all requirements of each self-certification program the Company has subjected itself to, including all certifications, seals and safe-harbor programs relating to the Processing of Personal Information.

(q) All Software, systems, servers, computers, hardware, firmware, middleware, networks, data communications lines, routers, hubs, switches and other information technology equipment used in the operation of the Company's business (collectively, the "Company Systems") are adequate for, and operate and perform in all material respects in accordance with their documentation and functional specifications and otherwise as required in connection with, the operation of such businesses. The Company Systems directly controlled and managed by the Company have not materially malfunctioned or failed within the past four years. The Company has implemented commercially reasonable backup, security and disaster recovery technology consistent with industry standard practices, and, to the Company's Knowledge no Person has gained unauthorized access to any Company Systems. The Company Systems do not have any material security vulnerabilities.

(r) At all times during the last five years, the Company has implemented and maintained an information security program which implements and monitors administrative, organizational, and technical measures to protect against anticipated or actual threats to the security, confidentiality, availability and integrity of Company Systems, including all Personal Information and all other confidential or proprietary information processed by or on behalf of the Company (collectively, "Protected Information"). The Company's information security program is reasonably consistent with (i) reasonable practices in the industry in which the Company operates, and (ii) the Company's Applicable Privacy and Data Security Requirements.

(s) There has been no incidents of, or third-party claims alleging unauthorized access, unauthorized acquisition, unauthorized destruction, unauthorized use, unauthorized disclosure, loss, damage, corruption, alteration, or other misuse of any Company Systems or Protected Information (each, a "Security Breach"). The Company has not been notified in writing, or been required by any Applicable Privacy and Data Security Requirements or Governmental Body to notify in writing, any Person of any Security Breach. No claims, allegations, investigations, inquiries, enforcements, complaints, or Legal Proceedings are pending or, to the

Knowledge of the Company, threatened against the Company alleging a violation of any Person's privacy or any Applicable Privacy and Data Security Requirement. The Company maintains insurance coverage containing industry standard policy terms and limits that are reasonable, appropriate and sufficient to: (i) comply with all Applicable Privacy and Data Security Requirements; and (ii) respond to the risk of liability stemming from or relating to any Security Breaches that may impact the Company's operations or Company Systems or from or relating to any violation of Applicable Privacy and Data Security Requirements.

(t) The Company does not collect or handle any payment card information, otherwise complies with the Payment Card Industry Data Security Standard, contractually requires all third parties that process payment card information on behalf of the Company to at all times comply with the Payment Card Industry Data Security Standard, and, to the Knowledge of the Company, any third-party that processes payment card information on behalf of the Company complies and at all times has complied with the Payment Card Industry Data Security Standard. The Company does not engage, and has not engaged, in online retargeting or other interest-based advertising.

(u) All Company Systems, other than Software that is duly and validly licensed to the Company pursuant to an Off-The-Shelf Contract or a Company IP Agreement listed in Section 2.9(b) of the Disclosure Schedule, are owned and operated by and are under the control of the Company, and are not wholly or partly dependent on any systems, facilities or services which are not under the ownership, operation and control of the Company.

(v) The Company has contractually obligated all third parties Processing Protected Information (whether such Processing is on behalf of the Company or such third-party independently determines the means and purposes of such Processing) to (i) comply with each Applicable Privacy and Data Security Requirement, (ii) take reasonable steps to protect and secure Protected Information from loss, theft, unauthorized or unlawful Processing or other misuse, (iii) maintain a written information privacy and security program that establishes reasonable and appropriate measures to protect the privacy, operation, confidentiality, integrity and security of all Protected Information against any Security Breach, (iv) maintain, a written public-facing privacy policy that fully and accurately disclose how the third-party Processes Personal Information, (v) all obligations required to be incorporated into such contracts by each Applicable Privacy and Data Security Requirement, and (vi) impose contractual obligations that are no less protective than those in this paragraph on any other third-parties Processing Protected Information on its behalf.

2.10 Confidential Information and Invention Assignment Agreements. Each current and former employee and consultant of the Company, and any other applicable Company Associates, in each case who is or was involved in the development of any Owned Company IP, has executed and delivered to the Company an agreement with the Company regarding confidentiality and proprietary information sufficient to (i) assign to the Company all right, title and interest in and to any Intellectual Property and Intellectual Property Rights arising from or developed or delivered to the Company in connection with such Person's work for or on behalf of the Company, and (ii) provide reasonable protection for the Trade Secrets of the Company. To the Knowledge of the Company, no current or former employee, officer, consultant, contractor or other Company Associate is in default or breach of any term of any such agreement with the Company. In each case in which the Company has acquired ownership (or claimed or purported to acquire ownership) of any Company IP from any Person (including any employee, officer, consultant and contractor of the Company), the Company has obtained a valid and enforceable assignment sufficient to irrevocably transfer ownership of and all rights with respect to such Company IP to the Company.

2.11 Material Contracts.

(a) Section 2.11(a) of the Disclosure Schedule identifies each Material Contract that is in effect as of the date of this Agreement.

(b) For purposes of this Agreement, "Material Contract" means any Company Contract:

(i) under which amounts required to be spent by or expected to be paid to the Company between the date of this Agreement and the first anniversary of such date (other than pursuant to contracts with or for the benefit of employees of the Company and contracts that can be terminated by the Company on notice of 60 days or less without penalty or liability) exceed an aggregate of $50,000 in either case;

(ii) pursuant to which the Company has licensed to or from any third party any Intellectual Property or Intellectual Property Rights, other than Off-The-Shelf Contracts and non-exclusive licenses to use Company Products granted to Company customers in the Ordinary Course;

(iii) with a Key Business Partner;

(iv) with a Governmental Body (*provided* that the Company need not list on Section 2.11(a) of the Disclosure Schedule any data sharing agreements entered into in the Ordinary Course, not involving any exchange of funds, with terms substantially consistent with the examples that were made available to Parent);

(v) evidencing Indebtedness of the Company in respect of borrowed money, or any guarantee of Indebtedness of another Person;

(vi) which imposes any restriction on the Company: (A) to engage, participate or compete in any line of business, market or geographic area; (B) to engage in any aspect of the Company's business, including by containing any covenants limiting the marketing or sale of the Company's products or services; (C) to exploit any Company Owned IP; or (D) that contains any "most favored nation" or "most favored customer" or similar provision;

(vii) granting exclusive rights, rights of first refusal or rights of negotiation to license, market, distribute, sell or deliver any Company Product; or otherwise contemplating an exclusive relationship between the Company and any other Person;

(viii) relating to any joint venture, strategic alliance, joint marketing, partnership or sharing of profits, revenue or proprietary information or similar arrangement;

(ix) relating to any (A) transaction in which the Company merged with any other Person, acquired any securities or material assets of another Person, or otherwise acquired the rights to any Company Product or any Company IP, or (B) disposition of any material assets outside the Ordinary Course;

(x) constituting a written employment agreement or severance agreement with management-level employees of the Company,

(xi) constituting a change in control, transaction bonus or similar Contract with any Company Associate or other Person;

(xii) that is an indemnification agreement described in Section 4.10(a); or

(xiii) settlement agreement or release of claims relating to any Legal Proceeding (whether actual or threatened).

(c) The Company has made available to Parent a complete and accurate copy of each Material Contract required to be identified in Section 2.11(a) of the Disclosure Schedule (other than any order form entered into in the Ordinary Course and any Governmental Body data sharing agreements entered into in the Ordinary Course, not involving any exchange of funds, with terms substantially consistent with the examples that were made available to Parent).

(d) Each Material Contract is valid and in full force and effect as of the date of this Agreement and is the legal, valid and binding obligation of the Company, as applicable, and, to the Knowledge of the Company, the other parties thereto, enforceable against the Company, as applicable, and, to the Knowledge of the Company, against the other parties thereto, in accordance with their respective terms, subject to applicable bankruptcy, insolvency, reorganization, moratorium and similar laws affecting creditors' rights and remedies generally, and subject, as to enforceability, to general principles of equity (regardless of whether enforcement is sought in a proceeding at law or in equity). The Company is not in breach or in default under any Material Contract, and to the Knowledge of the Company, no other party to any such Material Contract is in breach or in default under any Material Contract, and no event, occurrence, condition or act exists or has occurred that, with the giving of notice or the lapse of time, would reasonably be expected to (i) become a material breach or material default under any Material Contract or (ii) give any third party (A) the right to exercise any remedy that would be materially adverse to the Company or (B) the right to a rebate, chargeback, refund, credit or penalty. The Company has not received any written notice or other written communication regarding any actual, alleged or potential material violation or breach of, default under, or intention to cancel or materially modify any Material Contract.

2.12 Compliance with Laws. The Company is in compliance, and for the last three years has been in compliance in all material respects with all applicable Legal Requirements. Except as set forth on Section 2.12 of the Disclosure Schedule, the Company has not received any written notice, inquiry or other communication of any violation of any Legal Requirements (whether suspected, potential, alleged or otherwise), and, to the Knowledge of the Company, there are no existing conditions or circumstances that could reasonably be expected to lead to such any such communication. No event has occurred, and no circumstance exists, in each case that (with or without notice or lapse of time), would reasonably be expected to constitute or result in a material violation by the Company or any of its Subsidiaries of, or a material failure on the part of the Company or any of its Subsidiaries to comply with, any applicable law or Legal Requirement.

2.13 Governmental Authorizations. All material Governmental Authorizations held by the Company are valid and in full force and effect and will continue in full force and effect immediately following the Closing. The Company is not in default under or in violation of (and, to the Knowledge of the Company, no event has occurred that, with notice or the lapse of time or both, would constitute a default under or violation of) any material Governmental Authorization held by it. There are no Legal Proceedings pending or, to the Knowledge of the Company, threatened against the Company that could reasonably be expected to result in the revocation, cancellation, suspension or any other adverse modification of any Governmental Authorization held by the Company.

2.14 Tax Matters.

(a) Each of the Tax Returns required to be filed by the Company with any governmental Tax authority (the "Company Returns"): (i) has been filed on or before the applicable due date (including any extensions of such due date); (ii) is true, correct and complete in all material respects; and (iii) has been prepared in all material respects in compliance with applicable law. All Taxes required to be paid by the Company have been timely paid, except to the extent such amounts are being contested in good faith by appropriate proceedings and are properly reserved for on Company Financial Statements. All Taxes that the Company has been required to collect or withhold have been duly collected or withheld and have been duly paid to the proper governmental Tax authority to the extent required under applicable law.

(b) As of the date of this Agreement, in the last three years, there has not been any audit of any Company Return by any governmental Tax authority. As of the date of this Agreement, no audit of any such Company Return is in progress and the Company has not been notified in writing by any governmental Tax authority that any such audit is contemplated or pending. As of the date of this Agreement, no deficiency for Taxes has been asserted or assessed in writing by any governmental Tax authority against or with respect to the operations of the Company, which deficiency has not been paid in full or finally settled. No extension of time with respect to any date on which a Company Return was required to be filed by the Company is in force as of the date of this Agreement, and no waiver or agreement by or with respect to the Company is in force as of the date of this Agreement for the extension of time for the payment of any Taxes (excluding Tax Returns filed on a non-discretionary extension). As of the date of this Agreement, no written claim has been received by the Company at any time in the last three years from any governmental Tax authority in a jurisdiction where the Company does not file Tax Returns that the Company is subject to taxation by, or required to file a Tax Return in, that jurisdiction. The Company has made available to Parent or Parent's legal or financial advisor correct and complete copies of: (i) all federal and state income Tax Returns filed by the Company for the last three taxable periods; and (ii) all examination reports and statements of deficiencies from any governmental Tax authority assessed against or agreed to by the Company.

(c) The Company has not agreed prior to the date of this Agreement to, and is not required as of the date of this Agreement to, make any adjustment for any period after the date of this Agreement pursuant to Section 481(a) of the Code by reason of any change in any accounting method made prior to the Closing. There is no application pending as of the date of this Agreement with any governmental Tax authority requesting permission for any such change in any accounting method of the Company, and the IRS has not issued in writing to the Company any proposal pending as of the date of this Agreement regarding any such change in accounting method. The Company uses the accrual method of accounting for Tax purposes.

(d) The Company is not a party to any Contract with any third party relating to allocating or sharing the payment of, or liability for, Taxes. The Company does not have liability for the Taxes of any third party under Treasury Regulation § 1.1502-6, as a transferee or successor, by contract, or otherwise by operation of law. For purposes of this Section 2.14(d), contracts entered into in the Ordinary Course the principal purpose of which is not the sharing or allocation of Tax (such as a lease) shall be disregarded.

(e) The Company will not be required to include any item of income in, or exclude any item of deduction from, taxable income for any taxable period (or portion thereof) ending after the Closing Date as a result of any (A) "closing agreement" as described in Section 7121 of the Code (or any corresponding or similar provision of state, local or foreign law) entered into prior to the Closing; (C) installment sale or open transaction disposition made prior to the Closing Date; (D) prepaid amount or advance payment received or deferred revenue accrued on the Closing to the extent such amounts exceed the net operating losses of the Company as of the Closing; (E) election under Code Section 108(i) of the Code (or any corresponding or similar provision of state, local or foreign law); or (F) an election under Section 965(h) of the Code (or any corresponding or similar provision of state, local or non-U.S. law).

(f) There are no Encumbrances (other than Permitted Encumbrances) for Taxes upon the assets of the Company.

(g) The Company has not received or requested any letter ruling from the Internal Revenue Service (or any comparable ruling from any other taxing authority). The Company has not received or requested, from any governmental Tax authority, any transfer pricing agreement, closing agreement or similar agreement.

(h) The Company has not elected to benefit from any payroll tax relief, including tax credits and tax deferrals, under the Families First Coronavirus Response Act or the Coronavirus Aid, Relief, and Economic Security Act (including pursuant to Sections 2301 and 2302 of the Coronavirus Aid, Relief, and Economic Security Act), IRS Notice 2020-65 (regarding the deferral of the employee's share of Social Security taxes) or any similar legislation that addresses the financial impact of COVID-19 on employers.

(i) The Company has not been a United States real property holding corporation within the meaning of Section 897(c)(2) of the Code during the applicable period specified in Section 897(c)(1)(A)(ii) of the Code.

(j) The Company is not a party to any joint venture, partnership, other arrangement or contract that would reasonably be expected to be treated as a partnership for federal income tax purposes.

(k) The Company has not engaged in any reportable transactions (as defined under Section 6707A(c) of the Code).

Without limitation, except with respect to Section 2.14(c), (d), (e), (g), (h), or (j), the representations and warranties made in this Section 2.14 do not constitute representations and warranties regarding, or a guarantee of, nor can they be relied upon with respect to, any Taxes or Tax matters attributable to any period commencing, or any Tax position taken, after the Closing Date. Notwithstanding anything to the contrary herein, nothing in this Agreement shall be construed as a representation or warranty with respect to the ability of the Parent or any of its Affiliates to utilize any net operating losses, net capital losses, research and development, research and experimentation, investment, foreign or other Tax credits or similar Tax assets and attributes after Closing.

2.15 Employee and Labor Matters; Benefit Plans.

(a) Section 2.15(a) of the Disclosure Schedule contains a list of all employees of the Company as of the date of this Agreement, and correctly reflects: (i) the employee's name (or employee identification number if the employee's name must be redacted as required by applicable Laws); (ii) location of employment (by city and state or country); (iii) position held; (iv) base salary or hourly wage rate, as applicable; (v) designation as either exempt or non-exempt; (vi) the date of hire; (vii) leave status (if applicable); (viii) visa status; (ix) any severance or termination payment (in cash or otherwise) to which any employee could be entitled; and (x) an accurate and succinct description all other remuneration payable and other material benefits provided; and (xi) any material promises or written commitments made to them with respect to material changes or material additions to their compensation or benefits. Except as set forth in Section 2.15(a) of the Disclosure Schedule, the employment of each employee is terminable by the Company at will and without penalty or Liability (except as required by applicable Legal Requirements), whether in respect of severance payments and benefits or otherwise.

(b) The Company has made available to Parent or Parent's legal or financial advisor copies of all material employee manuals, handbooks and policy statements in effect as of the date of this Agreement and relating to the employment of the Company's current employees.

(c) Section 2.15(c) of the Disclosure Schedule accurately sets forth, with respect to each individual who currently provides services directly to the Company as an independent contractor or consultant: (i) his/her name; (ii) the locations at which such services are provided; (iii) the dates of engagement; (iv) the notice or termination provisions applicable to the individual; (v) the terms of regular compensation; (vi) with respect to individual contractors or consultants engaged directly by the Company, the amount of compensation paid to the contractor during the last 12 months; (vii) a description of any other benefits or compensation provided to the individual; and (viii) a description of the independent contractor's services.

(d) The Company has made available accurate and complete copies of all material Contracts with current independent contractors and consultants of the Company and all material written policies with respect to independent contractors and consultants.

(e) No current or former independent contractor of the Company is or has been a misclassified employee. No independent contractor is or has been eligible to participate in any Company Employee Plan (other than the Company Stock Plan). The Company has never had any temporary or leased employees that were not treated and accounted for in all material respects as employees of the Company. The employees of the Company are correctly classified as either exempt or non-exempt employees under the applicable Legal Requirements of all jurisdictions in which the Company maintains employment relationships. The Company maintains accurate and complete records in all material respects of overtime hours worked by each employee eligible for overtime compensation and compensates all employees in accordance with the requirements of the Fair Labor Standards Act and the applicable Legal Requirements of all jurisdictions in which the Company maintain employees in all material respects. The Company: (i) has withheld and reported all amounts required by any Legal Requirements or by agreement to be withheld and reported with respect to wages, salaries and other payments to Company Associates, (ii) is not liable for any arrears of wages, severance pay or any Taxes or any penalty for failure to comply with any of the foregoing and (iii) is not liable for any material payment to any trust or other fund governed by or maintained by or on behalf of any governmental authority, with respect to unemployment compensation benefits, social security or other benefits or obligations for employees (other than routine payments to be made in the normal course of business and consistent with past practice). The Company has paid in full (or accrued on the Unaudited Interim Balance Sheet) to all current and former employees, independent contractors, and consultants all wages, salaries, commissions, bonuses, benefits, and other compensation that are due and owing to such Persons. Other than as set forth in employment agreements or letters identified in Section 2.15(e) of the Disclosure Schedule, the Company has no legally binding plan or program requiring the payment of severance compensation in connection with the termination of employment of its employees.

(f) None of the employees of the Company is represented by a labor union, works council, or other collective bargaining representative and the Company is not subject to any collective bargaining, works council, labor or similar agreement with respect to any of its employees. There is no labor dispute, strike, work stoppage, attempt to organize with regard to the Company's employees or other labor trouble pending or, to the Knowledge of the Company, threatened in writing against the Company. The Company has not agreed to recognize any labor union, works council or other collective bargaining representative, nor has any labor union, works council or other collective bargaining representative been certified as the exclusive bargaining representative of any employees of the Company. There is no challenge regarding representation as to any labor union, works council or other collective bargaining representative with respect to any employees of the Company, and no labor union, works council or other collective bargaining representative, to the Knowledge of the Company, claims to or is seeking to represent any employees of the Company. The Company has not entered into any Contract with any trade union, works council or other employee representative body or any number or category of its employees

that would prevent, restrict or impede the implementation of any lay off, redundancy, severance or similar program within its or their respective workforces (or any part of them). The Company has no obligations to inform, consult, or obtain consent from any labor union, works council, or other collective bargaining representative in order to consummate the transactions contemplated by this Agreement, whether in advance or otherwise.

(g) Neither the Company nor, to the Knowledge of the Company, any employee or other Company Associate of the Company, has committed or engaged in any unfair labor practice in connection with the conduct of the business of any of the Company. No Legal Proceeding, claim, charge or complaint against the Company is pending or, to the Knowledge of the Company, has been threatened or could be reasonably anticipated relating to any Company Associate or applicant, including any claim relating to unfair labor practices, employment discrimination, harassment, retaliation, compensation, misclassification of workers, or any other employment related matter arising under applicable Legal Requirements. The Company is and has at all times, in all material respects, been in compliance with all applicable Legal Requirements relating to the employment of labor, including all such Legal Requirements relating to terms and conditions of employment, discrimination, harassment, retaliation, civil rights, worker classification (including proper classification of workers as independent contractors and classification of employees as exempt or non-exempt), labor relations, safety and health, workers' compensation, fair employment practices, payment of wages, hours or work, minimum wage, overtime, meal and rest periods, social benefits contributions, severance pay, the Worker Adjustment and Retraining Notification Act of 1988, as amended, and any similar foreign, state or local Legal Requirements (collectively, "WARN"), collective bargaining, collection and payment of tax withholding or social security taxes and any similar tax, leaves of absence, vacation, sick leave, paid time off, immigration, employee benefits, affirmative action, and pay equity. Each current employee and independent contractor of the Company is lawfully authorized to work in the jurisdiction in which he or she is employed or provides services according to applicable immigration laws.

(h) The Company has not had any plant closing, mass layoff or other termination of Company Associates that has imposed or would impose any obligation or other Liability upon the Company, Parent or any of Parent's Affiliates under WARN. Neither the Company nor Parent or any of its Affiliates is subject to any obligation under applicable Legal Requirements or otherwise to notify or consult with, prior to or after the Effective Time, any Governmental Body or other Person with respect to the impact of the transactions contemplated by this Agreement on the employment of any of the Company Associates or the compensation or benefits provided to any of the Company Associates. The Company is not a party to any Material Contract that expressly prohibits the Company from relocating, downsizing or closing any office or other location of the Company.

(i) To the Knowledge of the Company, no Person has claimed or has reason to claim that any Company Associate (i) is in violation of any term of any employment Contract, patent disclosure agreement, noncompetition agreement or any restrictive covenant with such Person; or (ii) has disclosed or utilized any Trade Secret or material proprietary information of such Person in connection with such Person's services with the Company. To the Knowledge of the Company, no Company Associate has used or proposed to use any Trade Secret, information or documentation proprietary to any former employer or has violated any confidential relationship with any Person in connection with the development, manufacture or sale of any product or proposed product, or the development or sale of any service or proposed service, of the Company.

(j) No allegations of sexual harassment or sexual misconduct while employed by, or providing services to, the Company have been reported to the Company or, to the Knowledge of the Company, threatened against any Key Employee, or any current or former officer or director, or employee of the Company who supervises other employees. Except as set forth in Section 2.15(j) of the Disclosure Schedule, the Company has not entered into any settlement agreement or conducted any investigation related to allegations of sexual harassment or sexual misconduct by or regarding any current or former employee or other Company Associate. To the extent required by applicable Legal Requirements, the Company has established and distributed to its employees a policy against harassment, discrimination, and retaliation, has implemented complaint procedures, and has required all employees to undergo anti-harassment training.

(k) The Company is in compliance in all material respects with all Legal Requirements related to any public health emergency (including but not limited to COVID-19) with respect to employees and independent contractors applicable to any location in which any of the Company operates. The Company has not received any written complaint from any employee or independent contractor alleging that the Company is not in compliance with workplace Legal Requirements related any public health emergency or failed to provide a safe working environment, appropriate equipment or accommodation in relation to any public health emergency.

(l) Each Company Employee Plan is listed in Section 2.15(l) of the Disclosure Schedule. Other than the Company Employee Plans, the Company has no liability with respect to any plan, program, arrangement or agreement for the benefit of an employee, director or consultant of the Company. Except as set forth in Section 2.15(l) of the Disclosure Schedule:

(i) (A) a true, correct and complete copy of each of the Company Employee Plans and related plan documents (including trust documents, insurance policies or Contracts, summary plan descriptions, material modifications and other authorizing documents, actuarial reports and financial statements); (B) the most recently filed Form 5500 with respect to each Company Employee Plan that is subject to ERISA reporting requirements and for which the Company is the entity obligated to file such return; (C) the most recent determination, opinion or advisory letter issued by the IRS with respect to each Company Employee Plan, as applicable, and to the extent reasonably available to the Company; and (D) all material non-routine correspondence to or from any governmental authority relating to a Company Employee Plan, have been made available to Parent or Parent’s legal or financial advisor;

(ii) (A) each Company Employee Plan directly administered by the Company is in compliance with applicable Legal Requirements and each such Company Employee Plan has been funded, administered and operated in all material respects in accordance with its terms and all applicable Legal Requirements, including ERISA and the Code; and (B) to the Company’s Knowledge, all other Company Employee Plans are in compliance with applicable Legal Requirements and each such Company Employee Plan has been funded, administered and operated in all material respects in accordance with its terms and all applicable Legal Requirements, including ERISA and the Code;

(iii) no Company Employee Plan, and, to the Company's Knowledge, no trustee or administrator thereof, has engaged in any breach of fiduciary responsibility or any "prohibited transaction" (as such term is defined in Section 406 of ERISA or Section 4975 of the Code) to which Section 406 of ERISA or Section 4975 of the Code applies and which would reasonably be expected to subject any such Company Employee Plan or trustee or administrator thereof to the tax or penalty on prohibited transactions imposed by Section 4975 of the Code;

(iv) with respect to the Company Employee Plans, all required contributions have been made or properly accrued on the Company Financial Statements in all material respects;

(v) no actions (other than routine claims for benefits) are pending or, to the Knowledge of the Company, threatened with respect to any Company Employee Plan; and

(vi) the Company has no liability under any Company Employee Plan to provide medical or death benefits with respect to employees of the Company beyond their termination of employment (other than coverage mandated by applicable Legal Requirements).

(m) Except as expressly contemplated pursuant to the terms of this Agreement, neither the execution of this Agreement nor the consummation of the transactions contemplated hereby shall (either alone or in connection with the termination of employment of any employee following, or in connection with, the transactions contemplated hereby or any other event): (i) entitle any employee to severance pay or benefits or any increase in severance pay or benefits upon any termination of employment with the Company, (ii) accelerate the time of payment or vesting of compensation or benefits or increase the amount of compensation or benefits payable to any employee or (iii) result in any amounts paid or payable to any Disqualified Individual that could reasonably, individually or in combination with any other such payment, constitute an "excess parachute payment" (as defined in Section 280G(b)(1) of the Code).

(n) Neither the Company nor any of its ERISA Affiliates sponsors, maintains or contributes to or has in the past sponsored, maintained or contributed to or has any liability, whether contingent or otherwise, with respect to any "multiemployer plan" within the meaning of Section 3(37) of ERISA.

(o) Neither the Company nor any of its ERISA Affiliates sponsors, maintains, or has any obligation to contribute to, or has in the past sponsored, maintained or had any obligation to contribute to, any plan or arrangement subject to Title IV of ERISA or to the funding requirements of Section 412 of the Code or Section 302 of ERISA or of the type described in Section 4063 or 4064 of ERISA or in Section 413(c) of the Code.

(p) To the Company's Knowledge, each Company Employee Plan that is intended to be qualified under Section 401(a) of the Code is so qualified and each trust intended to be exempt from federal income tax under Section 501(a) is so exempt. To the Company's Knowledge, nothing has occurred and no facts or circumstances exist that would reasonably be expected to cause the loss of such qualification or exemption.

(q) Each Company Employee Plan that is a "non-qualified deferred compensation plan" within the meaning of Section 409A of the Code and any award thereunder, in each case that is subject to Section 409A of the Code has at all times been operated in compliance with Section 409A of the Code and the regulations and guidance issued thereunder. The Company has no obligation to gross up, indemnify or otherwise reimburse any individual for any taxes, interest or penalties incurred pursuant to Section 4999 or Section 409A of the Code.

(r) The Company is and has at all relevant times been in compliance with the applicable terms of the Patient Protection and Affordable Care Act of 2010, as amended, and the regulations and guidance issued thereunder.

2.16 Environmental Matters. The Company is in compliance, and for the last three years has been in compliance in all material respects with all applicable Legal Requirements concerning pollution or protection of the environment, including all Legal Requirements relating to the emission, discharge or release of any petroleum, pollutants, contaminants or hazardous or toxic materials, substances or wastes into air, surface water, groundwater or lands ("Environmental Requirements"). In the past three years, the Company has not received any written notice or other communication from any governmental authorities regarding violations or Liabilities imposed under Environmental Requirements (whether suspected, potential, alleged, actual or otherwise), and, to the Knowledge of the Company, there are no existing conditions or circumstances that could reasonably be expected to give rise thereto.

2.17 Insurance. All policies of insurance (other than those underlying or funding any Company Employee Plan) maintained by the Company are in full force and effect and the Company is not in default under any such policy. Such policies are in such coverage amounts as are prudent for companies in the same industry as the Company. There are no disputes between the Company, on the one hand, and any underwriter of any such policy, on the other hand, and there is no claim pending under any such policy as to which coverage has been denied or disputed. No written notice of cancellation or non-renewal of, or of any premium increase under, any such policy has been received by Company. Section 2.17 of the Disclosure Schedule contains a list of all material policies of insurance or fidelity bonds maintained by the Company. Except as set forth in Section 2.17 of the Disclosure Schedule, the Company has not made any claim under any casualty insurance policy during the past three years. The Company has no self-insurance or co- insurance programs.

2.18 Related Party Transactions. As of the date of this Agreement and other than employment or compensation and employee benefit agreements or arrangements entered into in the Ordinary Course, the Company is not a party to any Contract with, and no material transactions have taken place between the Company and, any director, officer, employee or direct or indirect shareholder or other securityholder of the Company, or any Affiliate of such individual, that will not have been discharged, terminated or otherwise consummated on or prior to the Closing Date with no further obligation or other Liability on the part of the Company. No such Person has any interest in any property, real or personal or mixed, tangible or intangible, used in or pertaining to the businesses of the Company, or owns directly or indirectly, on an individual or joint basis, any interest in, or serves as an officer (or manager or other equivalent position) or director of, any competitor, customer or supplier of the Company.

2.19 Legal Proceedings; Orders.

(a) As of the date hereof, there is no pending Legal Proceeding, and, to the Knowledge of the Company, no Person has threatened to commence any Legal Proceeding: (i) that involves the Company, or in which the Company is a plaintiff, complainant or defendant with respect to any of the assets owned or used or any products or services provided by the Company or any Person whose Liability for such Legal Proceeding the Company has or may have retained or assumed, either contractually or by operation of law; (ii) that challenges, or that may have the effect of preventing, delaying, making illegal or otherwise interfering with, the Merger or any of the other transactions contemplated by this Agreement; or (iii) that relates to the ownership of any capital stock of the Company, or any option or other right to the capital stock or other securities of the Company, or right to receive consideration as a result of this Agreement. As of the date hereof, and for the last three (3) years, no Legal Proceeding has been commenced by or against, or to the Knowledge of the Company, threatened against, the Company (or any director, officer, or other Representative of the Company in their capacity as such).

(b) There is no Order to which the Company, or any of the assets owned or used or any products or services provided by the Company, is subject. To the Knowledge of the Company, no current Company Associate is subject to any Order that prohibits such Company Associate from engaging in or continuing any conduct, activity or practice relating to the business of the Company.

2.20 Authority; Binding Nature of Agreement.

(a) The Company has all necessary right, power and authority to enter into and to perform its obligations under this Agreement and under each other agreement, document or instrument referred to in or contemplated by this Agreement to which the Company is or will be a party; and the execution, delivery and performance by the Company of this Agreement and of each such other agreement, document and instrument have been duly authorized by all necessary action on the part of the Company and its board of directors and, assuming the Required Merger Stockholder Votes are obtained as contemplated by this Agreement prior to the Effective Time, its stockholders. This Agreement and each other agreement, document and instrument referred to in or contemplated by this Agreement to which the Company is a party, assuming the due authorization, execution and delivery by the other parties hereto and thereto, constitutes the legal, valid and binding obligation of the Company, enforceable against the Company in accordance with its terms, subject to: (i) laws of general application relating to bankruptcy, insolvency and the relief of debtors; and (ii) rules of law governing specific performance, injunctive relief and other equitable remedies.

(b) The Company's board of directors has: (i) unanimously determined that the Mergers are advisable and fair and in the best interests of the Company and its stockholders; (ii) unanimously recommended the adoption of this Agreement by the holders of Company Capital Stock and directed that this Agreement and the Mergers be submitted for consideration by the Company's stockholders; and (iii) to the extent necessary, adopted a resolution having the effect of causing the Company not to be subject to any state takeover law or similar Legal Requirement that might otherwise apply to the Mergers or any of the other transactions contemplated by this Agreement.

2.21 Non-Contravention; Consents. Except as set forth in Section 2.21 of the Disclosure Schedule, neither: (1) the execution, delivery or performance of this Agreement or the other agreements, documents or instruments referred to in this Agreement to which the Company is or will be a party; nor (2) the consummation of the Merger or any of the other transactions contemplated hereby or thereby, will (with or without notice or lapse of time):

(a) contravene, conflict with or result in a violation of: (i) any of the provisions of any Organizational Documents of the Company; or (ii) any presently effective resolution adopted by the stockholders, board of directors or any committee of the board of directors, as applicable, of the Company;

(b) contravene, conflict with or result in a violation of any of the terms or requirements of, or give any Governmental Body or other Person the right to challenge any of the transactions contemplated by this Agreement or to exercise any remedy or obtain any relief under, any Legal Requirement or any Order, in each case in any material respect, to which the Company or any of the assets owned or used by the Company is subject;

(c) contravene, conflict with or result in a violation of any of the terms or requirements of, or give any Governmental Body the right to revoke, withdraw, suspend, cancel, terminate or modify, any Governmental Authorization in any material respect that is held by the Company or that otherwise relates to the business of the or to any of the assets owned or used by the Company; or

(d) contravene, conflict with or result in a violation or breach of, or result in a default under, any provision of any Material Contract, or give any Person the right to: (i) declare a default or exercise any remedy under any such Material Contract; (ii) accelerate the maturity or performance of any such Material Contract; or (iii) cancel, terminate or materially modify any such Material Contract (in each case described in this clause "(d)", except as would not be material to the Company or the Company's ability to consummate the transactions contemplated by this Agreement).

Except (i) as set forth in Section 2.21 of the Disclosure Schedule, (ii) for the filing of the Certificate of Merger with the Secretary of State of the State of Delaware and (iii) such other filings, notices or Consents that, if not filed, given or obtained would not be material to the Company, or to the Company's execution, delivery and performance of this Agreement or any of the other agreements, documents or instruments referred to in this Agreement, or to the Company's ability to consummate the Merger or any of the other transactions contemplated by this Agreement, the Company is not or will not be required to make any filing with or give any notice to, or to obtain any Consent from, any Person in connection with: (x) the execution, delivery or performance of this Agreement or any of the other agreements, documents or instruments referred to in this Agreement; or (y) the consummation of the Merger or any of the other transactions contemplated by this Agreement.

2.22 Significant Business Relationships. Section 2.22 of the Disclosure Schedule sets forth an accurate and complete list of (i) the top 10 customers of the Company based on amounts paid or payable to the Company for the year ended December 31, 2020 and the customers of the Company who are reasonably expected to pay an amount in excess of $100,000 to the Company for the year ending December 31, 2021 and (ii) the top 10 vendors and suppliers used by the Company based on amounts paid or payable by the Company for the year ended December 31, 2020 and the vendors and suppliers used by the Company who are reasonably expected to be paid an amount in excess of $100,000 by the Company for the year ending December 31, 2021 (each of the foregoing Persons, a "Key Business Partner"), together with the amount of purchases, payments, loans or transactions attributable to each during the year ended December 31, 2020 and the three-month period ended March 31, 2021. Since December 31, 2020, no Key Business Partner has terminated its relationship with the Company or demanded (or otherwise proposed) a material reduction or adverse change in the pricing or other terms of its relationship with the Company. The Company is not engaged in any dispute with any Key Business Partner and, to the Knowledge of the Company, no Key Business Partner intends to terminate, materially limit or materially reduce its business relations with the Company, or materially reduce or adversely change the pricing or other terms of its business with the Company, nor to the Knowledge of the Company is there any basis to reasonably expect any of the foregoing. The Company has no Knowledge of any material dissatisfaction on the part of any Key Business Partner or any facts or circumstances that would reasonably lead to such material dissatisfaction.

2.23 Vote Required. The affirmative vote of: (a) the holders of a majority of the outstanding shares of Company Capital Stock (voting together as a single class on an as-converted to Company Common Stock basis); and (b) the holders of a majority of the outstanding shares of Company Preferred Stock (voting together as a single class on an as-converted to Company Common Stock basis), are the only votes of the holders of any class or series of Company Capital Stock necessary to adopt and approve this Agreement and approve the other transactions contemplated by this Agreement (the votes referred to in clauses "(a)" and "(b)" of this sentence being referred to collectively as the "Required Merger Stockholder Votes").

2.24 Trade Control Laws.

(a) The Company has (i) conducted its activities in compliance in all material respects with all applicable Trade Control Laws and (ii) obtained all material licenses or authorizations required under all applicable Trade Control Laws for any export, re-export, transfer or provision of any goods, software, technology, data, or service to any Person.

(b) There are no current, pending, or, to the Knowledge of the Company, threatened Legal Proceedings against the Company or, to the Knowledge of the Company, any Company Associate or other Representative of the Company (to the extent that Company Associates and Representatives are acting on the Company's behalf) with respect to any Trade Control Laws.

2.25 Anti-Corruption. None of the Company, its Subsidiaries, or any of its or their respective directors, officers, managers, employees, or agents or Representatives acting on behalf of the Company or any of its Subsidiaries, have made, offered, promised, or authorized any payment or gift, of any money or anything of value, directly or indirectly, to or for the benefit of

any Government Official for the purposes of (a) influencing any official act or decision by a Government Official; (b) inducing such Government Official to use their influence to affect any act or decision of a Governmental Body; or (c) securing any improper advantage, in order to assist the Company or any of its Subsidiaries in obtaining or retaining business for or with, or directing business to, any Person. None of the Company, its Subsidiaries, or any of its or their respective directors, officers, managers, employees, or agents or Representatives acting on behalf of the Company or any of its Subsidiaries, have made or authorized any bribe, rebate, payoff, influence payment, kickback or other unlawful payment of funds, or received or retained any funds, in violation of any laws. The Company and its Subsidiaries have maintained systems of internal controls (including, but not limited to, accounting systems, purchasing systems and billing systems) to ensure compliance with Anti-Corruption Laws. None of the Company, its Subsidiaries, or any of its or their respective directors, officers, managers, employees, or agents or representatives acting on behalf of the Company or any of its Subsidiaries, are the subject of any allegation, voluntary disclosure, investigation, prosecution or other civil or criminal enforcement action related to any Anti-Corruption Laws.

2.26 Minute Books. At the Closing, the minute books of the Company will be in the possession of the Company, which minute books are accurate and complete in all material respects and contain records of all material actions taken, and summaries of all meetings held, by the stockholders and board of directors (and any committees thereof) of the Company.

2.27 Brokers. Except as set forth in Section 2.27 of the Disclosure Schedule, no broker, finder or investment banker is entitled to any brokerage, finder's or other fee or commission in connection with the Mergers or any of the other transactions contemplated by this Agreement based upon arrangements made by or on behalf of the Company.

2.28 Intended Tax Treatment. The Company is not aware of the existence of facts or circumstances reasonably expected to serve as the basis for a challenge to the Intended Tax Treatment.

3. REPRESENTATIONS AND WARRANTIES OF PARENT AND MERGER SUBS

Each of Parent and the Merger Subs represents and warrants to and for the benefit of the Company as follows:

3.1 Organization and Standing. Each of Parent and Merger Sub I is a corporation duly incorporated, validly existing and in good standing under the laws of Delaware. Merger Sub II is a limited liability company duly formed, validly existing and in good standing under the laws of Delaware. Parent directly owns beneficially and of record all outstanding capital stock and other Equity Interests of the Merger Subs, and no other Person holds any capital stock or other Equity Interests of the Merger Subs nor has any rights to acquire any interest in the Merger Subs. None of Parent or the Merger Subs are in violation of any of the provisions of its Organizational Documents. Merger Sub II is an entity disregarded as separate from its owner for U.S. federal income Tax purposes, and no election has or shall be made to treat Merger Sub II as anything other than an entity disregarded as separate from its owner for U.S. federal income Tax purposes if such election may adversely affect the Mergers from qualifying as a reorganization under Section 368(a) of the Code.

3.2 Authority; Binding Nature of Agreement. Each of Parent and the Merger Subs has all necessary right, power and authority to enter into and to perform their respective obligations under this Agreement and under each other agreement, document or instrument referred to in or contemplated by this Agreement to which each of them is or will be a party; and the execution, delivery and performance by each of Parent and the Merger Subs of this Agreement and of each such other agreement, document and instrument have been duly authorized by all necessary action on the part of Parent and the Merger Subs, as applicable, and its board of directors or other governing body and, in the case of Merger Sub I, assuming the approval thereof by its stockholders prior to the First Effective Time, no other or further action or proceeding on the part of Parent or any Merger Sub is necessary to authorize the execution and delivery by each of Parent and the Merger Subs of this Agreement, the performance by them of their respective obligations hereunder, and the consummation by them of the transactions contemplated by this Agreement. This Agreement and each other agreement, document and instrument referred to in or contemplated by this Agreement to which Parent and the Merger Subs is a party has been or will be duly executed and delivered by Parent and the Merger Subs and, assuming the due authorization, execution and delivery by the other parties hereto and thereto, constitutes the legal, valid and binding obligation of Parent and the Merger Subs, as applicable, enforceable against them in accordance with its terms, subject to: (i) laws of general application relating to bankruptcy, insolvency and the relief of debtors; and (ii) rules of law governing specific performance, injunctive relief and other equitable remedies.

3.3 Non-Contravention; Consents.

(a) Non-Contravention. Neither: (i) the execution, delivery or performance of this Agreement or any of the other agreements, documents or instruments referred to in this Agreement; nor (ii) the consummation of the Mergers or any of the other transactions contemplated by this Agreement or any of such other agreements, documents or instruments, will (with or without notice or lapse of time) contravene, conflict with or result in a violation of: (A) any of the provisions of the Organizational Documents of Parent or the Merger Subs; (B) any resolution adopted by the stockholders, members, or board of directors or any committee of the board of directors of Parent or the Merger Subs; (C) any provision of any material Contract by which Parent or any Merger Sub is bound; or (D) any applicable Legal Requirement or any Order to which Parent or the Merger Subs are subject.

(b) Consents. Neither Parent nor the Merger Subs will be required to make any filing with or obtain any Consent from, any Person in connection with: (i) the execution, delivery or performance of this Agreement or any of the other agreements referred to in this Agreement or (ii) the consummation of the Merger or any of the other transactions contemplated by this Agreement, except for: (A) the filing of the Certificates of Merger with the Secretary of State of the State of Delaware; (B) filings required to be made or Consents required to be obtained by Parent or the Merger Subs, in each case from any Governmental Body in connection with the Merger; and (C) any filing, notice or Consent which, if not made or obtained, would not reasonably be expected to result in a material adverse effect on Parent’s or the Merger Subs’ ability to consummate the Mergers or the other transactions contemplated hereby.

3.4 Brokers. No broker, finder or investment banker is entitled to any brokerage, finder's or other fee or commission in connection with the Merger or any of the other transactions contemplated by this Agreement based upon arrangements made by or on behalf of Parent or the Merger Subs.

3.5 Stock Portion of Merger Consideration.

(a) Assuming the accuracy of the representations and warranties made by the Effective Time Holders in their respective Joinder Agreements, the shares of Parent Common Stock comprising a portion of the Merger Consideration issuable in connection with the Mergers, when issued by Parent in accordance with this Agreement, will be duly issued, fully paid and non-assessable and issued in compliance with federal and state securities laws and free and clear of any and all Encumbrances.

(b) As of the date of this Agreement and as of the Closing Date, three (3) Parent CDIs are issuable per one (1) share of Parent Common Stock.

3.6 Intended Tax Treatment. To the knowledge of Parent, Parent (i) has not had any discussion with any stockholder of the Company to reacquire any Parent Common Stock to be issued in connection with the transactions contemplated by this Agreement, but excluding any reacquisition pursuant to the terms and conditions contemplated by this Agreement or any ancillary agreement to this Agreement, or (ii) does not have any plan or intent to discontinue the historic business of the Company or dispose of the assets of the Company in a manner that would violate the continuity of business enterprise contemplated by Treasury Regulations Section 1.368-1(d). For purposes of this Section 3.6, knowledge of Parent shall mean the actual knowledge of any officer of Parent that (x) has policy-making authority on behalf of Parent or its Affiliates, and (y) has been materially involved in the transactions contemplated by this Agreement.

3.7 Parent Plan. As of the date immediately prior to the date of this Agreement, an aggregate number of 3,456,895 shares of Parent Common Stock remain available for issuance to officers, directors, employees and consultants of Parent pursuant to the Amended and Restated 2011 Stock Plan of Parent (the "Parent Plan"). The Parent Plan was duly adopted by Parent's Board of Directors and has been duly approved by Parent's stockholders.

4. CERTAIN COVENANTS OF THE COMPANY

4.1 Access and Investigation. During the period from the date of this Agreement and continuing until the earlier of the termination of this Agreement pursuant to Section 9 or the Effective Time (the "Pre-Closing Period"), the Company shall, and shall cause its Representatives to: (a) provide Parent and Parent's Representatives with reasonable access during normal business hours to the Company's Representatives, personnel and assets and to all existing books, records, Tax Returns, work papers and other documents and information relating to the Company and (b) provide Parent and Parent's Representatives with copies of such existing books, records, Tax Returns, work papers and other documents and information relating to the Company, and with such additional financial, operating and other data and information regarding the Company, as Parent may reasonably request; *provided*, *however*, that the foregoing shall not require the Company to provide any such access or disclose any information to the extent the provision of

such access or such disclosure would contravene any applicable Legal Requirements or result in the waiver of any attorney-client privilege. During the Pre-Closing Period, Parent may, following reasonable advance notice to the Company, make inquiries of Persons having business relationships with the Company (including Key Business Partners) and the Company shall use reasonable best efforts to help facilitate (and shall cooperate fully with Parent in connection with) such inquiries, in each case in compliance with all applicable Legal Requirements (including any applicable antitrust or competition laws or regulations). The terms set forth in this Section 4.1 shall be subject to the Mutual Nondisclosure Agreement between Parent and the Company, dated as of August 15, 2019 (the "Confidentiality Agreement").

4.2 Operation of the Business of the Company. During the Pre-Closing Period:

(a) the Company shall:

(i) conduct its business and operations in the Ordinary Course and in substantially the same manner as such business and operations have been conducted prior to the date of this Agreement; and

(ii) use commercially reasonable efforts to preserve intact its current business organization, keep available the services of Key Employees and its other current Company Associates and maintain its relations and goodwill with, all customers, landlords, employees, merchants, lenders, originators, processors, servicers and other Persons having beneficial business relationships with the Company, including all Key Business Partners (other than terminations of employees (A) that were, in good faith, for cause or (B) following reasonable consultation with Parent); and

(b) the Company shall not:

(i) cancel any of its insurance policies required to be identified in Section 2.17 of the Disclosure Schedule or reduce the amount of any insurance coverage provided by such insurance policies;

(ii) declare, accrue, set aside or pay any dividend or make any other distribution in respect of any shares of capital stock or other securities, or repurchase, redeem or otherwise reacquire any shares of capital stock or other securities (other than forfeitures of unvested Company Options or forfeitures or repurchases of Company Restricted Stock Awards, in either case, upon termination of service with any employee pursuant to the underlying award agreements in effect on the date of this Agreement);

(iii) sell, issue or authorize the issuance of: (A) any capital stock or other security; (B) any option or right to acquire any capital stock (or cash based on the value of capital stock) or other security; or (C) other than the issuance of convertible promissory notes to Parent, any instrument convertible into or exchangeable for any capital stock (or cash based on the value of capital stock) or other security (except that the Company shall be permitted to issue Company Capital Stock (I) upon the exercise of Company Options not later than three Business Days prior to the Closing Date, (II) upon the lapse of restrictions on Company Restricted Stock Awards, and (III) upon the conversion of Company Preferred Stock, in each case, outstanding as of the date of this Agreement and in accordance with their respective terms as in effect on the date of this Agreement);

(iv) amend or permit the adoption of any amendment to its Organizational Documents, or effect or permit the Company to become a party to any Acquisition Transaction (other than the transactions contemplated by this Agreement), recapitalization, reclassification of shares, stock split, reverse stock split or similar transaction;

(v) form any Subsidiary or acquire any Equity Interest or other interest in any other Entity;

(vi) make any capital expenditure, except for capital expenditures that, when added to all other capital expenditures (in each case, as determined in accordance with GAAP) made on behalf of the Company during the Pre-Closing Period, do not exceed $100,000;

(vii) enter into, or permit any of the assets owned or used by it to become bound by, any Contract that is or would constitute a Material Contract, other than in the Ordinary Course;

(viii) amend, extend or prematurely terminate, or waive any material right or remedy under, any Company Contract that is or would constitute a Material Contract;

(ix) (A) acquire, lease or license any right or other asset from any other Person for an aggregate value in excess of $100,000; (B) sell or otherwise dispose of, or lease or license (or grant any other right with respect to), any right or other asset to any other Person; (C) waive or relinquish any right or (D) acquire, lease or license any interest in real property or other licensed space, except in the case of each of clauses (A)-(C), in the Ordinary Course;

(x) lend money to any Person (except that the Company may make routine travel and business expense advances to current employees of the Company in the Ordinary Course);

(xi) (A) enter into any collective bargaining agreement; (B) establish, adopt, amend or terminate any Company Employee Plan (except to the extent required by applicable Legal Requirements or as necessary to comply with this Agreement and other than routine Company Employee Plan renewals and entering into at-will employment offer letters in connection with the hiring of any non-management level employee in the Ordinary Course whose annual cash compensation does not exceed $100,000); (C) pay, or make any commitment to pay, any bonus or make any profit-sharing payment, cash incentive payment or similar payment, other than commissions and bonuses paid in the Ordinary Course (D) increase, or make any commitment to increase, the amount of the wages, salary, commissions, fringe benefits or other employee benefits or compensation (including equity-based compensation, whether payable in cash or otherwise) or remuneration payable to any of the officers, employees or members of the board of directors of the Company; (E) promote or change the title of any of its management-level employees (retroactively or otherwise), (F) hire or make an offer to hire any new management-level employee, or (G) grant any new right to severance or termination pay to any present or former officer, director, employee or other personnel (whether employees or individual independent contractors);

(xii) change any of its methods of accounting or accounting practices in any material respect (other than as required by applicable accounting or auditing standards);

(xiii) (A) make, change or revoke any material Tax election; (B) change a material accounting method in respect of Taxes; (C) enter into any agreement the primary purpose of which is Tax allocation, Tax sharing, or Tax indemnity; (D) amend any material Tax Return; (E) enter into any "closing agreement" within the meaning of Section 7121 of the Code (or any similar or corresponding provision of state, local or foreign law); (F) settle or compromise any claim, notice, audit report or material assessment in respect of Taxes; or (G) request any ruling or similar guidance with respect to Taxes from a governmental Tax authority, in the case of items (A) through (G), to the extent reasonably expected to adversely affect the future Taxes of the Company, the Surviving LLC, Parent and its Affiliates (including the amount of any tax attribute, carryforward or credit);

(xiv) commence or settle any material Legal Proceeding for damages in excess of $250,000, other than to enforce rights under this Agreement or in connection with the transactions contemplated hereby;

(xv) make any pledge of any of its assets or otherwise permit any of its assets to become subject to any Encumbrance (other than Permitted Encumbrances), except for (A) pledges of immaterial assets made in the Ordinary Course; and (B) nonexclusive licenses granted by the Company in the Ordinary Course; or

(xvi) agree or commit to take any of the actions described in clauses "(iii)" through "(xv)" above.

Notwithstanding the foregoing, the Company may take any action described in clauses "(b)(i)" through "(b)(xvi)" above if: (i) Parent gives its prior written consent to the taking of such action by the Company; (ii) such action is expressly required to be taken by this Agreement; (iii) such action is disclosed in Schedule 4.2(b); or (iv) such action is required by any applicable Legal Requirements or Order (and the Company promptly notifies Parent of such action).

4.3 Stockholder Consent.

(a) Information Statement. As promptly as practicable after the execution of this Agreement (and in any event within four Business Days), the Company shall, in accordance with its Organizational Documents and applicable Legal Requirements, provide Parent with a draft Information Statement in connection with the obtaining of: (i) written consents of the stockholders of the Company in favor of the adoption and approval of this Agreement and approval of the other transactions contemplated by this Agreement that require such stockholders' approval; and (ii) waivers by the stockholders of the Company of their appraisal rights in connection with the Merger. Parent shall review the Information Statement and work with the Company in good faith

to finalize it as soon as practicable after the delivery of such draft. As promptly as practicable after the Company has finalized the Information Statement and Parent has approved such final Information Statement, the Company shall, in accordance with its Organizational Documents and applicable Legal Requirements, provide to its Stockholders the Information Statement and other appropriate documents in connection with the obtaining of such consents and waivers. The Company shall use commercially reasonable efforts to obtain such written consents and waivers from holders of all outstanding shares of each class and series of Company Capital Stock. The Information Statement shall: (i) include the unanimous recommendation of the board of directors of the Company in favor of the adoption and approval of this Agreement and the approval of the other transactions contemplated by this Agreement; (ii) notify the stockholders of the receipt by the Company of the Required Merger Stockholder Votes, their appraisal rights pursuant to Section 262 of the DGCL; and (iii) comply with all applicable Legal Requirements. Notwithstanding anything to the contrary contained in this Agreement, the Information Statement and any other materials submitted to the Company's stockholders in connection with the transactions contemplated by this Agreement shall be subject to prior review and approval by Parent and its advisors (not to be unreasonably withheld, conditioned or delayed).

(b) Parachute Payments. No later than five Business Days prior to the Closing Date, the Company shall request, and deliver to Parent executed copies of the Parachute Payment Waiver Agreement of each Disqualified Individual who has received, or may reasonably be expected to be entitled to receive, Section 280G Payments. As soon as reasonably practicable after the execution of the Parachute Payment Waiver Agreement, but in no event later than three Business Days prior to the Closing, the Company shall submit to the stockholders of the Company (in a manner reasonably satisfactory to Parent), for approval by stockholders of the Company holding the number of shares of Company Capital Stock required by the terms of Section 280G(b)(5)(B) of the Code, a written consent in favor of a single proposal to render the parachute payment provisions of Section 280G of the Code and the Treasury Regulations thereunder (collectively, "Section 280G") inapplicable to any and all Section 280G Payments with respect to such Disqualified Individuals waived or otherwise contingent on such vote. Any such stockholder approval shall be sought by the Company in a manner which satisfies applicable requirements of Section 280G(b)(5)(B) of the Code and the Treasury Regulations thereunder, including Q-7 of Section 1.280G-1 of such Treasury Regulations. The Company agrees that in the absence of such stockholder approval, no Section 280G Payments waived or otherwise contingent on such approval shall be made to the Disqualified Individuals. The form and substance of all stockholder approval documents contemplated by this Section 4.3(b), including the Parachute Payment Waiver Agreement, shall be subject to the prior review and approval of Parent (not to be unreasonably withheld, conditioned or delayed). Parent agrees to cooperate in good faith with the Company to supply the Company with any information reasonably relevant to the preparation of disclosure information to be provided to the stockholders in connection with such stockholder approval.

4.4 Notification. During the Pre-Closing Period, the Company shall promptly notify Parent in writing of the Company obtaining Knowledge of: (a) any breach of any representation, warranty, covenant, agreement or obligation of the Company such that any of the conditions set forth in Section 7 would not be satisfied; or (b) any other event, condition, fact or circumstance that would make the timely satisfaction of any of the conditions set forth in Section 7 impossible or unlikely. In no event shall the delivery of any notice by the Company pursuant to this Section 4.4: (i) limit or otherwise affect the rights, obligations, representations, warranties, covenants or agreements of Parent or the conditions to the obligations of the parties under this Agreement; or (ii) be deemed to amend or supplement the Disclosure Schedule or constitute an exception to any representation, warranty, covenant or agreement.

4.5 No Negotiation. During the Pre-Closing Period, the Company shall not, and shall cause its Subsidiaries not to, and the Company shall not authorize, encourage, instruct or permit any Representatives of the Company or any of its Subsidiaries to: (a) solicit, or encourage or facilitate the initiation or submission of, any expression of interest, inquiry, proposal or offer from any Person (other than Parent and the Merger Subs) relating to a possible Acquisition Transaction; (b) participate in any discussions or negotiations or enter into any agreement, understanding or arrangement with, or provide any non-public information to, any Person (other than Parent and the Merger Subs and its and their Representatives) relating to or in connection with a possible Acquisition Transaction; or (c) entertain, consider or accept any proposal or offer from any Person (other than Parent and the Merger Subs) relating to a possible Acquisition Transaction. The Company shall, and shall cause its Subsidiaries to, and shall instruct its and their respective Representatives to, immediately cease and cause to be terminated all existing discussions, conversations, negotiations and other communications with any Person (other than Parent, the Merger Subs and its and their respective Representatives) conducted heretofore with respect to any Acquisition Transaction. The Company shall promptly (and in any event within 24 hours of receipt thereof) provide Parent with: (i) a written description of any expression of interest, inquiry, proposal or offer relating to a possible Acquisition Transaction that is received by the Company or any of its Subsidiaries or by any of its or their respective Representatives from any Person (other than Parent and the Merger Subs), including in such description the identity of the Person from which such expression of interest, inquiry, proposal or offer was received (if such disclosure does not violate any confidentiality obligations of the Company or any of the Company's Representatives, as applicable); (ii) a complete summary of each other communication transmitted on behalf of such Person or any of such Person's Representatives to the Company or any of the Company's Representatives; and (iii) an accurate and complete copy of all written materials provided in connection with such expression of interest, inquiry, proposal or offer.

4.6 Termination of Certain Benefit Plans. The Company shall terminate, effective (a) as of the First Effective Time (or as soon as administratively practicable thereafter), or (b) as of such other time Parent may specify, each Company Employee Plan Parent requests, at least three Business Days prior to the Closing Date, that the Company terminate (such requested Company Employee Plans, collectively, the "Requested Employee Plans"). With respect to each Requested Employee Plan, the Company shall deliver to Parent, prior to the Closing Date, evidence that the Company's board of directors has validly adopted resolutions to terminate such Requested Employee Plans (the form and substance of which resolutions shall be subject to the review and reasonable approval of Parent) effective as of the dates specified above.

4.7 Data Room Information. Within five Business Days after each of the date of this Agreement and the Closing Date, the Company shall deliver to Parent, through any electronic medium (including without limitation a .zip file delivered electronically or USB hard drive) an electronic copy of the documents and information contained in the Virtual Data Room as of each of 11:59 p.m., Pacific time, on the date of this Agreement and 11:59 p.m., Pacific time, on the day prior to the Closing Date.

4.8 Termination/Amendment of Agreements and Release of Encumbrances. The Company shall use commercially reasonable efforts to: (a) cause the agreements identified on Schedule 4.8(a) to be terminated effective as of the Effective Time; (b) cause the agreements identified on Schedule 4.8(b) to be amended effective as of the Effective Time in the manner set forth on Schedule 4.8(b); and (c) take, or cause to be taken, all actions necessary to secure the termination and release of any and all Encumbrances (other than Permitted Encumbrances) upon the assets or properties of the Company; in each case in form and substance reasonably satisfactory to Parent.

4.9 Supplement to Disclosure Schedules. From time to time prior to the Closing, the Company shall have the right (but not the obligation) to supplement or amend the Disclosure Schedule hereto with respect to any matter hereafter arising or of which it becomes aware after the date hereof (each a "Schedule Supplement"); *provided*, *however*, any disclosure in any such Schedule Supplement shall not be deemed to have cured any inaccuracy in or breach of any representation or warranty contained in this Agreement, including for purposes of the indemnification or termination rights contained in this Agreement or of determining whether or not the conditions set forth in Article 7 have been satisfied. Notwithstanding the foregoing, if Parent and/or the Merger Subs have the right to, but do not elect to, terminate this Agreement within ten (10) Business Days of its receipt of such Schedule Supplement, then Parent and the Merger Subs shall be deemed to have irrevocably waived any right to terminate this Agreement with respect to such matter.

4.10 Officer and Director Indemnification.

(a) Parent agrees, until the sixth anniversary of the Closing Date, to cause the Surviving LLC to provide in its limited liability company agreement rights to indemnification, contribution and advancement of expenses that are no less favorable than those rights set forth in the Company's Organizational Documents and indemnification agreements, in each case as in effect on the date of this Agreement and in the forms made available to Parent with respect to indemnification of current and former officers, managers, directors, employees and agents of Company and its Subsidiaries (each, a "Company D&O Indemnified Party") against all Damages incurred in connection with any claim, action, suit, proceeding or investigation, whether civil, criminal, administrative or investigative, arising out of or pertaining to (i) the fact that the Company D&O Indemnified Party is or was an officer, director, manager, employee or agent of the Company or any of its Subsidiaries or (ii) matters existing or occurring at or prior to the Closing, whether asserted or claimed prior to, at or after the Closing, and agrees such rights shall not be modified or amended in a manner that would limit the scope of such indemnification of any Company D&O Indemnified Party, except as required by applicable law.

(b) This Section 4.10: (i) shall survive the consummation of the Mergers; (ii) is intended to benefit each Company D&O Indemnified Party and their respective heirs, executors and administrators; (iii) is in addition to, and not in substitution for, any other rights to indemnification or contribution that any such person may have against Parent or the Surviving LLC first arising after the Closing Date by contract or otherwise; and (iv) shall not be terminated or modified in such a manner as to adversely affect the rights of any Company D&O Indemnified Party under this Section 4.10 without the written consent of such affected Company D&O Indemnified Party.

(c) At or prior to the Closing, the Company shall obtain an extended reporting period endorsement under the Company's existing directors' and officers' liability insurance coverage (the "D&O Tail Policy") for the Company's directors and officers in a form mutually acceptable to the Company and Parent, which shall provide such directors and officers with coverage for six (6) years following the Closing Date of not less than the existing coverage under, and have other terms not materially less favorable to, the insured persons than the directors' and officers' liability insurance coverage maintained by the Company as of the date of this Agreement.

4.11 Payoff Letters and Invoices; Estimated Merger Consideration Certificate.

(a) At least five (5) Business Days prior to the Closing Date, the Company shall, to the extent applicable, deliver to Parent an accurate and complete copy of: (i) one or more payoff letters, each dated no more than five (5) Business Days prior to the Closing Date, with respect to all outstanding Indebtedness to be repaid in connection with the Closing, to satisfy such Indebtedness as of the Closing and terminate and release any Encumbrances related thereto; and (ii) an invoice from each advisor or other service provider to the Company, dated no more than five (5) Business Days prior to the Closing Date, with respect to all Company Transaction Expenses estimated to be due and payable to such advisor or other service provider, as the case may be, as of the Closing Date.

(b) At least five (5) Business Days prior to the Closing Date, the Company shall deliver to Parent an estimated Merger Consideration Certificate, in form and substance reasonably satisfactory to Parent and setting forth the information required by Section 1.3(d)(iv) on an accompanying spreadsheet, together with documentation, reasonably satisfactory to Parent, in support of the calculation of the amounts set forth in the estimated Merger Consideration Certificate.

5. CERTAIN COVENANTS OF THE PARTIES

5.1 Filings and Consents.

(a) Filings. Parent (and its Affiliates, if applicable), on the one hand, and the Company (and its Affiliates, if applicable), on the other hand, will, to the extent required in the reasonable judgment of counsel to Parent and the Company: (i) file with the United States Federal Trade Commission (the "FTC") and the Antitrust Division of the United States Department of Justice (the "DOJ") a Notification and Report Form relating to this Agreement and the transactions contemplated by this Agreement as required by the HSR Act within ten (10) Business Days following the date of this Agreement (such filings shall specifically request early termination of the waiting period); and (ii) promptly file comparable pre-merger notification filings, forms and submissions with any Governmental Body that are required by the other applicable antitrust laws set forth on Schedule 7.3 in connection with the transactions contemplated by this Agreement (with any comparable pre-merger filings to be made as soon as reasonably practicable following the date of this Agreement). Each of Parent and the Company will (A) cooperate and coordinate (and cause its respective Affiliates to cooperate and coordinate) with the other in the making of such filings; (B) promptly supply the other (or cause the other to be supplied) with any information or documents that may be required in order to make such filings; ***provided***, that insofar as any such information or documents are competitively sensitive, such information or documents may be

provided directly to the relevant Governmental Bodies or, if required, on an outside counsel-to- counsel basis, in each case on a strictly confidential basis; (C) promptly supply (or cause its respective Affiliates to supply) any additional information that reasonably may be required or requested by the FTC, the DOJ or the Governmental Bodies of any other applicable jurisdiction in which any such filing is made; and (D) take all action necessary to (1) cause the expiration or termination of the applicable waiting periods pursuant to the HSR Act and the other applicable antitrust laws set forth on Schedule 7.3 and (2) obtain any required consents pursuant to such antitrust laws applicable to the transactions contemplated by this Agreement as soon as practicable. In furtherance and not in limitation of the foregoing, if and to the extent necessary to obtain clearance of the Merger pursuant to the HSR Act and any other antitrust laws applicable to the Mergers, Parent (and its Affiliates, if applicable), on the one hand, and the Company (and its Affiliates, if applicable), on the other hand, will (i) promptly inform the other party of any material communication received from any Governmental Body regarding the transactions contemplated by this Agreement in connection with such filings (and if in writing, furnish the other party with a copy of such communication), (ii) use its reasonable best efforts to respond as promptly as practicable to any request from any Governmental Body for information, documents or other materials in connection with the review of the HSR Act filings or the transactions contemplated hereby, (iii) provide to the other party, and permit the other party to review and comment in advance of submission, all proposed material correspondence and written communications to any Governmental Body with respect to the transactions contemplated hereby and (iv) not participate in any substantive meeting or discussion with any Governmental Body in respect of investigation or inquiry concerning the transactions contemplated hereby without giving the other party reasonable prior notice of such meeting or discussions and, except as prohibited by Applicable Law or Governmental Body, gives the other party the opportunity to attend and participate thereat. If any Party or Affiliate thereof receives a request for additional information or documentary material from the FTC, the DOJ or any Governmental Body with respect to the transactions contemplated by this Agreement pursuant to the HSR Act or any other antitrust laws applicable to the transactions contemplated by this Agreement, then such Party will make (or cause to be made), as soon as reasonably practicable and after consultation with the other Parties, an appropriate response in compliance with such request. Parent shall pay all filing fees under the HSR Act and any other antitrust laws applicable to the transactions contemplated by this Agreement.

(b) Efforts. Parent and the Company shall use reasonable best efforts to take, or cause to be taken, all actions necessary to consummate the Merger and make effective the other transactions contemplated by this Agreement as promptly as practicable During the Pre-Closing Period: (i) the Company shall use reasonable best efforts to take, or cause to be taken, all actions necessary to satisfy the conditions set forth in Section 7, consummate the Merger and make effective the other transactions contemplated by this Agreement as promptly as practicable; and (ii) Parent and Merger Sub shall use reasonable best efforts to take, or cause to be taken, all actions necessary to satisfy the conditions set forth in Section 8, consummate the Merger and make effective the other transactions contemplated by this Agreement as promptly as practicable. Without limiting the generality of the foregoing, each party to this Agreement: (i) shall make all filings (if any) and give all notices (if any) required to be made and given by such party in connection with the Merger and the other transactions contemplated by this Agreement; and (ii) shall use commercially reasonable efforts to obtain each Consent (if any) required to be obtained (pursuant to any applicable Legal Requirement or Contract, or otherwise) by such party in connection with the Merger or any of the other transactions contemplated by this Agreement.

For purposes of this Section 5.1, “reasonable best efforts” of Parent (or its Affiliates, if applicable) shall not require (nor shall anything in this Section 5.1 or otherwise in this Agreement require) Parent (or its Affiliates, if applicable) to (y) offer, negotiate, commit to or effect, by consent decree, hold separate order or otherwise, (1) the sale, divestiture, license or other disposition of any and all of the capital stock or other equity or voting interest, assets (whether tangible or intangible), rights, products or businesses of Parent (or its Affiliates, if applicable), on the one hand, and the Company (and its Affiliates, if applicable) on the other hand; and (2) any other restrictions on the activities of Parent (and its Affiliates, if applicable), on the one hand, and the Company (and its Affiliates, if applicable), on the other hand; or (z) contest, defend, or appeal any legal proceedings, whether judicial or administrative, challenging this Agreement or the consummation of the Mergers.

5.2 Retention Bonus Pool. Promptly following the Closing, Parent will, or will cause the Surviving LLC to, establish a retention bonus fund in an aggregate amount of $1,000,000 (the “Retention Bonus Amount”) from which retention bonuses will be reserved for the benefit of certain Continuing Employees (the “Retention Bonuses”). The Retention Bonuses shall be paid in accordance with the terms set forth on Exhibit N (the “Retention Bonus Terms”) and those contained in the form of retention bonus agreement attached hereto as Exhibit O (“Retention Bonus Agreement”). Notwithstanding the foregoing, each Continuing Employee for which a Retention Bonus is reserved will only earn and be paid his or her Retention Bonus if such Continuing Employee: (a) executes and delivers to Parent within thirty (30) days after the Closing Date a Retention Bonus Agreement; (b) remains employed by Parent or its Affiliates (including without limitation the Surviving LLC) on the date each installment of such Retention Bonus is paid in accordance with the vesting schedule specified in the applicable Retention Bonus Agreement; and (a) satisfies the other conditions to payment set forth in the Retention Bonus Agreement. To the extent any Continuing Employee does not satisfy the foregoing requirements, such Continuing Employee will not earn and will forfeit his or her rights to a Retention Bonus. For the avoidance of doubt, the Retention Bonus Amount shall be in addition to, and separate from, the Merger Consideration.

5.3 Parent Common Stock; CDIs.

(a) In the event one (1) or more shares of Parent Common Stock are listed on a US Trading Market at any time following the Closing (such date, the “US Trading Market Effective Date”), Parent hereby covenants and agrees (i) it shall take all actions necessary to permit the shares of Parent Common Stock that have been issued to Non-Dissenting Stockholders prior to the US Trading Market Effective Date (regardless of whether such shares of Parent Common Stock are held as Parent Common Stock or were converted into CDIs) to be freely tradable on the applicable US Trading Market within ten (10) days following the US Trading Market Effective Date, and (ii) that all shares of Parent Common Stock issued to Non-Dissenting Stockholders on or after the US Trading Market Effective Date will be freely tradable on the applicable US Trading Market upon the issuance of such shares.

(b) To the extent requested by any Effective Time Holder from time to time following the Closing, Parent shall take, or cause to be taken, all actions necessary, proper or advisable, in compliance with all regulations, to facilitate the conversion of such shares of Parent Common Stock into CHESS Depositary Interests (CDIs) for so long as Parent's equity securities are traded on the Australian Stock Exchange.

5.4 RWI Policy. Parent shall take, or cause to be taken, all actions necessary, proper or advisable, in compliance with all regulations, to cause the RWI Policy to be issued by the applicable insurer to Parent as of the Closing. The Company shall take any reasonable action requested in writing by Parent to assist Parent in providing information and documentation to the issuer of the RWI Policy necessary for issuance of the RWI Policy. During the Pre-Closing Period, Parent shall keep the Securityholders' Agent informed on a current basis of the status of Parent's efforts to obtain the RWI Policy. Promptly after it is received by Parent, Parent shall deliver a copy of the RWI Policy to the Securityholders' Agent. From and after the issuance of the RWI Policy, Parent shall not (and shall cause its Affiliates to not) amend, modify, terminate or waive any waiver of subrogation with respect to the Effective Time Holders (which, for the avoidance of doubt, shall not contain a waiver of subrogation against the Effective Time Holders with respect to fraud) set forth in the RWI Policy without the prior written consent of the Securityholders' Agent, which consent may be granted, withheld, conditioned or delayed in the Securityholders' Agent's sole and absolute discretion.

5.5 Filing of UCC-1 Financing Statement. Parent shall take, or cause to be taken, all actions necessary, proper or advisable to cause the security interest granted under the Master Parent Promissory Note to be perfected as promptly as practicable following the Closing by the filing of a form UCC-1 financing statement (in a form acceptable to the Company prior to Closing) in the appropriate jurisdiction and in accordance with Section 4 of the Master Parent Promissory Note. Parent shall deliver evidence of the filing of such UCC-1 financing statement to Securityholders' Agent promptly following such filing.

5.6 Company Preferred Stock Payments. In the event the amount of (i) the Per Share Closing Notes Amount *plus* (ii) the Per Share Closing Stock Amount (Preferred Stock Consideration) *minus* (iii) the Per Share Holdback Amount is less than $0.554, then the Company and Parent will work in good faith to amend the terms of this Agreement as applicable to ensure that each holder of Company Preferred Stock receives consideration at the Closing in accordance with the Company's Organizational Documents then in effect. For the avoidance of doubt, in no event shall the amendment contemplated pursuant to this Section 5.6 have any impact on the amount of the Closing Consideration, and such amendment shall relate solely to the allocation of the Closing Consideration among the Effective Time Holders.

5.7 Further Action. If, at any time after the First Effective Time, any further action is reasonably determined by Parent to be necessary or desirable to carry out the purposes of this Agreement or to vest the Surviving Corporation, Surviving LLC or Parent with full right, title and possession of and to all rights and property of the Company and Merger Sub I, the officers and directors of the Surviving Corporation, the Surviving LLC and Parent shall be fully authorized (in the name of Merger Sub I, in the name of the Company and otherwise) to take such action.

6. TAX MATTERS

6.1 Liability for Taxes.

(a) Straddle Period Taxes. For purposes of this Agreement, the determination of the Taxes of the Company for the portion of the Straddle Period ending on and including the Closing Date shall be: (i) in the case of Taxes that are either based upon or related to income or receipts or imposed in connection with any sale or other transfer or assignment of property (real or personal, tangible or intangible), deemed equal to the amount that would be payable if the taxable period ended with (and included) the Closing Date (and for such purpose, the Tax period of any partnership or other pass-through entity or any "controlled foreign corporation" within the meaning of Section 957 of the Code in which the Company holds a beneficial interest shall be deemed to terminate at such time); and (ii) in the case of any other Taxes, such as ad valorem taxes, deemed to be the amount of such Taxes for the entire Straddle Period, multiplied by a fraction the numerator of which is the number of calendar days in the portion of the period ending on and including the Closing Date and the denominator of which is the number of calendar days in the entire period.

(b) Transfer Taxes. All real property transfer or gains Tax, sales Tax, use Tax, stamp Tax, stock transfer Tax, or other similar transfer Taxes ("Transfer Taxes") imposed on the transactions contemplated by this Agreement shall be borne one-half by the Effective Time Holders, which, in the case of the Effective Time Holders, shall be included in the calculation of Indebtedness, and one-half by Parent. Parent shall cause to be prepared and timely filed all Tax Returns required to be filed in connection with any Transfer Taxes.

6.2 Tax Matters.

(a) Tax Returns. The Company shall prepare and timely file (or cause to be prepared and timely filed) all Tax Returns for Pre-Closing Tax Periods with an original due date on or after the date of this Agreement but before the Closing Date (taking into account all extensions properly obtained); *provided*, that all such Tax Returns shall be prepared (or shall be caused to be prepared) in a manner consistent with prior tax accounting practices and methods of the Company (except to the extent that such practices or methods are not supported by at least a more likely than not position under applicable law or as otherwise provided by this Agreement). Following the Closing, Parent shall file or cause to be filed when due (taking into account all extensions properly obtained) all Tax Returns that are required to be filed by or with respect to the Company for taxable years or periods ending on or before the Closing Date with an original due date after Closing (taking into account all extensions properly obtained) and for any Straddle Period ("Parent Prepared Tax Returns"). The Parent Prepared Tax Returns shall be prepared in a manner consistent with prior tax accounting practices and methods of the Company (except to the extent that such practices or methods are not supported by at least a more likely than not position under applicable law or as otherwise provided by this Agreement). Parent shall provide to the Securityholders' Agent copies of all such Parent Prepared Tax Returns (including all relevant work papers) at least thirty (30) days prior to filing (unless any such Tax Return is due within forty-five (45) days of the Closing Date, in which case Parent shall provide such Tax Return to the Securityholders' Agent as soon as reasonably practicable), shall permit the Securityholders' Agent to review and comment on each such Parent Prepared Tax Return prior to filing and shall consider

in good faith and incorporate all reasonable comments made by Securityholders' Agent in writing to the Parent prior to the due date of such Parent Prepared Tax Return (provided such requested comments are supported by at least a more likely than not position under applicable law or as otherwise provided by this Agreement); *provided*, *however*, for the avoidance of doubt, Parent shall not provide Tax Returns to the Securityholders' Agent that contains information other than with respect to the Company. The parties hereto acknowledge and agree that (i) to the extent applicable Tax laws so permit at a "more likely than not" or greater level of comfort, the parties will treat or elect to treat the taxable year of the Company as terminating on the Closing Date, (ii) any income Tax deduction arising from the bonuses, option cashouts, restricted stock units, or other compensation and transaction expenses payments funded with the Merger Consideration or made by the Company in connection with the transactions contemplated by this Agreement shall be allocable to the Taxable period (or portion thereof) ending on or prior to the Closing Date (or the portion of the period ending on the Closing Date with respect to a Straddle Tax Period) and be for the benefit of the Effective Time Holders, and (iii) the Company shall make a timely election under Revenue Procedure 2011-29, 2011-18 I.R.B. 746, to apply the seventy per cent (70%) safe- harbor to any expenses that are "success based fees" as defined in Treasury Regulation Section 1.263(a)-5(f).

(b) Post-Closing Actions. Unless otherwise required pursuant to a settlement of an examination or audit proceeding, Parent shall not take (and following the Closing, Parent shall prevent the Company, the Surviving LLC and any of its Affiliates from taking) the following actions, without the prior written consent of the Securityholders' Agent, if such action would reasonably be expected to form the basis for an indemnity claim under this Agreement: (i) amend or cause the amendment any Tax Return of the Company relating to a Tax period ending on or before the Closing Date (other than an amendment required to be made by applicable Law such as information Tax Returns or to the extent reasonably necessary for any officer of Parent to avoid personal liability); (ii) make or change any Tax election regarding the Company with respect to a Tax period ending on or before the Closing Date; (iii) file any Tax Return of the Company with respect to a Tax period ending before the Closing Date with an original due date before the Date of this Agreement (taking into account all extensions properly obtained); (iv) initiate any discussion or enter into any voluntary disclosure program (or similar program or agreement) with a Governmental Body regarding any Tax (whether asserted or unasserted) or Tax Return with respect to the Company relating to a Tax period ending on or before the Closing Date; or (v) take any extraordinary action not contemplated by this Agreement or required by applicable law on the Closing Date after the closing that could reasonably be expected to give rise to or increase any Tax for which the Effective Time Holders could be expected to be liable (each a "Specified Tax Action"). Notwithstanding the foregoing, Parent may take any Specified Tax Action (i) if Parent provides written notice to the Securityholders' Agent specifying in reasonable detail the proposed Specified Tax Action, (ii) the original underlying position is not supported by at least a substantial authority position (or similar standard under state or local law), and (iii) either the Securityholders' Agent does not object within 30 days of receipt of the applicable written notice or to the extent any objection is resolved in favor of Parent pursuant to the following sentence. In the event the Securityholders' Agent objects in whole or in part in writing within 30 days of receipt of the applicable written notice, then the dispute resolution provisions of Section 1.13(d), *mutatis mutandis*, for resolution, and such resolution shall be final and binding on the Parties. In the event the Securityholders' Agent does not object, or to the extent following a dispute resolution in favor of Parent, Parent may take such Specified Tax Action and the Effective Time Holders shall be

responsible for the amount of Pre-Closing Taxes related to Specified Tax Action (as provided in Article 10) but, notwithstanding the provisions of Article 10, the Effective Time Holders shall not be responsible for and not be required to pay any cost or expense, or other amount that would otherwise be treated as Damages, associated with such Specified Tax Action, such as the cost of investigation, filing of applicable Tax Returns or accounting or attorney fees. For the avoidance of doubt, nothing in this Section 6.2(b) shall prevent Parent from continuing any process or action (including any voluntary disclosure program or similar program or agreement) after the Closing Date, which process or action was commenced by the Company prior to the Closing.

(c) Tax Claims. Notwithstanding any provision of Section 10.6 to the contrary, Parent shall have the right (but not the obligation) to control any Tax audits, Tax disputes or administrative, judicial or other Legal Proceedings related to any Tax Return or Taxes of the Company for which the Effective Time Holders have indemnification obligations pursuant to this Agreement (each a "Tax Claim"), and shall have the right to employ counsel and other advisors of its choice and at its own expense; *provided*, that in the event that such Tax Claim could result in an indemnification obligation against the Effective Time Holders pursuant to this Agreement (i) Parent shall promptly notify the Securityholders' Agent of any such Tax Claim, (ii) the Securityholders' Agent shall have the right to fully participate in any such Tax Claim at its own expense and Parent shall provide appropriate access for the Securityholders' Agent counsel or advisors to participate, (iii) Parent shall consider in good faith any recommendations of the Securityholders' Agent (or its counsel or advisors) and (iv) Parent shall not settle or otherwise resolve such Tax Claim without the consent of the Securityholders' Agent (which consent shall not be unreasonably withheld, conditioned or delayed). If Parent does not elect to proceed with the defense of any such Tax Claim, Securityholders' Agent shall have the right (but not the obligation) to control any such Tax Claim at its own expense; *provided*, *however*, (x) the Securityholders' Agent may not settle, adjust or compromise any such Tax Claim without the prior written consent of Parent (which consent may not be unreasonably withheld or delayed), (y) Parent shall have the right to fully participate in any such Tax Claim at its own expense and the Securityholders' Agent shall provide appropriate access for the Parent (or its counsel or advisors), and (z) the Securityholders' Agent shall consider in good faith any recommendations of Parent (or its counsel or advisors). To the extent the provisions of this Section 6.2(c) conflict with the provisions of Section 10.6, the provisions of this Section 6.2(c) shall control.

(d) Tax Refunds. Any refunds of Taxes or credits for overpayment of Taxes, including any interest received from a Governmental Authority, attributable to any Pre-Closing Tax Period of the Company and that was paid prior to the Closing by the Company (or otherwise reflected as an adjustment to the Merger Consideration, such as included in Current Liabilities or Indebtedness) that is realized by Parent or any of its Affiliates shall be for the account of the Effective Time Holders, net of any Taxes and any reasonable out-of-pocket costs of the Company incurred in connection with obtaining such refund, unless such refund amounts or credits arise as the result of a carryback of a loss or other tax benefit generated in a Tax Period (or portion thereof) beginning after the Closing Date or are already included in the calculation of the Current Assets or otherwise taken into account in determining the Merger Consideration (a "Tax Refund"). To the extent that Parent or any Affiliate receives a Tax Refund, no later than thirty (30) days following receipt, Parent shall pay in cash to the Effective Time Holders (in accordance with their Pro Rata Shares) the amount of such Tax Refund. To the extent such Tax Refund (including for this purpose only the R&D Credit Amount (2019)) is subsequently disallowed or required to be

returned (or not payable in the case of the R&D Credit Amount (2019)) to the applicable Governmental Authority, the Effective Time Holders agree to promptly repay the amount of such Tax Refund together with any interest, penalties or other additional amounts imposed by such Governmental Authority, to Parent (or in the case of the R&D Credit Amount (2019) as an offset against the Master Parent Promissory Note on a pro rata basis in accordance with each Effective Time Holder's Pro Rata Share). In the event payment of such Tax Refund is reasonably expected to jeopardize the Intended Tax Treatment (as reasonably determined by the Securityholders' Agent and written notice thereby is provided to the Parent prior to the payment of the Tax Refund), such amounts shall not be due and payable to the Effective Time Holders, but shall instead serve as an offset to any obligations of the Effective Time Holders under this Agreement unless and until such Tax Refund is offset or no longer is expected to jeopardize the Intended Tax Treatment (as reasonably determined by the Securityholders' Agent and written notice thereof is provided to the Parent).

6.3 Assistance and Cooperation. After the Closing Date, each of the Securityholders' Agent and Parent shall (and shall cause their respective Affiliates to):

(a) timely sign and deliver such certificates or forms as permitted by Applicable Law as may be necessary or appropriate to establish an exemption from (or otherwise reduce), or file Tax Returns or other reports with respect to, Taxes described in Section 6.2 relating to sales, transfer and similar Taxes;

(b) reasonably assist the other party in preparing any Tax Returns which such other party is responsible for preparing and filing in accordance with Section 6.2;

(c) cooperate fully in preparing for and defending any Tax Claims and audits of, or disputes with taxing authorities regarding, any Tax Returns of the Company and its Subsidiaries or Tax Refunds;

(d) make available to the other and to any taxing authority as reasonably requested all information, records, and documents relating to Taxes of the Company and its Subsidiaries; and

(e) furnish the other with copies of all correspondence received from any taxing authority in connection with any Tax audit or information request with respect to any such taxable period; *provided*, that Parent shall only be obliged to furnish copies of such correspondence to the Securityholders' Agent to the extent such audit or information request relates to Taxes for which the Effective Time Holders may be liable under the terms of this Agreement.

7. CONDITIONS PRECEDENT TO OBLIGATIONS OF PARENT AND MERGER SUB

The obligations of Parent and Merger Sub to cause the transactions contemplated by this Agreement to be consummated are subject to the satisfaction (or waiver by Parent), at or prior to the Closing, of each of the following conditions:

7.1 Accuracy of Representations. Each of: (a) the Company Specified Representations shall be true and correct in all respects (after giving effect to any materiality,

Material Adverse Effect or similar qualification) as of the Closing as if made at and as of the Closing, other than any such Company Specified Representations that by their terms are made as of a specific earlier date, which shall be accurate in all respects as of such earlier date; and (b) the representations and warranties made by the Company contained in this Agreement (other than the Company Specified Representations) shall be true and correct in all material respects (without giving effect to any materiality, Material Adverse Effect or other similar qualifications therein) as of the Closing as if made at and as of the Closing, other than any such representations and warranties herein that by their terms are made as of a specific earlier date, which shall have been accurate in all material respects as of such earlier date.

7.2 Performance of Covenants. Each of the covenants and obligations that the Company is required to comply with or to perform at or prior to the Closing shall have been complied with and performed in all material respects.

7.3 Regulatory Approvals. All waiting periods (and any extensions thereof) or the required approvals applicable to the transactions contemplated hereby under the HSR Act or any other antitrust laws of the jurisdictions set forth on Schedule 7.3 shall have expired (or early termination shall have been granted) or been received.

7.4 No Material Adverse Effect. Since the date of this Agreement, there shall not have occurred any Material Adverse Effect.

7.5 Stockholder Approval. This Agreement shall have been duly adopted and approved by the Required Merger Stockholder Votes, and such adoption and approval shall not have been withdrawn, rescinded or otherwise revoked.

7.6 Dissenting Shares. No more than 5% of the Company Capital Stock shall constitute Dissenting Shares.

7.7 Officer's Certificate. Parent shall have received a certificate duly executed on behalf of the Company by the chief executive officer of the Company and dated as of the Closing Date, certifying that the conditions set forth in Sections 7.1, 7.2, 7.4 and 7.5 have been duly satisfied (the "Company Closing Certificate").

7.8 Closing Documents. Parent shall have received the deliverables contemplated by Section 1.3(d) to be delivered by the Company at the Closing.

7.9 No Restraints. No temporary restraining order, preliminary or permanent injunction or other Order preventing or otherwise impeding the consummation of the Mergers or the other transactions contemplated by this Agreement shall have been issued by any court of competent jurisdiction or other Governmental Body and remain in effect.

7.10 Section 280G Stockholder Approval. With respect to all Disqualified Individuals who have received or could become entitled to receive Section 280G Payments, copies of duly executed Parachute Payment Waiver Agreements by and between the Company and the applicable Disqualified Individual, and (B) evidence reasonably satisfactory to Parent that the shareholder vote described in Section 4.3(b) either approved or did not approve such Section 280G Payments.

7.11 Termination of Employee Plans. The Company shall have provided Parent with evidence reasonably satisfactory to Parent as to the termination of the Requested Employee Plans required to be terminated pursuant to Section 4.6.

7.12 Employment Matters. (i) Each of the Signing Date Employment Agreements shall be in full force and effect and shall not have been revoked, rescinded or otherwise repudiated by the applicable Key Employee, and none of the Key Employees shall have terminated his or her employment with the Company or any of its Subsidiaries, or taken any action toward terminating his or her employment with the Company or any of its Subsidiaries at or prior to the Closing, or with the Surviving Corporation, the Surviving LLC, Parent or any of their respect Subsidiaries following the Closing; and (ii) no more than 10% of the employees of the Company as of date of this Agreement shall have terminated his or her employment with the Company, or delivered written notice to the Company of his or her intent to terminate his or her employment with the Company at or prior to the Closing, or with the Surviving Corporation, the Surviving LLC, Parent or any of their respective Subsidiaries following the Closing.

8. CONDITIONS PRECEDENT TO OBLIGATIONS OF THE COMPANY

The obligations of the Company to consummate the transactions contemplated by this Agreement are subject to the satisfaction (or waiver), at or prior to the Closing, of the following conditions:

8.1 Accuracy of Representations. Each of: (a) the Parent Specified Representations shall be true and correct in all respects (after giving effect to any materiality, material adverse effect or similar qualification) as of the Closing as if made at and as of the Closing, other than any such Parent Specified Representations that by their terms are made as of a specific earlier date, which shall be accurate in all respects as of such earlier date; and (b) the representations and warranties made by Parent and the Merger Subs contained in this Agreement (other than the Parent Specified Representations) shall be true and correct (without giving effect to any materiality, material adverse effect or other similar qualifications therein) as of the Closing as if made at and as of the Closing, other than any such representations and warranties herein that by their terms are made as of a specific earlier date, which shall have been accurate in as of such earlier date, except, in the case of this clause (b), for inaccuracies and breaches of such representations and warranties that would not reasonably be expected to have a material adverse effect on the ability of Parent and the Merger Subs, taken as a whole, to consummate the Mergers.

8.2 Performance of Covenants. The covenants and obligations that Parent and Merger Sub are required to comply with or to perform at or prior to the Closing shall have been complied with and performed in all material respects.

8.3 Regulatory Approvals. All waiting periods (and any extensions thereof) or the required approvals applicable to the transactions contemplated hereby under the HSR Act or any other antitrust laws of the jurisdictions set forth on Schedule 7.3 shall have expired (or early termination shall have been granted) or been received.

8.4 Officer's Certificate. The Company shall have received a certificate duly executed by an authorized officer of Parent and dated as of the Closing Date, certifying that the conditions set forth in Sections 8.1 and 8.2 have been satisfied.

8.5 Stockholder Approval. This Agreement shall have been duly adopted and approved by the Required Merger Stockholder Votes.

8.6 No Restraints. No temporary restraining order, preliminary or permanent injunction or other Order preventing or otherwise impeding the consummation of the Merger shall have been issued by any court of competent jurisdiction or other Governmental Body and remain in effect.

9. TERMINATION

9.1 Termination Events. This Agreement may be terminated prior to the Closing (whether before or after the adoption and approval of this Agreement by the Company's stockholders):

(a) by the mutual written consent of Parent and the Company;

(b) by either Parent or the Company, if the Closing has not taken place on or before 5:00 p.m. (Pacific time) on the date that is 60 days following the date of this Agreement (the "End Date"); *provided*, *however*, if all the conditions set forth in Section 7 and Section 8 have been satisfied (other than those conditions that by their terms or nature are to be satisfied at the Closing) except that the required approvals under the antitrust laws of the jurisdictions set forth on Schedule 7.3 have not been received by the End Date, then the End Date shall be automatically extended for an additional forty-five (45) days; *provided*, *further*, neither Parent nor the Company shall be permitted to terminate this Agreement pursuant to this Section 9.1(b) if (i) the failure to consummate the Mergers by the End Date results from, or is caused by, a material breach by such party of any of its representations, warranties, covenants or agreements contained herein (including any failure to fulfill in any material respect any of its obligations under Section 5.1(a) and Section 5.1(b)) or (ii) the other party is seeking through a Legal Proceeding to specifically enforce this Agreement in accordance with Section 11.9 while any such Legal Proceeding is still pending;

(c) by Parent or the Company if a court of competent jurisdiction or other Governmental Body shall have issued a final and nonappealable Order, or shall have taken any other action, having the effect of permanently restraining, enjoining or otherwise prohibiting the Mergers such that the conditions set forth in Section 7.8 and Section 8.6 would not be satisfied; *provided*, *however*, that a party shall not be permitted to terminate this Agreement pursuant to this Section 9.1(c) if such party did not use reasonable best efforts to have such Order vacated prior to its becoming final and nonappealable;

(d) by Parent if: (i) any of the representations and warranties of the Company contained in this Agreement shall be inaccurate such that any condition set forth in Section 7.1 would not be satisfied; (ii) any of the covenants of the Company contained in this Agreement shall have been breached such that the condition set forth in Section 7.2 would not be satisfied; or (iii) any Material Adverse Effect shall have occurred; *provided*, *however*, in the case of clauses "(i)" and "(ii)" only, an inaccuracy in any of the representations and warranties of the

Company as of a date subsequent to the date of this Agreement or a breach of a covenant by the Company is curable by the Company through the use of commercially reasonable efforts within thirty (30) calendar days after Parent notifies the Company in writing of the existence of such inaccuracy or breach (the "Company Cure Period"), then Parent may not terminate this Agreement under this Section 9.1(d) as a result of such inaccuracy or breach prior to the expiration of the applicable Company Cure Period, provided the Company, during the applicable Company Cure Period, continues to exercise commercially reasonable efforts to cure such inaccuracy or breach (it being understood that Parent may not terminate this Agreement pursuant to this Section 9.1(d) with respect to such inaccuracy or breach if such inaccuracy or breach is cured prior to the expiration of the applicable Company Cure Period);

(e) by the Company if: (i) any of Parent's representations and warranties contained in this Agreement shall be inaccurate such that the condition set forth in Section 8.1 would not be satisfied; or (ii) if any of Parent's covenants contained in this Agreement shall have been breached such that the condition set forth in Section 8.2 would not be satisfied; *provided*, *however*, if an inaccuracy in any of Parent's representations and warranties as of a date subsequent to the date of this Agreement or a breach of a covenant by Parent is curable by Parent through the use of commercially reasonable efforts within thirty (30) calendar days after the Company notifies Parent in writing of the existence of such inaccuracy or breach (the "Parent Cure Period"), then the Company may not terminate this Agreement under this Section 9.1(e) as a result of such inaccuracy or breach prior to the expiration of the Parent Cure Period, provided Parent, during the Parent Cure Period, continues to exercise commercially reasonable efforts to cure such inaccuracy or breach (it being understood that the Company may not terminate this Agreement pursuant to this Section 9.1(e) with respect to such inaccuracy or breach if such inaccuracy or breach is cured prior to the expiration of the Parent Cure Period); or

(f) by Parent if any of the Required Merger Stockholder Votes are not obtained and delivered to Parent within 72 hours after the execution of this Agreement; *provided*, *however*, that the right of Parent to exercise the termination right set forth in this Section 9.1(f) shall expire and no longer be exercisable if not exercised prior to the time at which the Required Merger Stockholder Votes are obtained and delivered to Parent.

(g) by Parent if any of the Joinder Agreements from those Stockholders necessary for the Company to obtain the Required Merger Stockholder Votes as set forth in Section 9.1(f) are not obtained and delivered to Parent within five Business Days after the Company has provided the Information Statement to its Stockholders in accordance with Section 4.3(a); *provided*, *however*, that the right of Parent to exercise the termination right set forth in this Section 9.1(f) shall expire and no longer be exercisable if not exercised prior to the time at which such Joinder Agreements are obtained and delivered to Parent.

9.2 Termination Procedures. If Parent wishes to terminate this Agreement pursuant to Section 9.1, Parent shall deliver to the Company a written notice stating that Parent is terminating this Agreement and setting forth a brief description of the basis on which Parent is terminating this Agreement. If the Company wishes to terminate this Agreement pursuant to Section 9.1, the Company shall deliver to Parent a written notice stating that the Company is terminating this Agreement and setting forth a brief description of the basis on which the Company is terminating this Agreement.

9.3 Effect of Termination. If this Agreement is terminated pursuant to Section 9.1, all further obligations of the parties under this Agreement shall terminate; *provided*, *however*, that: (a) neither the Company nor Parent shall be relieved of any obligation or other Liability arising from any fraud, willful breach or intentional misrepresentation by such party of any provision contained in this Agreement occurring prior to the termination of this Agreement; and (b) the parties shall, in all events, remain bound by and continue to be subject to the provisions set forth in Article 11.

10. INDEMNIFICATION, ETC.

10.1 Survival of Representations, Etc.

(a) General Survival. Subject to Sections 10.1(b), 10.1(c), 10.1(e) and 10.1(f), the representations and warranties made by the Company, Parent and the Merger Subs in this Agreement and the representations and warranties set forth in the Company Closing Certificate (in each case other than the Company Specified Representations) shall survive the Effective Time until 11:59 pm (Pacific time) on the date that is 18 months following the Closing Date (the "Expiration Date"); *provided*, *however*, if, at any time on or prior to the Expiration Date, any Parent Indemnitee delivers to the Securityholders' Agent a Claim Notice asserting a right to indemnification under Section 10.2 based on an alleged inaccuracy or breach, then the corresponding representations or warranties described in such Claim Notice shall survive the Expiration Date, only for purposes of such claim, until such time as such claim is fully and finally resolved.

(b) IP Representations. Notwithstanding anything to the contrary contained in Section 10.1(a), but subject to Section 10.1(f), the IP Representations shall survive the Effective Time until 11:59 p.m. (Pacific time) on the date that is 36 months following the Closing Date (the "IP Expiration Date"); *provided*, *however*, if, at any time on or prior to the expiration of the IP Expiration Date referred to in this sentence, any Parent Indemnitee delivers to the Securityholders' Agent a Claim Notice asserting a right to indemnification under Section 10.2 based on an alleged inaccuracy or breach of the IP Representations, then the corresponding IP Representations described in such Claim Notice shall survive the applicable expiration date, only for purposes of such claim, until such time as such claim is fully and finally resolved.

(c) Company Specified Representations. Notwithstanding anything to the contrary contained in Section 10.1(a), but subject to Section 10.1(f), the Company Specified Representations shall survive the Effective Time until 11:59 p.m. (Pacific time) on the date of expiration of the applicable statute of limitations; *provided*, *however*, if, at any time on or prior to the expiration of the applicable period referred to in this sentence, any Parent Indemnitee delivers to the Securityholders' Agent a Claim Notice asserting a right to indemnification under Section 10.2 based on an alleged inaccuracy or breach of any Company Specified Representations, then the corresponding Company Specified Representation described in such Claim Notice shall survive the applicable expiration date, only for purposes of such claim, until such time as such claim is fully and finally resolved.

(d) Covenants. Subject to Section 10.1(f), the covenants, agreements and obligations of the parties hereto contained in this Agreement (i) for which a time period is specified shall survive the Closing for such specified time period or until such covenant, agreement or obligation is waived and (ii) for which a time period is not specified shall survive the Closing until fully performed or waived; *provided*, *however*, in the case of each of clauses (i) and (ii), claims related to breaches of any such covenant, agreement or obligation shall survive the Closing for one-year after the expiration of the period in which they are required to be performed; *provided*, *further*, if, at any time on or prior to the expiration of the applicable period referred to in this sentence, any Parent Indemnitee delivers to the Securityholders' Agent a Claim Notice asserting a right to indemnification under Section 10.2 based on any of the matters referred to in Section 10.2(a)(ii), then the corresponding covenants, agreements and obligations described in such Claim Notice shall survive the applicable expiration date, only for purposes of such claim, until such time as such claim is fully and finally resolved.

(e) Other Indemnifiable Matters. Subject to Section 10.1(a), claims that arise directly or indirectly from or as a result of, or are directly or indirectly connected with any of the matters referred to in Sections 10.2(a)(ii) through Section 10.2(a)(viii), inclusive, shall survive the Effective Time until expiration of the applicable statute of limitations; *provided*, *however*, if, at any time on or prior to the expiration of the applicable period referred to in this sentence, any Parent Indemnitee delivers to the Securityholders' Agent a Claim Notice asserting a right to indemnification under Section 10.2 based on any of the matters referred to in Sections 10.2(a)(ii) through Section 10.2(a)(viii), inclusive, then the corresponding representations, warranties, covenants, agreements and obligations or other indemnifiable matter described in such Claim Notice shall survive the applicable expiration date, only for purposes of such claim, until such time as such claim is fully and finally resolved

(f) Fraud. Notwithstanding anything to the contrary contained in this Agreement, any claim of fraud against the party committing such fraud shall survive the Effective Time until 11:59 p.m. (Pacific time) on the date of expiration of the statute of limitations (including any applicable extensions thereof) applicable to such matters.

10.2 Indemnification.

(a) Indemnification. From and after the Effective Time (but subject to Section 10.1 and the limitations set forth in this Section 10), each Effective Time Holder shall, severally and not jointly, hold harmless and indemnify each of the Parent Indemnitees from and against, and shall compensate and reimburse each of the Parent Indemnitees for, such Effective Time Holder's Pro Rata Share of any Damages paid or incurred at any time by any of the Parent Indemnitees (regardless of whether or not such Damages relate to any third party claim) to the extent resulting from:

(i) any inaccuracy in or breach of any representation or warranty made by the Company: (A) in this Agreement or (B) in the Company Closing Certificate;

(ii) any breach of any covenant or obligation of the Company in this Agreement required to be performed prior to the Effective Time;

(iii) the exercise by any stockholder of the Company of such stockholder's appraisal rights under the DGCL, if applicable, including all costs and expenses incurred by the Company or Parent in connection with any Legal Proceeding or settlement in connection therewith (it being understood that if such claim is settled or a final determination of the fair value of any Dissenting Shares is made by a court of competent jurisdiction in connection with any such exercise of appraisal rights, then the only portion of such costs and expenses and such settlement or fair value to be included in calculation of the Damages incurred as a result of such exercise is the amount, if any, by which such costs and expenses and such settlement or fair value exceeds what otherwise would have been payable by Parent with respect to such Dissenting Shares in accordance with Section 1.5 hereof had they not been Dissenting Shares);

(iv) any Pre-Closing Taxes;

(v) any inaccuracy in the Merger Consideration Certificate;

(vi) any Company Transaction Expenses or any Indebtedness remaining unpaid at the Closing and not accounted for in the calculation of the Final Adjusted Closing Consideration;

(vii) any claim of an Effective Time Holder or former or alleged or purported holder of any Equity Interests in the Company, in his, her or its capacity as such, or of any other Person based upon a claim of ownership or rights to ownership of any Equity Interests in the Company (other than the right of Effective Time Holders to receive their respective Merger Consideration in accordance with the terms of this Agreement);and

(viii) any fraud committed by or on behalf of the Company in connection with or relating to the negotiation, execution, delivery or performance of this Agreement ("Company Fraud").

10.3 Limitations.

(a) Notwithstanding anything in this Agreement to the contrary:

(i) a Parent Indemnitee shall have no right to indemnification for Damages pursuant to Section 10.2(a)(i) (other than with respect to breaches of the Company Specified Representations), with respect to any particular matter unless and until the aggregate amount of all Damages suffered by such Parent Indemnitee hereunder exceeds $180,000 (the "Threshold"), whereupon the Parent Indemnitee shall be indemnified only for Damages in excess of the Threshold;

(ii) the Parent Indemnitees shall have no right to indemnification from the Effective Time Holders for any Damages pursuant to Section 10.2(a)(i) (other than with respect to breaches of the Company Specified Representations) in the aggregate in excess of the Indemnification Escrow Amount (it being understood that, for the avoidance of doubt, amounts deposited into the Indemnification Escrow Fund shall be considered included as part of such limit);

(iii) the Parent Indemnitees shall have no right to indemnification for Damages pursuant to Section 10.2(a)(i) with respect to breaches of Company Specified Representations in the aggregate in excess of 100% of the Merger Consideration actually received by the Effective Time Holders;

(iv) for all Damages, in the aggregate, with respect to breaches of the Company Specified Representations, the amount of the Effective Time Holders' indemnification obligations, in the aggregate, to the Parent Indemnitees shall be calculated as follows: (a) the Effective Time Holders shall bear all Damages up to the remaining amount of the RWI Policy retention; (b) then the Parent Indemnitees shall use commercially reasonable efforts to recover any Damages in excess of the remaining amount of the RWI Policy retention, pursuant to the RWI Policy; (c) then, only after the Parent Indemnitees have exhausted commercially reasonable efforts to recover Damages under the RWI Policy, the Effective Time Holders shall bear any remaining Damages, subject, always, to the aggregate limitations otherwise set forth herein;

(v) the obligation of the Effective Time Holders to provide indemnification under Section 10.2(a)(i) shall be on a pro rata basis in accordance with each Effective Time Holder's Pro Rata Share, subject to the limitations and other provisions specifically set forth in this Article 10;

(vi) each Effective Time Holder's aggregate indemnification liability for Damages pursuant to this Agreement, including, without limitation, pursuant to Sections 10.2(a)(ii) through 10.2(a)(viii), inclusive, shall not exceed 100% of the aggregate Merger Consideration actually received by such Effective Time Holder (pre-taxes) (the "Maximum Cap"); *provided*, *however*, each Effective Time Holder's liability for fraud committed by or on behalf of such individual Effective Time Holder, including fraud committed by such individual Effective Time Holder on behalf of the Company or any other Person ("Individual Fraud") shall not be subject to the Maximum Cap; *provided*, *further*, no Effective Time Holder shall be directly liable for the Individual Fraud of any other Effective Time Holder; and

(vii) the Parent Indemnitees shall have no right to indemnification for Damages to the extent the cost or expense (or other amount that would otherwise constitute Damages) is not the responsibility of the Effective Time Holders pursuant to the penultimate sentence of Section 6.2(b).

(b) Notwithstanding anything in this Agreement to the contrary, no party (other than the Securityholders' Agent) entitled to indemnification hereunder (an "Indemnified Party") shall have any right or entitlement to indemnification from any party obligated to provide indemnification hereunder (the "Indemnitor") for any Damages relating to any matter arising under the provisions of this Agreement to the extent that any such Indemnified Party or its successors and assigns had already recovered or otherwise had been reimbursed with respect to the same matter pursuant to any other provision of this Agreement. Without limiting the generality of the foregoing, notwithstanding anything to the contrary herein:

(i) the Parent Indemnitees shall not be entitled to indemnification under this Agreement with respect to any Damages to the extent that such Damages will be or were reflected in the calculation of the Adjusted Closing Consideration; and

(ii) all Damages under this Agreement shall be determined without duplication of recovery by reason of the state of facts giving rise to such Damages constituting a breach of more than one representation, warranty, covenant or agreement.

(c) Upon any Indemnified Party becoming aware of any claim as to which indemnification may be sought by such Indemnified Party pursuant to this Article 10, such Indemnified Party and its Affiliates shall utilize commercially reasonable efforts to mitigate the Damages which would reasonably be expected to result from such claim.

(d) Notwithstanding anything in this Agreement to the contrary, the amount of any Damages payable to a Parent Indemnitee under this Article 10 shall be reduced by (i) any amounts actually recovered by the Parent Indemnitees under any insurance policies (including the RWI Policy), net of any reasonable costs of collection as a direct result of such Damages, and (ii) any amounts recovered by the Parent Indemnitee under indemnification agreements or arrangements with third parties. With respect to any such insurance policies and subject to the terms thereof, the Surviving Corporation and Surviving LLC shall not, and the Parent shall cause the Surviving Corporation and Surviving LLC not to, cancel or terminate prior to the end of their then-current term any of such policies (including any directors' and officers' liability coverage) the premiums for which have been paid in full by the First Effective Time or are reserved for in the determination of the Closing Net Working Capital.

(e) Notwithstanding anything to the contrary contained in this Agreement, any qualifications in the representations, warranties and covenants of the Company in this Agreement with respect to a Material Adverse Effect, materiality, material or similar terms will not have any effect with respect to (i) the calculation of the amount of any Damages pursuant to this Agreement, or (ii) determining whether a breach has occurred.

10.4 Exclusivity of Remedy, Further Limitations and Source of Funds for Indemnification.

(a) Except in the case of fraud, the remedies set forth in Section 1.13 (Purchase Price Adjustment), this Article 10 (Indemnification, Etc.) and Section 11.9 (Remedies Cumulative; Specific Performance) shall be the sole and exclusive remedies of the Parent Indemnitees with respect to any and all matters covered by this Agreement or claims relating to this Agreement, the negotiations and events giving rise to this Agreement and the transactions provided for herein.

(b) Notwithstanding the other provisions of this Section 10.4, no Person shall be deemed to have waived any rights, claims, causes of action or remedies against another party hereto if and to the extent fraud is proven on the part of such party.

(c) Notwithstanding anything to the contrary set forth in this Agreement, none of the limitations or exceptions set forth in this Article 10, including any periods of survival with respect to the representations, warranties and covenants set forth herein, shall in any way limit or modify the ability of the Parent Indemnitees to make claims under or recover under the RWI Policy.

10.5 Notice of Claims.

(a) Any Indemnified Party shall, within the period provided for in Section 10.1, give the Indemnifying Party a written notice (a "Claim Notice") describing in reasonable detail the facts giving rise to the claim for indemnification hereunder for Damages that is the subject of the Claim Notice. The Claim Notice shall include (if and to the extent then known) the amount and the method of computation of the amount of the Damages, a reference to the provision of this Agreement upon which such claim is based and all material documentation relevant to the claim (to the extent not previously provided under this Section 10.5). A Claim Notice shall be given promptly following the claimant's determination that facts or events have occurred giving rise to a claim for indemnification hereunder; *provided*, *however*, the failure to give such written notice shall not relieve any Indemnitor of its obligations hereunder, except to the extent it shall have been prejudiced by such failure or is delivered after the periods provided for in Section 10.1.

(b) An Indemnitor (acting through the Securityholders' Agent, in the case of indemnification sought by a Parent Indemnitee) shall have 30 days after the giving of any proper Claim Notice pursuant hereto to (i) agree to the amount or method of determination set forth in the Claim Notice and to pay or cause to be paid such amount to such Indemnified Party in immediately available funds or (ii) provide such Indemnified Party with written notice that it disagrees with the existence of a claim of indemnification hereunder or the amount or method of determination for Damages set forth in the Claim Notice (the "Dispute Notice"). For a period of 30 days after the giving of any Dispute Notice, a representative of the Indemnitor and the Indemnified Party shall negotiate in good faith to resolve the matter. In the event that the controversy is not resolved within 30 days after the date the Dispute Notice is given, the parties hereto may thereupon proceed to pursue any and all available remedies but subject to the limitations set forth in this Article 10. If the Indemnitor agrees to the Claim Notice pursuant to the immediately preceding clause (i), the parties hereto shall negotiate a settlement with respect to the matters set forth in the Claim Notice, or if the Indemnitor fails to provide a timely Dispute Notice pursuant to the immediately preceding clause (ii), then within three Business Days thereof the Indemnified Party shall be entitled to the amount set forth in the Claim Notice and the Securityholders' Agent and Parent shall direct the Escrow Agent to remit funds (up to the maximum amount contained in the Indemnification Escrow Fund) from the Indemnification Escrow Fund to such Indemnified Party in accordance with this Article 10 and the Escrow Agreement.

(c) The provisions of this Section 10.5 shall not apply in the case of a Claim Notice provided in connection with a claim by a third Person made against an Indemnified Party, which claims shall be governed by Section 10.6.

10.6 Defense of Third Party Claims. In the event of the assertion or commencement by any Person (other than Parent or any of its Affiliates) of any claim or Legal Proceeding (whether against the Surviving Corporation, the Surviving LLC, the Company, Parent or any other Person) with respect to which any Effective Time Holder may become obligated to hold harmless, indemnify, compensate or reimburse any Parent Indemnitee pursuant to Section 10 (a "Third Party Claim"), Parent shall have the right, in its sole discretion and at its election, to proceed with and control the defense of such Third Party Claim on its own with counsel. If Parent so proceeds with the defense of any such Third Party Claim:

(a) The Securityholders' Agent and each Effective Time Holder shall make available to Parent any documents and materials in its possession or control that may be necessary to the defense of such Third Party Claim.

(b) Parent shall have the right in its sole discretion to settle, adjust, resolve or compromise such Third Party Claim without the consent of the Securityholders' Agent; *provided*, *however*, no settlement, adjustment, resolution or compromise of a Third Party Claim shall be determinative of the existence or amount of any Damages incurred by the Parent Indemnitee in connection with such Third Party Claim or whether the Parent Indemnitee is entitled to indemnification pursuant to this Agreement in connection with such Third Party Claim unless the Securityholders' Agent has consented in writing to such settlement or resolution (it being understood that if Parent requests that the Securityholders' Agent consent to a settlement, adjustment or compromise, the Securityholders' Agent shall not unreasonably withhold, condition or delay such consent). With respect to each such Third Party Claim that Parent is defending, Parent shall make available to the Securityholders' Agent copies of complaints, pleadings, material notices and material third party communications, subject to execution by the Securityholders' Agent of Parent's standard form of nondisclosure agreement, and Parent shall keep the Securityholders' Agent reasonably informed with respect to all material developments related to such Third Party Claim; *provided*, *however*, Parent shall have no obligation to provide any of the foregoing if: (1) providing any of such information would cause any loss of any attorney-client privilege, attorney work product privilege or any other legal privilege; (2) any of such information is subject to any confidentiality obligation that prohibits Parent from sharing such information with the Securityholders' Agent; or (3) with respect to any claim or Legal Proceeding with a Governmental Body only, Parent reasonably determines that any of such information should remain confidential and should not be provided to the Securityholders' Agent.

(c) If Parent does not elect to proceed with the defense of any such Third Party Claim, the Securityholders' Agent may proceed with and control the defense of such Third Party Claim with counsel reasonably satisfactory to Parent; *provided*, *however*, the Securityholders' Agent may not settle, adjust or compromise any such Third Party Claim without the prior written consent of Parent (which consent may not be unreasonably withheld or delayed).

(d) Parent shall give the Securityholders' Agent prompt notice after discovery thereof of the commencement of any such Third Party Claim against Parent, Merger Sub, the Company or any other Parent Indemnitee; *provided*, *however*, that any failure on the part of Parent to so notify the Securityholders' Agent shall not limit any of the obligations of the Effective Time Holders under this Section 10 (except to the extent such failure materially prejudices the defense of such Third Party Claim).

10.7 Parent's Right of Set-Off. Notwithstanding anything to the contrary in this Agreement, to the extent any Effective Time Holder has failed to timely pay any undisputed amounts required to be paid to Parent (or any other applicable Parent Indemnitee) by such Effective Time Holder under the terms of Section 1.13, this Section 10 or any other provision of this Agreement, Parent shall have the right to set-off such unpaid amounts against, and cause such amounts to be withheld and deducted from, any amounts otherwise payable to such Effective Time Holder under this Agreement (and the Securityholders' Agent shall cooperate with Parent to effect the foregoing) (collectively, the "Parent Set-Off Rights").

10.8 Exercise of Remedies Other Than by Parent. No Parent Indemnitee (other than Parent or any successor thereto or assign thereof) shall be permitted to assert any indemnification claim or exercise any other remedy under this Agreement unless Parent (or any successor thereto or assign thereof) shall have consented to the assertion of such indemnification claim or the exercise of such other remedy.

10.9 Tax Treatment of Indemnity Payments. The parties agree to report each indemnification payment made in respect of any Damages as an adjustment to the Final Purchase Price for federal income Tax purposes unless the indemnified party determines in good faith that such reporting position is incorrect except as otherwise required by applicable law.

10.10 Release of Funds From Indemnification Escrow Fund Following the Escrow Release Date.

(a) If, after 11:59 p.m. (Pacific time) on the Expiration Date there are any funds remaining in the Indemnification Escrow Fund, the Effective Time Holders shall be entitled (on a pro rata basis based on their respective Pro Rata Share) to (i) such funds remaining in the Indemnification Escrow Fund *minus* (ii) the aggregate amount of all claims for indemnification set forth in each unresolved Claim Notice provided in good faith by a Parent Indemnitee, if any, prior to the Expiration Date (the "Indemnification Escrow Balance").

(b) Promptly after the Expiration Date, Parent and the Securityholders' Agent shall provide a joint written instruction to the Escrow Agent to deliver, by wire transfer of immediately available funds to the Payment Agent, for the benefit of the Effective Time Holders in respect of their Pro Rata Share, an amount equal to the Indemnification Escrow Balance.

(c) If, as of the Expiration Date, there are any unresolved Claim Notices which have been provided in good faith by a Parent Indemnitee prior to the Expiration Date, the Escrow Agent shall retain funds in the Indemnification Escrow Fund for such unresolved Claim Notices in accordance with the terms of the Escrow Agreement until, with respect to each such Claim Notice, the matter underlying such Claim Notice is resolved, in which event Parent and the Securityholders' Agent shall direct the Escrow Agent to make a distribution from the Indemnification Escrow Fund of the funds remaining in the Indemnification Escrow Fund applicable to such Claim Notice consistent with such final resolution to the Parent Indemnitees and/or to the Payment Agent for the benefit of each of the Effective Time Holders (each such release of funds, the "Resolved Claim Balance"). With respect to each Resolved Claim Balance, Parent and the Securityholders' Agent shall provide a joint written instruction to the Escrow Agent to deliver, by wire transfer of immediately available funds to the Payment Agent for the benefit of the Effective Time Holders in respect of their Pro Rata Share, an amount equal to such Resolved Claim Balance.

11. MISCELLANEOUS PROVISIONS

11.1 Securityholders' Agent.

(a) Appointment. By virtue of the adoption and approval of this Agreement and the Joinder Agreements, the Effective Time Holders irrevocably nominate, constitute and appoint Shareholder Representative Services LLC as the exclusive agent and true and lawful attorney in fact of the Effective Time Holders (the "Securityholders' Agent"), with full power of substitution, to act in the name, place and stead of such Persons for purposes of executing any documents and taking any actions that the Securityholders' Agent may, in the Securityholders' Agent's sole discretion, determine to be necessary, desirable or appropriate in connection with this Agreement, the Escrow Agreement, the Securityholders' Agent Engagement Agreement and any other agreement, document or instrument referred to in or contemplated by this Agreement and any transaction contemplated under this Agreement or any such other agreement, document or instrument. The Securityholders' Agent hereby accepts its appointment as the Securityholders' Agent.

(b) Authority. The Effective Time Holders grant to the Securityholders' Agent full authority to execute, deliver, acknowledge, certify and file on behalf of such Persons (in the name of any or all of such Persons or otherwise) any and all documents that the Securityholders' Agent may, in its sole discretion, determine to be necessary, desirable or appropriate, in such forms and containing such provisions as the Securityholders' Agent may, in its sole discretion, determine to be appropriate, in performing its duties as contemplated by Section 11.1(a) and the Securityholders' Agent Engagement Agreement. Notwithstanding the foregoing, the Securityholders' Agent shall have no obligation to act on behalf of the Effective Time Holders, except as expressly provided herein and in the Securityholders' Agent Engagement Agreement, and for purposes of clarity, there are no obligations of the Securityholders' Agent in any ancillary agreement, schedule, exhibit or the Disclosure Schedule.

(c) Power of Attorney. The Effective Time Holders recognize and intend that the power of attorney granted in Section 11.1(a) and the immunities and rights to indemnification granted to the Securityholders' Agent Group hereunder: (i) are coupled with an interest and are irrevocable; (ii) may be delegated by the Securityholders' Agent; and (iii) shall survive the death, incapacity, dissolution, liquidation or winding up of each of the Effective Time Holders.

(d) Replacement. If the Securityholders' Agent shall resign or otherwise be unable to fulfill its responsibilities hereunder, the Effective Time Holders shall (by consent of those Persons holding a majority of the Pro Rata Shares), within ten (10) days after such inability, appoint a successor to the Securityholders' Agent and immediately thereafter notify Parent of the identity of such successor. Any such successor shall succeed the Securityholders' Agent as Securityholders' Agent hereunder. If for any reason there is no Securityholders' Agent at any time, all references herein to the Securityholders' Agent shall be deemed to refer to the Effective Time Holders. The immunities and rights to indemnification shall survive the resignation or removal of the Securityholders' Agent or any member of the Advisory Group and the Closing and/or any termination of this Agreement and the Escrow Agreement.

(e) Advisory Group; Indemnification of the Securityholders' Agent. Certain Effective Time Holders have entered into an engagement agreement with the Securityholders' Agent (the "Securityholders' Agent Engagement Agreement") to provide direction to the Securityholders' Agent in connection with its services under this Agreement and the Escrow Agreement (such Effective Time Holders, including their individual representatives, collectively hereinafter referred to as the "Advisory Group"). The Effective Time Holders shall severally (based on their Pro Rata Shares), but not jointly, indemnify the Securityholders' Agent against any reasonable, documented, and out-of-pocket losses, liabilities and expenses ("Representative Losses") arising out of or in connection with this Agreement and any related agreements, in each case as such Representative Loss is suffered or incurred; provided, that in the event that any such Representative Loss is finally adjudicated to have been caused by the gross negligence or willful misconduct of the Securityholders' Agent, the Securityholders' Agent will reimburse the Effective Time Holders the amount of such indemnified Representative Loss to the extent attributable to such gross negligence or willful misconduct. Representative Losses may be recovered by the Securityholders' Agent from (i) the funds in the Expense Fund and (ii) any other funds that become payable to the Effective Time Holders under this Agreement at such time as such amounts would otherwise be distributable to the Effective Time Holders; provided, that while the Securityholders' Agent may be paid from the aforementioned sources of funds, this does not relieve the Effective Time Holders from their obligation to promptly pay such Representative Losses as they are suffered or incurred. Notwithstanding anything in this Agreement to the contrary, any restrictions or limitations on liability or indemnification obligations of, or provisions limiting the recourse against non-parties otherwise applicable to, the Effective Time Holders set forth elsewhere in this Agreement are not intended to be applicable to the indemnities provided to the Securityholders' Agent hereunder. The foregoing indemnities will survive the Closing, the resignation or removal of the Securityholders' Agent or the termination of this Agreement. The Effective Time Holders acknowledge that the Securityholders' Agent shall not be required to expend or risk its own funds or otherwise incur any financial liability in the exercise or performance of any of its powers, rights, duties or privileges or pursuant to this Agreement or the transactions contemplated hereby or thereby. Furthermore, the Securityholders' Agent shall not be required to take any action unless the Securityholders' Agent has been provided with funds, security or indemnities which, in its determination, are sufficient to protect the Securityholders' Agent against the costs, expenses and liabilities which may be incurred by the Securityholders' Agent in performing such actions. Neither the Securityholders' Agent nor its members, managers, directors, officers, contractors, agents and employees nor any member of the Advisory Group (collectively, the "Securityholders' Agent Group"), shall be liable to any Effective Time Holder with respect to any action or omission taken or omitted to be taken by the Securityholders' Agent in connection with the acceptance or administration of its responsibilities in connection with this Agreement and any agreements ancillary hereto, or the Securityholders' Agent Engagement Agreement except to the extent resulting from the Securityholders' Agent's gross negligence or willful misconduct. The Securityholders' Agent shall not be liable for any action or omission pursuant to the advice of counsel.

(f) Expense Fund. The Expense Fund Amount shall be held by the Securityholders' Agent as agent and for the benefit of the Effective Time Holders in a client account and shall be used (i) for the purposes of paying directly or reimbursing the Securityholders' Agent for any Representative Losses incurred pursuant to this Agreement or any Securityholders' Agent letter agreement, (ii) paying any amount due from the Effective Time

Holders pursuant to Section 1.13(e)(i), or (iii) as otherwise determined by the Advisory Group (the "Expense Fund"). The Securityholders' Agent is not providing any investment supervision, recommendations or advice and shall have no responsibility or liability for any loss of principal of the Expense Fund other than as a result of its gross negligence or willful misconduct. The Securityholders' Agent is not acting as a withholding agent or in any similar capacity in connection with the Expense Fund and has no tax reporting or income distribution obligations. The Effective Time Holders will not receive any interest or earnings on the Expense Fund and irrevocably transfer and assign to the Securityholders' Agent any ownership right they may otherwise have had in any such interest or earnings. The Securityholders' Agent will hold these funds separate from its corporate funds and will not voluntarily make these funds available to its creditors in the event of a bankruptcy. As soon as reasonably determined by the Securityholders' Agent that the Expense Fund is no longer required to be withheld, and in any event not later than the date on which all funds are released from the Indemnification Escrow Fund, the Securityholders' Agent shall distribute the then remaining amount of the Expense Fund, if any, to the Payment Agent for further distribution to the Effective Time Holders and shall include instructions to the Payment Agent indicating the specific amounts to be distributed to each Effective Time Holder based on their respective Pro Rata Shares.

(g) Reliance by the Securityholders' Agent. The Securityholders' Agent shall be entitled to: (i) rely upon any signature of an Effective Time Holder believed by it to be genuine; (ii) reasonably assume that a signatory has proper authorization to sign on behalf of the applicable Effective Time Holder; and (iii) rely upon the Merger Consideration Certificate. The powers, immunities and rights to indemnification granted to the Securityholders' Agent Group hereunder are coupled with an interest and shall be irrevocable and survive the death, incompetence, bankruptcy or liquidation of any Effective Time Holder and shall be binding on any successor thereto. All actions taken by the Securityholders' Agent under this Agreement shall be binding upon each Effective Time Holder and such Effective Time Holder's successors as if expressly confirmed and ratified in writing by such Effective Time Holder, and all defenses which may be available to any Effective Time Holder to contest, negate or disaffirm the action of the Securityholders' Agent taken in good faith under this Agreement are waived.

11.2 Further Assurances. Each party hereto shall execute and cause to be delivered to each other party hereto such instruments and other documents, and shall take such other actions, as such other party may reasonably request (prior to, at or after the Closing) for the purpose of carrying out or evidencing any of the transactions contemplated by this Agreement.

11.3 Fees and Expenses. Except as otherwise set forth in this Agreement, each party to this Agreement shall bear and pay all fees, costs and expenses that have been incurred or that are incurred in the future by such party in connection with the transactions contemplated by this Agreement, including all fees, costs and expenses incurred by such party in connection with or by virtue of: (a) the negotiation, preparation and review of this Agreement (including the Disclosure Schedule) and all agreements, certificates, opinions and other instruments and documents delivered or to be delivered in connection with the transactions contemplated by this Agreement; (b) the preparation and submission of any filing or notice required to be made or given in connection with any of the transactions contemplated by this Agreement, and the obtaining of any Consent required to be obtained in connection with any of such transactions; and (c) the consummation of the Mergers.

11.4 Notices. Any notice or other communication required or permitted to be delivered to any party under this Agreement shall be in writing and shall be deemed properly delivered, given and received: (a) if delivered by hand, when delivered; (b) if sent by email transmission before 11:59 p.m. (recipient's time) on the day sent by email; (c) if sent by registered, certified or first class mail, the third (3rd) Business Day after being sent; and (d) if sent by overnight delivery via a national courier service, one (1) Business Day after being sent, in each case to the address set forth beneath the name of such party below (or to such other address as such party shall have specified in a written notice given to the other parties hereto); *provided*, *however*, in the case of each of the foregoing clauses "(b)" and "(c)", any notice or other required or permitted communication provided via email shall be deemed properly delivered, given and received as of the date set forth in such clause only if such notice or other communication is also sent by one of the methods set forth in clauses "(a)", "(d)" or "(e)" on the same date such notice is sent pursuant to clause "(b)" or "(c)"; *provided*, *further*, that with respect to any notice deliverable to the Securityholders' Agent, such notice shall be delivered solely via email in accordance with this Section 11.4:

If to Parent or the Merger Subs (or the Surviving LLC following the Second Effective Time):

Life360, Inc.
539 Bryant Street, Suite 402
San Francisco, CA 94107
Attention: Chris Hulls
Email: chris@life360.com

and with a copy (which shall not constitute notice) to:

Orrick, Herrington & Sutcliffe LLP
1000 Marsh Road
Menlo Park, CA 94025
Attention: Mark W. Seneca; Gregory Heibel
Email: mseneca@orrick.com; gheibel@orrick.com

If to the Company:

Jio, Inc.
30 N Lasalle St., Suite 2630
Chicago, IL 60602
Attention: John Renaldi
Email: john@jiobit.com

with a copy (which shall not constitute notice) to:

Foley & Lardner LLP
321 N. Clark Street, Suite 3000
Chicago, IL 60654
Attention: Christopher Rasmussen
Email: crasmussen@foley.com

If to the Securityholders' Agent:

Shareholder Representative Services LLC
950 17th Street, Suite 1400
Denver, CO 80202
Attention: Managing Director
Email: deals@srsacquiom.com
Telephone: (303) 648-4085
Facsimile: (303) 623-0294

with a copy (which shall not constitute notice) to:

Foley & Lardner LLP
321 N. Clark Street, Suite 3000
Chicago, IL 60654
Attention: Christopher Rasmussen
Email: crasmussen@foley.com

11.5 Headings. The bold-faced headings and the underlined headings contained in this Agreement are for convenience of reference only, shall not be deemed to be a part of this Agreement and shall not be referred to in connection with the construction or interpretation of this Agreement.

11.6 Counterparts and Exchanges by Electronic Transmission . This Agreement may be executed in several counterparts, each of which shall constitute an original and all of which, when taken together, shall constitute one agreement. The exchange of a fully executed Agreement (in counterparts or otherwise) by electronic transmission in .pdf format shall be sufficient to bind the parties to the terms and conditions of this Agreement.

11.7 Governing Law; Dispute Resolution.

(a) Governing Law. This Agreement shall be construed in accordance with, and governed in all respects by, the internal laws of the State of Delaware (without giving effect to principles of conflicts of laws).

(b) Venue. Except as otherwise provided in Section 11.7(b), any action, suit or other Legal Proceeding relating to this Agreement or the enforcement of any provision of this Agreement shall be brought or otherwise commenced exclusively in any state or federal court located in the County of New Castle, State of Delaware. Each party to this Agreement: (i) expressly and irrevocably consents and submits to the exclusive jurisdiction of each state and federal court located in the County of New Castle, State of Delaware (and each appellate court located in the County of New Castle, State of Delaware) in connection with any such action, suit or Legal Proceeding; (ii) agrees that each state and federal court located in the County of New Castle, State of Delaware shall be deemed to be a convenient forum; and (iii) agrees not to assert (by way of motion, as a defense or otherwise), in any such action, suit or Legal Proceeding commenced in any state or federal court located in the County of New Castle, State of Delaware, any claim that such party is not subject personally to the jurisdiction of such court, that such action, suit or Legal Proceeding has been brought in an inconvenient forum, that the venue of such action, suit or other Legal Proceeding is improper or that this Agreement or the subject matter of this Agreement may not be enforced in or by such court.

11.8 Successors and Assigns. This Agreement shall be binding upon: (a) the Company and its successors and assigns (if any); (b) Parent and its successors and assigns (if any); (c) the Merger Subs and their respective successors and assigns (if any); and (d) the Securityholders' Agent and its successors and assigns (if any). This Agreement shall inure to the benefit of: (i) the Company; (ii) Parent; (iii) the Merger Subs; and (iv) the respective successors and assigns (if any) of the foregoing. Parent and the Merger Subs may each freely assign any or all of its rights or obligations under this Agreement, in whole or in part, to any Affiliate of Parent without obtaining the consent or approval of any other party hereto or of any other Person; *provided*, that no such assignment shall relieve Parent or the Merger Subs of any obligation hereunder.

11.9 Remedies Cumulative; Specific Performance. Except as expressly set forth in this Agreement, the rights and remedies of the parties hereto shall be cumulative (and not alternative). The parties to this Agreement agree that, in the event of any breach or threatened breach by the parties herein of any covenant, obligation or other provision set forth in this Agreement, each party: (a) shall be entitled to seek (i) a decree or order of specific performance or mandamus to enforce the observance and performance of such covenant, obligation or other provision and (ii) an injunction restraining such breach or threatened breach; and (b) shall not be required to provide any bond or other security in connection with any such decree, order or injunction or in connection with any related action or Legal Proceeding.

11.10 Waiver. No failure on the part of any Person to exercise any power, right, privilege or remedy under this Agreement, and no delay on the part of any Person in exercising any power, right, privilege or remedy under this Agreement, shall operate as a waiver of such power, right, privilege or remedy; and no single or partial exercise of any such power, right, privilege or remedy shall preclude any other or further exercise thereof or of any other power, right, privilege or remedy. No Person shall be deemed to have waived any claim arising out of this Agreement, or any power, right, privilege or remedy under this Agreement, unless the waiver of such claim, power, right, privilege or remedy is expressly set forth in a written instrument duly executed and delivered on behalf of such Person; and any such waiver shall not be applicable or have any effect except in the specific instance in which it is given.

11.11 Waiver of Jury Trial. **EACH OF THE PARTIES HERETO HEREBY IRREVOCABLY WAIVES ANY AND ALL RIGHT TO TRIAL BY JURY IN ANY ACTION, SUIT OR OTHER LEGAL PROCEEDING ARISING OUT OF OR RELATED TO THIS AGREEMENT OR THE TRANSACTIONS CONTEMPLATED HEREBY.**

11.12 Amendments. This Agreement may not be amended, modified, altered or supplemented other than by means of a written instrument duly executed and delivered: (a) prior to the Closing Date, by the Company, Parent, the Merger Subs and the Securityholders' Agent; and (b) after the Closing Date, by Parent and the Securityholders' Agent (acting exclusively for and on behalf of all of the Effective Time Holders). This Agreement may be amended by the parties hereto as provided in this Section 11.12 at any time before or after adoption of this Agreement by the Company's stockholders, but, after such adoption, no amendment shall be made which by applicable Legal Requirements requires the further approval of the Company's stockholders without obtaining such further approval.

11.13 Severability. In the event that any provision of this Agreement, or the application of any such provision to any Person or set of circumstances, shall be determined to be invalid, unlawful, void or unenforceable to any extent, the remainder of this Agreement, and the application of such provision to Persons or circumstances other than those as to which it is determined to be invalid, unlawful, void or unenforceable, shall not be impaired or otherwise affected and shall continue to be valid and enforceable to the fullest extent permitted by law.

11.14 Parties in Interest. Except as set forth in Section 11.8, none of the provisions of this Agreement is intended to provide any rights or remedies to any employee, creditor or other Person other than Parent, the Merger Subs, the Company and their respective successors and assigns (if any).

11.15 No Public Announcement. Neither the Company nor the Securityholders' Agent (nor any of their respective Affiliates) shall, without the approval of Parent, make any press release or other public announcement concerning the transactions contemplated by this Agreement; *provided*, *however*, the foregoing shall not preclude communications or disclosures necessary to implement the provisions of this Agreement. Notwithstanding anything herein to the contrary, following Closing and after the public announcement of the Merger, the Securityholders' Agent shall be permitted to announce that it has been engaged to serve as the Securityholders' Agent in connection herewith as long as such announcement does not disclose any of the other terms hereof.

11.16 Entire Agreement. This Agreement and the other agreements referred to herein set forth the entire understanding of the parties hereto relating to the subject matter hereof and thereof and supersede all prior agreements and understandings among or between any of the parties relating to the subject matter hereof and thereof. The parties hereto acknowledge and agree that, effective as of the Effective Time, the Confidentiality Agreement will automatically terminate and shall be null and void and of no force or effect.

11.17 Disclosure Schedule. The Disclosure Schedule shall be arranged in separate parts corresponding to the numbered and lettered sections and subsections contained in this Agreement, and the information disclosed in any numbered or lettered part shall be deemed to relate to and to qualify only the particular representation or warranty of the Company set forth in the corresponding numbered or lettered section or subsection of this Agreement, except to the extent that (a) such information is explicitly cross-referenced in another part of the Disclosure Schedule, or (b) it is readily apparent on the face of the disclosure that such information qualifies another representation and warranty of the Company in this Agreement. Unless the context otherwise requires, all capitalized terms used in the Disclosure Schedule shall have the respective meanings assigned to such terms in this Agreement. Certain information set forth in the Disclosure Schedule is included solely for informational purposes and may not be required to be disclosed pursuant to this Agreement. No reference to or disclosure of any item or other matter in the Disclosure Schedule shall be construed as an admission or indication that such item or other matter is required to be referred to or disclosed in the Disclosure Schedule. No disclosure in the Disclosure Schedule relating to any possible breach or violation of any agreement or law shall be construed as an admission or indication that any such breach or violation exists or has actually occurred. The

inclusion of any information in the Disclosure Schedule shall not be deemed to be an admission or acknowledgment by Company that, in and of itself, such information is material to or outside the Ordinary Course or is required to be disclosed on the Disclosure Schedule. No disclosure in the Disclosure Schedule shall be deemed to create any rights in any third party.

11.18 Construction.

(a) Gender; Etc. For purposes of this Agreement, whenever the context requires: the singular number shall include the plural, and vice versa; the masculine gender shall include the feminine and neuter genders; the feminine gender shall include the masculine and neuter genders; and the neuter gender shall include the masculine and feminine genders.

(b) Ambiguities. The parties hereto agree that any rule of construction to the effect that ambiguities are to be resolved against the drafting party shall not be applied in the construction or interpretation of this Agreement.

(c) Interpretation. As used in this Agreement: (i) the words "include" and "including," and variations thereof, shall not be deemed to be terms of limitation, but rather shall be deemed to be followed by the words "without limitation"; (ii) the use of the word "or" shall not be exclusive. Any dollar amounts or thresholds set forth herein shall not be used as a determinative benchmark for establishing what is or is not "material" or a "Material Adverse Effect" (or words of similar import) under this Agreement; and (iii) unless otherwise specified, all references to money amounts are to lawful currency of the United States.

(d) References. Except as otherwise indicated, all references in this Agreement to "Sections," "Parts," "Schedules" and "Exhibits" are intended to refer to Sections of this Agreement and Schedules and Exhibits to this Agreement.

(e) GAAP. All references to accounting terms shall be interpreted in accordance with GAAP unless otherwise specified, and Parent shall not be obligated to use any calculation required hereunder to be made by the Company to the extent such calculation was not made in accordance with GAAP.

11.19 Legal Representation. Parent hereby acknowledges that the Company and the Effective Time Holders have been represented by Foley & Lardner LLP in connection with this Agreement and the transactions contemplated herein and that Foley & Lardner LLP has received confidential information pertaining to the Company in connection with such representation. The Company and Parent, on their own behalf and on behalf of their directors, managers, stockholders, members, partners, officers, employees and Affiliates, hereby (a) acknowledge and agree that, notwithstanding Foley & Lardner LLP's prior representation of the Company and the Effective Time Holders, and Foley & Lardner LLP's receipt of confidential information, Foley & Lardner LLP may continue to represent the Effective Time Holders, or any of them, after the Closing in connection with matters arising out of or related to this Agreement or the transactions contemplated herein, including, without limitation, in connection with any indemnification claim or other litigation matter arising hereunder which may or may not be adverse to the Company, and (b) waive any claim they have or may have that Foley & Lardner LLP has a conflict of interest or is otherwise prohibited from engaging in such representation. Parent and the Company, on their

own behalf and on behalf of their directors, managers, stockholders, members, partners, officers, employees and Affiliates, also further agree that, as to all communications subject to attorney- client privilege among Foley & Lardner LLP and the Effective Time Holders and Company that relate in any way to the transactions contemplated by this Agreement, the attorney-client privilege and the expectation of client confidence belongs to the Effective Time Holders and may be controlled by the Securityholders' Agent and shall not pass to or be claimed by Parent or the Company following the Closing. Notwithstanding the foregoing, in the event that dispute arises between Parent, the Company and a third party other than a party to this Agreement after the Closing, the Company may assert the attorney-client privilege to prevent disclosure of confidential communications by Foley & Lardner LLP to such third party; *provided*, *however*, neither the Company nor Parent may waive such privilege without the prior written consent of the Securityholders' Agent.

[*Signature Page Follows*]

The parties hereto have caused this Agreement to be executed and delivered as of the date first written above.

LIFE360, INC.

By: /s/Chris Hulls
Name: Chris Hulls
Title: CEO

JIOBIT MERGER SUB I, INC.

By: /s/Chris Hulls
Name: Chris Hulls
Title: CEO

JIOBIT MERGER SUB II, LLC

By: /s/ Chris Hulls
Name: Chris Hulls
Title: CEO

JIO, INC.

By: /s/ John Renaldi
Name: John Renaldi
Title: CEO

SHAREHOLDER REPRESENTATIVE SERVICES LLC,
in its capacity as Securityholders' Agent

By: /s/ Sam Riffe
Name: Sam Riffe
Title: Managing Director

[*Signature Page to Agreement and Plan of Merger*]

Exhibit 2.4

EXECUTION VERSION

AMENDMENT NO. 1 TO AGREEMENT AND PLAN OF MERGER

This AMENDMENT NO. 1 TO AGREEMENT AND PLAN OF MERGER (this "Amendment") is made as of August 31, 2021, by and among **LIFE360, INC.**, a Delaware corporation ("Parent"), **JIOBIT MERGER SUB I, INC.**, a Delaware corporation and a wholly owned Subsidiary of Parent ("Merger Sub I"), **JIOBIT MERGER SUB II, LLC**, a Delaware limited liability company and a wholly owned Subsidiary of Parent ("Merger Sub II" and together with Merger Sub I, the "Merger Subs"), **JIO, INC.**, a Delaware corporation (the "Company"), and **SHAREHOLDER REPRESENTATIVE SERVICES LLC**, a Colorado limited liability company, solely in its capacity as the Securityholders' Agent. Each of the signatories to this Amendment are referred to herein as a "Party" or, collectively, as the "Parties". Capitalized terms used in this Amendment without definition have the respective meanings given to them in the Merger Agreement (as defined below).

WHEREAS, the Parties entered into that certain Agreement and Plan of Merger, dated as of July 27, 2021 (the "Merger Agreement");

WHEREAS, the Merger Agreement contemplates that the PPP Escrow Amount will be delivered to the PPP Escrow Agent at the Closing to secure payment of the PPP Loan in the event all or any portion of the PPP Loan is not forgiven following the Closing;

WHEREAS, the Company received confirmation from the PPP Lender that the US SBA has forgiven the entire amount of the PPP Loan effective as of July 30, 2021;

WHEREAS, because the PPP Loan has been forgiven in its entirety prior to the Closing, the Parties desire to amend the Merger Agreement to remove all references to the PPP Escrow Agreement, PPP Escrow Agent, and all other matters relating to the escrow of funds in connection with securing payment of the PPP Loan;

WHEREAS, the Parties desire to amend certain timing related items set forth in the Merger Agreement to better align with the business operations of the Parties;

WHEREAS, pursuant to Section 11.12 of the Merger Agreement, the Merger Agreement may be amended by an agreement in writing signed by the Parties; and

WHEREAS, the Parties desire to amend the Merger Agreement as set forth herein.

NOW, THEREFORE, for good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the Parties hereto agree to amend the Merger Agreement as follows:

1. PPP Related Amendment.

(a) All references to the PPP Escrow Agent, PPP Escrow Agreement, PPP Escrow Amount, PPP Escrow Fund, PPP Escrow Fund Contribution Amount, PPP Escrow, PPP Loan, and PPP Lender appearing in the Merger Agreement (including the Exhibits thereto), and any other references to the foregoing terms, shall be ignored and read-out of the Merger Agreement for all purposes.

(b) Without limiting the generality of the foregoing, and for the avoidance of doubt, the Parties acknowledge and agree:

(i) Section 11.6(b) of the Merger Agreement is hereby deleted in its entirety.

(ii) Exhibit J of the Merger Agreement is hereby deleted in its entirety and replaced with "Reserved."

(iii) The defined term "PPP Escrow Amount" appearing on Exhibit A of the Merger Agreement is hereby amended and restated as follows "PPP Escrow Amount" means $0."

2. Parent Per CDI Price (FMV) Amendment. The defined term "Parent Per CDI Price (FMV)" appearing in Exhibit A to the Merger Agreement is hereby amended and restated in its entirety as follows:

"Parent Per CDI Price (FMV)" means the average, rounded to the nearest cent, closing price per Parent CDI over the 15 trading days ending on the third Business Day prior to the Closing Date, as published on https://finance.yahoo.com/quote/360.AX/history?p=360.AX after converting each daily closing price into U.S. Dollars using the closing exchange ratio for such day as published on https://www.wsj.com/market-data/quotes/fx/AUDUSD/historical-prices.

3. Effective Time for Accounting Purposes. Notwithstanding anything to the contrary set forth in the Merger Agreement, for all accounting and related purposes, the Parties agree the Closing shall be treated as being effective as of 12:01 a.m. Central Time on the Closing Date.

4. Except as set forth in this Amendment, the terms and conditions of the Merger Agreement shall remain in full force and effect.

5. This Amendment shall be governed by the Laws of the State of Delaware, including its statutes of limitations, without giving effect to applicable principles of conflicts of law to the extent that the application of the Laws of another jurisdiction (whether of the State of Delaware or any other jurisdiction would be required thereby).

6. In the event of any discrepancy between the provisions of this Amendment and any provision of the Merger Agreement, the provisions of this Amendment shall control.

7. This Amendment, together with the Merger Agreement, constitutes the entire agreement between the Parties and supersedes any prior understandings, agreements or representations by or between the Parties, written or oral, to the extent they relate in any way to the subject matter hereof.

8. This Amendment may be executed in two or more counterparts, each of which shall be an original, and all of which together shall constitute one and the same instrument.

[*Signature page follows*]

IN WITNESS WHEREOF, the parties hereto have executed this Amendment No. 1 to Agreement and Plan of Merger as of the date first written above.

LIFE360, INC.

By: /s/ Chris Hulls
Name: Chris Hulls
Title: Chief Executive Officer

JIOBIT MERGER SUB I, INC.

By: /s/ Chris Hulls
Name: Chris Hulls
Title: CEO, Jiobit Merger Sub I

JIOBIT MERGER SUB II, LLC

By: /s/ Chris Hulls
Name: Chris Hulls
Title: CEO, Jiobit Merger Sub II

JIO, INC.

By: /s/ John Renaldi
Name: John Renaldi
Title: CEO

SHAREHOLDER REPRESENTATIVE SERVICES LLC,
in its capacity as Securityholders' Agent

By: /s/ Sam Riffe
Name: Sam Riffe
Title: Managing Director

Exhibit 2.5

EXECUTION VERSION

SECOND AMENDMENT TO AGREEMENT AND PLAN OF MERGER

THIS SECOND AMENDMENT TO AGREEMENT AND PLAN OF MERGER (this "Amendment"), dated as of April 11, 2022 (the "Amendment Effective Date"), is entered into by and among LIFE360, INC., a Delaware corporation ("Parent"), and SHAREHOLDER REPRESENTATIVE SERVICES LLC, a Colorado limited liability company, solely in its capacity as the Securityholders' Agent, and amends the Agreement and Plan of Merger, dated as of July 27, 2021 (the "Merger Agreement") by and among Parent, Jiobit Merger Sub I, Inc., a Delaware corporation, Jiobit Merger Sub II, LLC, Jio, Inc., a Delaware corporation (the "Company"), and the Securityholders' Agent (collectively the "Merger Parties"). Capitalized terms used, but not defined, herein have the meanings set forth in the Merger Agreement.

RECITALS

A. Pursuant to Section 1.7 of the Merger Agreement, the Merger Parties have agreed to certain terms with respect to the payment by Parent of contingent merger consideration to certain prior equityholders of the Company.

B. Parent and the Securityholders' Agent (acting in its capacity as Agent for the prior equityholders of the Company) have agreed to amend certain provisions of Section 1.7 of the Merger Agreement and corresponding defined terms.

C. Pursuant to Section 11.12 of the Merger Agreement, following the Closing Date, any amendment to the Merger Agreement requires the written consent of the Parent and the Securityholders' Agent.

D. In consideration of the foregoing recitals and mutual promises set forth herein, the sufficiency of which is hereby acknowledged by the undersigned, Parent and the Securityholders' Agent hereby agree to amend the Merger Agreement as follows:

1. Amendment of Section 1.7 of the Merger Agreement. Section 1.7 of the Merger Agreement is hereby amended and restated in its entirety as follows:

1.7 Contingent Consideration.

(a) Contingent Consideration.

(i) On or prior to April 25, 2022, Parent shall issue and deliver to the Payment Agent for distribution to the Effective Time Holders, 376,576 shares of Parent Common Stock (such shares, the "Final Contingent Consideration").

(ii) Deleted.

(iii) Deleted.

(b) Deleted.

(c) Deleted.

(d) Deleted.

(e) Deleted.

(f) Deleted.

2. Representations and Warranties. Each of Parent and the Securityholders' Agent represents and warrants that (i) it has the corporate power and authority to execute and deliver this Amendment, (ii) this Amendment has been duly and validly authorized by all necessary action of its Board of Directors or Board of Managers, as applicable, and (iii) this Amendment has been duly and validly executed and delivered and, assuming due authorization and execution by all other parties hereto, constitutes its legal, valid and binding obligation enforceable against it in accordance with its terms. It is noted that the Advisory Group has instructed the Securityholders' Agent that the amendments to the Merger Agreement set out in this Amendment are agreed, and can therefore be effected on behalf of the Company stockholders, including but not limited to the Effective Time Holders, by the Securityholders' Agent

3. No Other Modification or Amendment; Continuing Effect of Merger Agreement. The Merger Agreement shall not be modified or otherwise amended in any respect except as expressly set forth herein. The Merger Agreement shall remain in full force and effect as amended hereby.

4. No Other Contingent Payments. For the avoidance of doubt, and notwithstanding anything in the Merger Agreement or this Amendment to the contrary, each of Parent and the Securityholders' Agent acting in its capacity as agent for the Effective Time Holders, acknowledges and agrees that no other Contingent Consideration or any other amount potentially payable pursuant to Section 1.7 of the Merger Agreement has, is or will become due or shall at any time be made pursuant to the Merger Agreement or otherwise, except as described in this Amendment.

5. Release of Claims.

5.1 Shareholder Representative Services LLC, in its capacity as Securityholders' Agent ("SRS"), on behalf of the Effective Time Holders, the other Company stockholders and such Effective Time Holders' and Company stockholders' agents, trustees, beneficiaries, Affiliates, heirs, successors, assigns, members and partners (the "Company Parties"), hereby unconditionally, irrevocably and forever releases and discharges the Parent and its parents, subsidiaries, successors and assigns, and their respective present and former directors, officers, securityholders, employees, Affiliates, agents and other representatives (collectively, the "Parent Parties"), of and from, and hereby unconditionally and irrevocably waives, any and all claims, damages, actions and causes of action, obligations and liabilities of any kind or character whatsoever, known or unknown, suspected or unsuspected, in contract or in tort, at law or in equity, that the Company Parties ever had, now has or ever may have or claim to have against or with respect to the Parent Parties related to the payment of Contingent Consideration pursuant to Section 1.7 of the Merger Agreement, for or by reason of any matter, circumstance, event, action, inaction, omission, cause or thing whatsoever, in each case arising at any time at or prior to, the Amendment Effective Date

(collectively, "Company Claims"), provided, however, that (i) this release does not extend to any Company Claim to enforce the terms of, or any breach of, this Amendment and (ii) this release shall not be construed to release, discharge, amend, delete or otherwise limit in any way: (a) SRS's or any Company Party's rights to indemnification pursuant to Section 10 of the Merger Agreement for any Company Claim unrelated to Section 1.7, or (b) any Company Claim related to any other provision of the Merger Agreement other than Section 1.7.

5.2 Parent hereby unconditionally, irrevocably and forever releases and discharges the Company Parties, of and from, and hereby unconditionally and irrevocably waives, any and all claims, damages, actions and causes of action, obligations and liabilities of any kind or character whatsoever, known or unknown, suspected or unsuspected, in contract or in tort, at law or in equity, that the Parent ever had, now has or ever may have or claim to have against or with respect to the Company Parties with respect to the payment of Contingent Consideration pursuant to Section 1.7 of the Merger Agreement, in each case arising at any time at or prior to, the Amendment Effective Date (collectively, "Parent Claims"); provided, however, that, for the avoidance of doubt, (i) this Section 5.2 does not release or discharge any Parent Claim to enforce the terms of, or any breach of, this Amendment, and (ii) this release shall not be construed to release, discharge, amend, delete or otherwise limit in any way: (a) Parent's rights to indemnification pursuant to Section 10 of the Merger Agreement or (b) any Parent Claim related to any other provision of the Merger Agreement other than Section 1.7.

5.3 Notwithstanding the provisions of Section 1542 of the California Civil Code or any similar law or common law principle in any applicable jurisdiction, and for the purpose of implementing a full and complete release and discharge of the Company Parties and the Parent, each of SRS, on behalf of the Company Parties and Parent, expressly acknowledges that the foregoing release is intended to include in its effect all claims which such releasing party does not know or suspect to exist in such party's favor against any of the Parent and the Company Parties, respectively (including unknown and contingent claims), and that the foregoing release expressly contemplates the extinguishment of all such claims (except to the extent expressly set forth herein).

5.4 Shareholder Representative Services LLC, in its capacity as Securityholders' Agent, on behalf of each Company Party, covenants and agrees not to, and agrees to cause its respective Affiliates not to, whether in such Person's own capacity, as successor, by reason of assignment or otherwise, assert, commence, institute or join in, or assist or encourage any third party in asserting, commencing, instituting or joining in, any Legal Proceeding of any kind whatsoever, in law or equity, in each case against the Parent Parties, or any of them, with respect to any Company Claims.

5.5 Parent covenants and agrees not to, and agrees to cause its Affiliates not to, whether in such Person's own capacity, as successor, by reason of assignment or otherwise, assert, commence, institute or join in, or assist or encourage any third party in asserting, commencing, instituting or joining in, any Legal Proceeding of any kind whatsoever, in law or equity, in each case against the Company Parties, or any of them, with respect to any Parent Claims.

5.6 Each of the parties hereto, has had the opportunity to be advised by legal counsel with regard to this Section 5 and hereby irrevocably and expressly waives any benefits that may be applicable to the Effective Time Holders and/or other Company Stockholders under Section 1542 of the California Civil Code, which section provides substantially as follows:

"A GENERAL RELEASE DOES NOT EXTEND TO CLAIMS THAT THE CREDITOR OR RELEASING PARTY DOES NOT KNOW OR SUSPECT TO EXIST IN HIS OR HER FAVOR AT THE TIME OF EXECUTING THE RELEASE AND THAT, IF KNOWN BY HIM OR HER, WOULD HAVE MATERIALLY AFFECTED HIS OR HER SETTLEMENT WITH THE DEBTOR OR RELEASED PARTY."

6. Governing Law. This Amendment shall be construed in accordance with, and governed in all respects by, the internal laws of the State of Delaware (without giving effect to principles of conflicts of laws).

[Signature Page Follows]

The parties hereto have caused this Amendment to be executed and delivered as of the date first written above.

LIFE360, INC.

By: /s/ Chris Hulls
Name: Chris Hulls
Title: CEO

SHAREHOLDER REPRESENTATIVE SERVICES LLC,

(solely in its capacity as Securityholders' Agent acting for and on behalf of each of the Effective Time Holders)

By: /s/ Casey McTigue
Name: Casey McTigue
Title: Managing Director

Exhibit 3.1

AMENDED AND RESTATED
CERTIFICATE OF INCORPORATION

OF

LIFE360, INC.

The undersigned, Chris Hulls, hereby certifies that:

1. The undersigned is the duly elected and acting Chief Executive Officer of Life360, Inc., a Delaware corporation.

2. The Certificate of Incorporation of this corporation was originally filed with the Secretary of State of Delaware on April 17, 2007 under the name of LReady, Inc.

3. The Amended and Restated Certificate of Incorporation of this corporation shall be amended and restated to read in full as follows:

ARTICLE I

The name of this corporation is Life360, Inc. (the "Corporation").

ARTICLE II

The address of the Corporation's registered office in the State of Delaware is 160 Greentree Drive, Suite 101, in the City of Dover, County of Kent, Zip Code 19904. The name of its registered agent at such address is National Registered Agents, Inc.

ARTICLE III

The purpose of the Corporation is to engage in any lawful act or activity for which corporations may be organized under the General Corporation Law of Delaware.

ARTICLE IV

(A) **Classes of Stock**. The Corporation is authorized to issue one class of stock to be designated "Common Stock." The total number of shares which the Corporation is authorized to issue is 100,000,000 shares, each with a par value of $0.001 per share, all of which shares shall be Common Stock.

(B) **Common Stock**.

1. **Dividend Rights**. Subject to the prior rights of holders of all classes of stock at the time outstanding having prior rights as to dividends, the holders of the Common Stock shall be entitled to receive, when, as and if declared by the Board of Directors, out of any assets of the Corporation legally available therefor, such dividends as may be declared from time to time by the Board of Directors.

2. **Liquidation Rights**. Upon the liquidation, dissolution or winding up of the Corporation, or the occurrence of a Liquidation Transaction (as defined below), the assets of the Corporation available for distribution to stockholders shall be distributed among the holders of the Common Stock pro rata based on the number of shares of Common Stock held by each. For purposes of this Section 2, a "Liquidation Transaction" shall be deemed to occur if the Corporation shall sell, lease or otherwise dispose of all or substantially all of the assets of the Corporation, or sell, exclusively license, convey, exchange or otherwise transfer all or substantially all of the intellectual property of the Corporation, or merge with or into or consolidate with any other corporation, limited liability company or other entity (other than a wholly-owned subsidiary of the Corporation), provided that none of the following shall be considered a Liquidation Transaction: (A) a merger effected exclusively for the purpose of changing the domicile of the Corporation or (B) a bona fide equity financing in which the Corporation is the surviving corporation or (C) a transaction in which the securities held by the stockholders of the Corporation immediately prior to the transaction represent 50% or more of the voting power of the surviving corporation following the transaction. Nothing in this Section 2 shall require the distribution to stockholders of anything other than proceeds of such transaction in the event of a merger or consolidation of the Corporation.

3. **Redemption**. The Common Stock is not mandatorily redeemable.

4. **Voting Rights and Powers**. Each holder of Common Stock shall be entitled to the right to one vote per share of Common Stock, to notice of any stockholders' meeting in accordance with the Bylaws of the Corporation, and shall be entitled to vote upon such matters and in such manner as may be provided by law. The number of authorized shares of Common Stock may be increased or decreased (but not below the number of shares thereof then outstanding) by the affirmative vote of the holders of shares of stock of the Corporation representing a majority of the votes represented by all outstanding shares of stock of the Corporation entitled to vote, irrespective of the provisions of Section 242(b)(2) of the Delaware General Corporation Law.

ARTICLE V

When the terms of this Restated Certificate refer to a specific agreement (including, for the avoidance of doubt, any Escrow Agreement) or other document or a decision by any body or person that determines the meaning or operation of a provision hereof, the Secretary of the Corporation shall maintain a copy of such agreement, document or decision at the principal executive offices of the Corporation and a copy thereof shall be provided free of charge to any stockholder who makes a request therefor. Unless otherwise expressly provided herein, a reference to any specific agreement (including, for the avoidance of doubt, any Escrow Agreement) or other document or any law or regulation (including, for the avoidance of doubt, the Listing Rules) shall be deemed a reference to such agreement, document, law or regulation as amended from time to time.

ARTICLE VI

Except as otherwise set forth herein, the Board of Directors of the Corporation is expressly authorized to make, alter or repeal Bylaws of the Corporation.

ARTICLE VII

Elections of directors need not be by written ballot unless otherwise provided in the Bylaws of the Corporation. The number of directors that constitutes the entire Board of Directors of the Corporation shall be determined in the manner set forth in the Bylaws of the Corporation. At each annual meeting of stockholders, directors of the Corporation shall be elected to hold office until the expiration of the term for which they are elected and until their successors have been duly elected and qualified or until their earlier resignation or removal; except that if any such meeting shall not be so held, such election shall take place at a stockholders' meeting called and held in accordance with the Delaware General Corporation Law.

From and after the effectiveness of this Amended and Restated Certificate of Incorporation, the directors of the Corporation shall be divided into three classes as nearly equal in size as is practicable, hereby designated Class I, Class II and Class III. Directors already in office shall be assigned to each class at the time such classification becomes effective in accordance with a resolution or resolutions adopted by the Board of Directors. At the first annual meeting of stockholders following the date hereof, the term of office of the Class I directors shall expire and Class I directors shall be elected for a full term of three years. At the second annual meeting of stockholders following the date hereof, the term of office of the Class II directors shall expire and Class II directors shall be elected for a full term of three years. At the third annual meeting of stockholders following the date hereof, the term of office of the Class III directors shall expire and Class III directors shall be elected for a full term of three years. At each succeeding annual meeting of stockholders, directors shall be elected for a full term of three years to succeed the directors of the class whose terms expire at such annual meeting. If the number of directors is changed, any newly created directorships or decrease in directorships shall be so apportioned hereafter among the classes as to make all classes as nearly equal in number as is practicable, provided that no decrease in the number of directors constituting the Board of Directors shall shorten the term of any incumbent director.

ARTICLE VIII

Distributions by the Corporation may be made without regard to "preferential dividends arrears amount" or any "preferential rights," as such terms may be used in Section 500 of the California Corporations Code, and, in such case, for purposes of making any calculation under Section 500 of the California Corporations Code, the amount of any "preferential dividends arrears amount" or "preferential rights" shall be deemed to be zero (0).

ARTICLE IX

(A) To the fullest extent permitted by the Delaware General Corporation Law, as the same exists or as may hereafter be amended, a director of the Corporation shall not be personally liable to the Corporation or its stockholders for monetary damages for breach of fiduciary duty as a director.

(B) To the fullest extent permitted by applicable law, the Corporation is authorized to provide indemnification of, and advancement of expenses to, directors, officers, employees, other agents of the Corporation and any other persons to which the Delaware General Corporation Law permits the Corporation to provide indemnification.

(C) Neither any amendment nor repeal of this Article IX, nor the adoption of any provision of the Corporation's Certificate of Incorporation inconsistent with this Article IX, shall eliminate or reduce the effect of this Article IX in respect of any matter occurring, or any action or proceeding accruing or arising or that, but for this Article IX, would accrue or arise, prior to such amendment, repeal or adoption of an inconsistent provision.

(D) A director of the Corporation shall not be personally liable to the Corporation or its stockholders for monetary damages for breach of fiduciary duty as a director, except for liability (i) for any breach of the director's duty of loyalty to the Corporation or its stockholders, (ii) for acts or omissions not in good faith or which involve intentional misconduct or a knowing violation of law, (iii) under Section 174 of the Delaware General Corporation Law, or (iv) for any transaction from which the director derived any improper personal benefit. If the Delaware General Corporation Law is amended after approval by the stockholders of this Article V to authorize Corporation action further eliminating or limiting the personal liability of directors then the liability of a director of the Corporation shall be eliminated or limited to the fullest extent permitted by the Delaware General Corporation Law as so amended.

(E) In the event that a director of the Corporation who is also a partner or employee of an entity that is a holder of Preferred Stock and that is in the business of investing and reinvesting in other entities (each, a "Fund") acquires knowledge of a potential transaction or matter in such person's capacity as a partner or employee of the Fund and that may be a corporate opportunity for both the Corporation and such Fund (a "Corporate Opportunity"), then (i) such Corporate Opportunity shall belong to such Fund, (ii) such director shall, to the fullest extent permitted by law, be deemed to have fully satisfied and fulfilled his fiduciary duty to the Corporation and its stockholders with respect to such Corporate Opportunity, and (iii) the Corporation, to the fullest extent permitted by law, waives any claim that such Corporate Opportunity constituted a corporate opportunity that should have been presented to the Corporation or any of its affiliates; provided, however, that such director acts in good faith and such opportunity was not offered to such person solely in his or her capacity as a director of the Corporation

ARTICLE X

Unless the Corporation consents in writing to the selection of an alternative forum, the Court of Chancery of the State of Delaware shall be the sole and exclusive forum for (A) any derivative action or proceeding brought on behalf of the Corporation, (B) any action or proceeding asserting a claim of breach of a fiduciary duty owed by any stockholder, director, officer, employee or agent of the Corporation to the Corporation or the Corporation's stockholders, (C) any action or proceeding asserting a claim against the Corporation arising pursuant to any provision of the Delaware General Corporation Law or the Corporation's Certificate of Incorporation or Bylaws or (D) any action or proceeding asserting a claim governed by the internal affairs doctrine, in each case subject to said Court of Chancery having personal jurisdiction over the indispensable parties named as defendants therein.

ARTICLE XI

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.

ARTICLE XII

Notwithstanding anything contained herein or in the Bylaws of the Corporation to the contrary, for such time as the Corporation is admitted to the Official List of ASX Limited (the "ASX"), the following shall apply:

(A) Except to the extent of any express written waiver (whether before or after the relevant act is taken) by ASX, if the Listing Rules prohibit an act being done, the Corporation shall not have the power or authority to take such act.

(B) Nothing contained in this Restated Certificate or the Bylaws of the Corporation shall prevent an act being done that the Listing Rules require to be done.

(C) If the Listing Rules require an act to be done or not to be done, the Board of Directors (and any committee or subcommittee thereof) and each officer of the Corporation shall have authority to cause such act to be done or not to be done (as the case may be).

(D) If the Listing Rules require this Restated Certificate or the Bylaws of the Corporation to contain a provision and such document does not contain such provision, such applicable document shall, and shall be deemed to, contain such provision.

(E) If the Listing Rules require this Restated Certificate or the Bylaws of the Corporation not to contain any provision otherwise contained herein or therein, such provision shall be, and shall be deemed to be, excluded from such document.

(F) If any provision of the Restated Certificate or Bylaws of the Corporation is or becomes inconsistent with the Listing Rules, such inconsistency shall not affect the validity or enforceability of any other provision of such document, and such document shall not contain that provision to the extent of the inconsistency.

ARTICLE XIII

If this Restated Certificate provides for more or less than one vote for any share, on any matter, every reference in this Restated Certificate or the Bylaws of the Corporation to a majority or other proportion of stock, voting stock or shares shall refer to such majority or other proportion of the votes of such stock, voting stock or shares.

ARTICLE XIV

To the extent that any provision of this Restated Certificate is found to be invalid or unenforceable, such invalidity or unenforceability shall not affect the validity or enforceability of any other provision of this Restated Certificate, and following any determination by a court of

competent jurisdiction that any provision of this Restated Certificate is invalid or unenforceable, this Restated Certificate shall contain only such provisions (A) as were in effect immediately prior to such determination and (B) were not so determined to be invalid or unenforceable.”

* * *

The foregoing Amended and Restated Certificate of Incorporation has been duly adopted by this corporation's Board of Directors and stockholders in accordance with the applicable provisions of Sections 228, 242 and 245 of the Delaware General Corporation Law.

Executed at San Francisco, California, on May 13, 2019

By: /s/ Chris Hulls
Chris Hulls
Chief Executive Officer

AMENDED AND RESTATED CERTIFICATE OF INCORPORATION OF LIFE360, INC.

Exhibit 3.2

BYLAWS

OF

LIFE360, INC.

May 14, 2019

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BYLAWS

OF

LIFE360, INC.

ARTICLE I

CORPORATE OFFICES

1.1 **Registered Office.**

The registered office of the corporation shall be in the City of Dover, County of Kent, State of Delaware. The name of the registered agent of the corporation at such location is National Registered Agents, Inc.

1.2 **Other Offices.**

The Board of Directors may at any time establish other offices at any place or places where the corporation is qualified to do business.

ARTICLE II

MEETINGS OF STOCKHOLDERS

2.1 **Place Of Meetings.**

Meetings of stockholders shall be held at any place, within or outside the State of Delaware, designated by the Board of Directors. In the absence of any such designation, stockholders' meetings shall be held at the registered office of the corporation.

2.2 **Annual Meeting.**

The annual meeting of stockholders shall be held on such date, time and place, either within or without the State of Delaware, as may be designated by resolution of the Board of Directors each year. At the meeting, directors shall be elected and any other proper business may be transacted.

2.3 **Special Meeting.**

A special meeting of the stockholders may be called at any time by the Board of Directors, the chairman of the board, the chief executive officer, the president or by one or more stockholders holding shares in the aggregate entitled to cast not less than ten percent of the votes at that meeting.

If a special meeting is called by any person or persons other than the Board of Directors, the chairman of the board, the chief executive officer or the president, the request shall be in writing, specifying the time of such meeting and the general nature of the business proposed to be transacted, and shall be delivered personally or sent by registered mail or by telegraphic or other facsimile transmission to the chairman of the board, the chief executive officer, the president, any vice president, or the secretary of the corporation. No business may be transacted at such special meeting otherwise than specified in such notice. The officer receiving the request shall cause notice to be promptly given to the stockholders entitled to vote, in accordance with the provisions of Sections 2.4 and 2.5 of this Article II, that a meeting will be held at the time requested by the person or persons calling the meeting, not less than thirty-five (35) nor more than sixty (60) days after the receipt of the request. If the notice is not given within twenty (20) days after the receipt of the request, the person or persons requesting the meeting may give the notice. Nothing contained in this paragraph of this Section 2.3 shall be construed as limiting, fixing, or affecting the time when a meeting of stockholders called by action of the Board of Directors may be held.

2.4 **Notice Of Stockholders' Meetings.**

All notices of meetings with stockholders shall be in writing and shall be sent or otherwise given in accordance with Section 2.5 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. The notice shall specify the place (if any), date and hour of the meeting, and in the case of a special meeting, the purpose or purposes for which the meeting is called.

2.5 **Manner Of Giving Notice; Affidavit Of Notice.**

Written notice of any meeting of stockholders, if mailed, is given when deposited in the United States mail, postage prepaid, directed to the stockholder at his address as it appears on the records of the corporation. Without limiting the manner by which notice otherwise may be given effectively to stockholders, any notice to stockholders may be given by electronic mail or other electronic transmission, in the manner provided in Section 232 of the Delaware General Corporation Law. An affidavit of the secretary or an assistant secretary or of the transfer agent of the corporation that the notice has been given shall, in the absence of fraud, be prima facie evidence of the facts stated therein.

2.6 **Quorum.**

The holders of one-third of the shares of stock issued and outstanding and entitled to vote thereat, present in person or represented by proxy, shall constitute a quorum at all meetings of the stockholders for the transaction of business except as otherwise required by statute or by the certificate of incorporation. If, however, such quorum is not present or represented at any meeting of the stockholders, then either (a) the chairman of the meeting or (b) holders of a majority of the shares of stock entitled to vote who are present, in person or by proxy, shall have power to adjourn the meeting to another place (if any), date or time.

2.7 **Adjourned Meeting; Notice**.

When a meeting is adjourned to another place (if any), date or time, unless these Bylaws otherwise require, notice need not be given of the adjourned meeting if the time and place (if any), thereof and the means of remote communications, if any, by which stockholders and proxyholders may be deemed to be present and vote at such adjourned meeting, are announced at the meeting at which the adjournment is taken. At the adjourned meeting the corporation may transact any business that might have been transacted at the original meeting. If the adjournment is for more than 30 days, or if after the adjournment a new record date is fixed for the adjourned meeting, notice of the place (if any), date and time of the adjourned meeting and the means of remote communications, if any, by which stockholders and proxy holders may be deemed to be present in person and vote at such adjourned meeting shall be given to each stockholder of record entitled to vote at the meeting.

2.8 **Organization; Conduct of Business**.

(a) Such person as the Board of Directors may have designated or, in the absence of such a person, the chief executive officer, or in his or her absence, the president or, in his or her absence, such person as may be chosen by the holders of a majority of the shares entitled to vote who are present, in person or by proxy, shall call to order any meeting of the stockholders and act as chairman of the meeting. In the absence of the secretary of the corporation, the secretary of the meeting shall be such person as the chairman of the meeting appoints.

(b) The chairman of any meeting of stockholders shall determine the order of business and the procedure at the meeting, including the manner of voting and the conduct of business. The date and time of opening and closing of the polls for each matter upon which the stockholders will vote at the meeting shall be announced at the meeting.

2.9 **Voting**.

The stockholders entitled to vote at any meeting of stockholders shall be determined in accordance with the provisions of Section 2.11 of these Bylaws, subject to the provisions of Sections 217 and 218 of the General Corporation Law of Delaware (relating to voting rights of fiduciaries, pledgors and joint owners of stock and to voting trusts and other voting agreements).

Except as may be otherwise provided in the certificate of incorporation, each stockholder shall be entitled to one vote for each share of capital stock held by such stockholder. All elections shall be determined by a plurality of the votes cast, and except as otherwise required by law, all other matters shall be determined by a majority of the votes cast affirmatively or negatively.

2.10 **Waiver Of Notice**.

Whenever notice is required to be given under any provision of the General Corporation Law of Delaware or of the certificate of incorporation or these Bylaws, a written waiver thereof, signed by the person entitled to notice, or waiver by electronic mail or other electronic transmission by such person, whether before or after the time stated therein, shall be deemed equivalent to notice. Attendance of a person at a meeting shall constitute a waiver of notice of such meeting, except when the person attends a meeting for the express purpose of objecting, at the beginning of the meeting, to the transaction of any business because the meeting is not lawfully called or convened. Neither the business to be transacted at, nor the purpose of, any regular or special meeting of the stockholders need be specified in any written waiver of notice, or any waiver of notice by electronic transmission, unless so required by the certificate of incorporation or these Bylaws.

2.11 **<u>Record Date For Stockholder Notice; Voting</u>.**

In order that the corporation may determine the stockholders entitled to notice of or to vote at any meeting of stockholders or any adjournment thereof, or entitled to receive payment of any dividend or other distribution or allotment of any rights, or entitled to exercise any rights in respect of any change, conversion or exchange of stock or for the purpose of any other lawful action, the Board of Directors may fix, in advance, a record date, which shall not be more than 60 nor less than 10 days before the date of such meeting, nor more than 60 days prior to any other action.

If the Board of Directors does not so fix a record date:

(a) 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.

(b) The record date for determining stockholders for any other purpose shall be at the close of business on the day on which the Board of Directors adopts the resolution relating thereto.

A determination of stockholders of record entitled to notice of or to vote at a meeting of stockholders shall apply to any adjournment of the meeting, if such adjournment is for thirty (30) days or less; provided, however, that the Board of Directors may fix a new record date for the adjourned meeting.

2.12 **<u>Proxies</u>.**

Each stockholder entitled to vote at a meeting of stockholders may authorize another person or persons to act for such stockholder by an instrument in writing or by an electronic transmission permitted by law filed with the secretary of the corporation, but no such proxy shall be voted or acted upon after three years from its date, unless the proxy provides for a longer period. A proxy shall be deemed signed if the stockholder's name is placed on the proxy (whether by manual signature, typewriting, facsimile, electronic or telegraphic transmission or otherwise) by the stockholder or the stockholder's attorney-in-fact. The revocability of a proxy that states on its face that it is irrevocable shall be governed by the provisions of Section 212(e) of the General Corporation Law of Delaware.

ARTICLE III

DIRECTORS

3.1 **Powers.**

Subject to the provisions of the General Corporation Law of Delaware and any limitations in the certificate of incorporation or these Bylaws relating to action required to be approved by the stockholders or by the outstanding shares, the business and affairs of the corporation shall be managed and all corporate powers shall be exercised by or under the direction of the Board of Directors.

3.2 **Number Of Directors.**

Upon the adoption of these Bylaws, the number of directors constituting the entire Board of Directors shall be seven (7). Thereafter, this number may be changed by a resolution of the Board of Directors or of the stockholders. No reduction of the authorized number of directors shall have the effect of removing any director before such 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 a director elected to fill a vacancy, shall hold office until the expiration of the term for which elected and until such director's successor is elected and qualified or until such director's earlier death, resignation or removal. Directors need not be stockholders unless so required by the certificate of incorporation or these Bylaws, wherein other qualifications for directors may be prescribed. The certificate of incorporation or these bylaws may prescribe other qualifications for directors.

Unless otherwise specified in the certificate of incorporation, elections of directors need not be by written ballot.

3.4 **Nomination.**

Nominations for the election of directors by a stockholder must be received by the corporation no later than 35 business days prior to the date of the annual meeting.

3.5 **Resignation And Vacancies.**

Any director may resign at any time upon written notice to the attention of the Secretary of the corporation. When one or more directors so resigns and the resignation is effective at a future date, a majority of the directors then in office, including those who have so resigned, shall have power to fill such vacancy or vacancies, the vote thereon to take effect when such resignation or resignations shall become effective, and each director so chosen shall hold office as provided in this section in the filling of other vacancies.

Unless otherwise provided in the certificate of incorporation or these Bylaws:

(a) Vacancies and newly created directorships resulting from any increase in the authorized number of directors elected by all of the stockholders having the right to vote as a single class may be filled by a majority of the directors then in office, although less than a quorum, or by a sole remaining director.

(b) Whenever the holders of any class or classes of stock or series thereof are entitled to elect one or more directors by the provisions of the certificate of incorporation, vacancies and newly created directorships of such class or classes or series may be filled by a majority of the directors elected by such class or classes or series thereof then in office, or by a sole remaining director so elected, or if no such director is in office, by a majority of all directors then in office, although less than a quorum, or by a sole remaining director.

If at any time, by reason of death or resignation or other cause, the corporation should have no directors in office, then any officer or any stockholder or an executor, administrator, trustee or guardian of a stockholder, or other fiduciary entrusted with like responsibility for the person or estate of a stockholder, may call a special meeting of stockholders in accordance with the provisions of the certificate of incorporation or these Bylaws, or may apply to the Court of Chancery for a decree summarily ordering an election as provided in Section 211 of the General Corporation Law of Delaware.

If, at the time of filling any vacancy or any newly created directorship, the directors then in office constitute less than a majority of the whole board (as constituted immediately prior to any such increase), then the Court of Chancery may, upon application of any stockholder or stockholders holding at least 10% of the total number of the shares at the time outstanding having the right to vote for such directors, summarily order an election to be held to fill any such vacancies or newly created directorships, or to replace the directors chosen by the directors then in office as aforesaid, which election shall be governed by the provisions of Section 211 of the General Corporation Law of Delaware as far as applicable.

3.6 **Place Of Meetings; Meetings By Telephone.**

The Board of Directors of the corporation may hold meetings, both regular and special, either within or outside the State of Delaware.

Unless otherwise restricted by the certificate of incorporation or these Bylaws, members of the Board of Directors, or any committee designated by the Board of Directors, may participate in a meeting of the Board of Directors, or any committee, by means of conference telephone or other communications equipment by means of which all persons participating in the meeting can hear each other, and such participation in a meeting shall constitute presence in person at the meeting.

3.7 **Regular Meetings.**

Regular meetings of the Board of Directors may be held without notice at such time and at such place as shall from time to time be determined by the board.

3.8 **Special Meetings; Notice**.

Special meetings of the Board of Directors for any purpose or purposes may be called at any time by the chairman of the board, the chief executive officer, the president, any vice president, the secretary or any two directors.

Notice of the time and place of special meetings shall be delivered personally or by telephone to each director or sent by first-class mail, facsimile, electronic transmission, or telegram, charges prepaid, addressed to each director at that director's address as it is shown on the records of the corporation. If the notice is mailed, it shall be deposited in the United States mail at least four days before the time of the holding of the meeting. If the notice is delivered personally or by facsimile, electronic transmission, telephone or telegram, it shall be delivered at least 48 hours before the time of the holding of the meeting. Any oral notice given personally or by telephone may be communicated either to the director or to a person at the office of the director who the person giving the notice has reason to believe will promptly communicate it to the director. The notice need not specify the purpose of the meeting. The notice need not specify the place of the meeting, if the meeting is to be held at the principal executive office of the corporation. Unless otherwise indicated in the notice thereof, any and all business may be transacted at a special meeting.

3.9 **Quorum**.

At all meetings of the Board of Directors, a majority of the total number of directors then in office shall constitute a quorum for the transaction of business, provided, however, that a quorum shall not be less than 1/3 of the total number of directors constituting the entire authorized Board of Directors, as determined in Section 3.2 above. If a quorum is not present at any meeting of the Board of Directors, then the directors present thereat may adjourn the meeting from time to time, without notice other than announcement at the meeting, until a quorum is present.

A meeting at which a quorum is initially present may continue to transact business notwithstanding the withdrawal of directors, if any action taken is approved by at least a majority of the required quorum for that meeting.

3.10 **Waiver Of Notice**.

Whenever notice is required to be given under any provision of the General Corporation Law of Delaware or of the certificate of incorporation or these Bylaws, a written waiver thereof, signed by the person entitled to notice, or waiver by electronic mail or other electronic transmission by such person, whether before or after the time stated therein, shall be deemed equivalent to notice. Attendance of a person at a meeting shall constitute a waiver of notice of such meeting, except when the person attends a meeting for the express purpose of objecting, at the beginning of the meeting, to the transaction of any business because the meeting is not lawfully called or convened. Neither the business to be transacted at, nor the purpose of, any regular or special meeting of the directors, or members of a committee of directors, need be specified in any written waiver of notice unless so required by the certificate of incorporation or these Bylaws.

3.11 **Board Action By Written Consent Without A Meeting.**

Unless otherwise restricted by the certificate of incorporation or these Bylaws, any action required or permitted to be taken at any meeting of the Board of Directors, or of any committee thereof, may be taken without a meeting if all members of the board or committee, as the case may be, consent thereto in writing or by electronic transmission, and the writing or writings or electronic transmission or transmissions are filed with the minutes of proceedings of the board or committee. Such filing shall be in paper form if the minutes are maintained in paper form and shall be in electronic form if the minutes are maintained in electronic form.

Any copy, facsimile or other reliable reproduction of a consent in writing may be substituted or used in lieu of the original writing for any and all purposes for which the original writing could be used, provided that such copy, facsimile or other reproduction shall be a complete reproduction of the entire original writing.

3.12 **Fees And Compensation Of Directors.**

Unless otherwise restricted by the certificate of incorporation or these Bylaws, the Board of Directors shall have the authority to fix the compensation of directors. No such compensation shall preclude any director from serving the corporation in any other capacity and receiving compensation therefor. The maximum aggregate compensation permitted for all non-executive directors for their service as a member of the Board of Directors shall be US$1,000,000.

3.13 **Approval Of Loans To Officers.**

The corporation may lend money to, or guarantee any obligation of, or otherwise assist any officer or other employee of the corporation or of its subsidiary, including any officer or employee who is a director of the corporation or its subsidiary, whenever, in the judgment of the directors, such loan, guaranty or assistance may reasonably be expected to benefit the corporation. The loan, guaranty or other assistance may be with or without interest and may be unsecured, or secured in such manner as the Board of Directors shall approve, including, without limitation, a pledge of shares of stock of the corporation. Nothing in this section shall be deemed to deny, limit or restrict the powers of guaranty or warranty of the corporation at common law or under any statute.

3.14 **Removal Of Directors.**

Unless otherwise restricted by statute, by the certificate of incorporation or by these Bylaws, any director or the entire Board of Directors may be removed, with or without cause, by the holders of a majority of the shares then entitled to vote at an election of directors; provided, however, that if the stockholders of the corporation are entitled to cumulative voting, if less than the entire Board of Directors is to be removed, no director may be removed without cause if the votes cast against his removal would be sufficient to elect him if then cumulatively voted at an election of the entire Board of Directors.

No reduction of the authorized number of directors shall have the effect of removing any director prior to the expiration of such director’s term of office.

3.15 **Chairman Of The Board Of Directors.**

The corporation may also have, at the discretion of the Board of Directors, a chairman of the Board of Directors who shall not be considered an officer of the corporation.

ARTICLE IV

COMMITTEES

4.1 **Committees Of Directors.**

The Board of Directors may designate one or more committees, each committee to consist of one or more of the directors of the corporation. The Board may designate 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 present at any meeting and not disqualified from voting, whether or not such member or members constitute a quorum, may unanimously appoint another member of the Board of Directors to act at the meeting in the place of any such absent or disqualified member. Any such committee, to the extent provided in the resolution of the Board of Directors, or in these Bylaws, shall have and may exercise all the powers and authority of the Board of Directors in the management of the business and affairs of the corporation, and may authorize the seal of the corporation to be affixed to all papers which may require it; but no such committee shall have the power or authority in reference to the following matters: (i) approving or adopting, or recommending to the stockholders, any action or matter expressly required by the General Corporate Law of Delaware to be submitted to stockholders for approval or (ii) adopting, amending or repealing 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 of Directors when required.

4.3 **Meetings And Action Of Committees.**

Meetings and actions of committees shall be governed by, and held and taken in accordance with, the provisions of Section 3.6 (place of meetings and meetings by telephone), Section 3.7 (regular meetings), Section 3.8 (special meetings and notice), Section 3.9 (quorum), Section 3.10 (waiver of notice), and Section 3.11 (action without a meeting) of these Bylaws, with such changes in the context of such provisions as are necessary to substitute the committee and its members for the Board of Directors and its members; provided, however, that the time of regular meetings of committees may be determined either by resolution of the Board of Directors or by resolution of the committee, that special meetings of committees may also be called by resolution of the Board of Directors and that notice of special meetings of committees shall also be given to all alternate members, who shall have the right to attend all meetings of the committee. The Board of Directors may adopt rules for the government of any committee not inconsistent with the provisions of these Bylaws.

ARTICLE V

OFFICERS

5.1 **Officers**.

The officers of the corporation shall be a president, a secretary, and a chief financial officer. The corporation may also have, at the discretion of the Board of Directors, a chief executive officer, one or more vice presidents, one or more assistant secretaries, one or more assistant treasurers, and any such other officers as may be appointed in accordance with the provisions of Section 5.3 of these Bylaws. Any number of offices may be held by the same person.

5.2 **Appointment Of Officers**.

The officers of the corporation, except such officers as may be appointed in accordance with the provisions of Sections 5.3 or 5.5 of these Bylaws, shall be appointed by the Board of Directors, subject to the rights, if any, of an officer under any contract of employment.

5.3 **Subordinate Officers**.

The Board of Directors may appoint, or empower the chief executive officer or the president to appoint, such other officers and agents as the business of the corporation may require, each of whom shall hold office for such period, have such authority, and perform such duties as are provided in these Bylaws or as the Board of Directors may from time to time determine.

5.4 **Removal And Resignation Of Officers**.

Subject to the rights, if any, of an officer under any contract of employment, any officer may be removed, either with or without cause, by an affirmative vote of the majority of the Board of Directors at any regular or special meeting of the board or, except in the case of an officer chosen by the Board of Directors, by any officer upon whom the power of removal is conferred by the Board of Directors.

Any officer may resign at any time by giving written notice 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; and, unless otherwise specified in that notice, the acceptance of the resignation shall not be necessary to make it effective. Any resignation is without prejudice to the rights, if any, of the corporation under any contract to which the officer is a party.

5.5 **Vacancies In Offices**.

Any vacancy occurring in any office of the corporation shall be filled by the Board of Directors.

5.6 **Chief Executive Officer**.

Subject to such supervisory powers, if any, as may be given by the Board of Directors to the chairman of the board, if any, the chief executive officer of the corporation (if such an officer is appointed) shall, subject to the control of the Board of Directors, have general supervision, direction, and control of the business and the officers of the corporation and shall have the general powers and duties of management usually vested in the office of chief executive officer of a corporation and shall have such other powers and duties as may be prescribed by the Board of Directors or these Bylaws.

The person serving as chief executive officer shall also be the acting President of the corporation whenever no other person is then serving in such capacity.

5.7 **President**.

Subject to such supervisory powers, if any, as may be given by the Board of Directors to the chairman of the board (if any) or the chief executive officer, the president shall have general supervision, direction, and control of the business and other officers of the corporation. He or she shall have the general powers and duties of management usually vested in the office of president of a corporation and such other powers and duties as may be prescribed by the Board of Directors or these Bylaws.

The person serving as president shall also be the acting chief executive officer of the corporation whenever no other person is then serving in such capacity.

5.8 **Vice Presidents**.

In the absence or disability of the chief executive officer and president, the vice presidents, if any, in order of their rank as fixed by the Board of Directors or, if not ranked, a vice president designated by the Board of Directors, shall perform all the duties of the president and when so acting shall have all the powers of, and be subject to all the restrictions upon, the president. The vice presidents shall have such other powers and perform such other duties as from time to time may be prescribed for them respectively by the Board of Directors, these Bylaws, the president or the chairman of the board.

5.9 **Secretary**.

The secretary shall keep or cause to be kept, at the principal executive office of the corporation or such other place as the Board of Directors may direct, a book of minutes of all meetings and actions of directors, committees of directors, and stockholders. The minutes shall show the time and place of each meeting, the names of those present at directors’ meetings or committee meetings, the number of shares present or represented at stockholders’ meetings, and the proceedings thereof.

The secretary shall keep, or cause to be kept, at the principal executive office of the corporation or at the office of the corporation’s transfer agent or registrar, as determined by resolution of the Board of Directors, a share register, or a duplicate share register, showing the names of all stockholders and their addresses, the number and classes of shares held by each, the number and date of certificates evidencing such shares, and the number and date of cancellation of every certificate surrendered for cancellation.

The secretary shall give, or cause to be given, notice of all meetings of the stockholders and of the Board of Directors required to be given by law or by these Bylaws. He or she shall keep the seal of the corporation, if one be adopted, in safe custody and shall have such other powers and perform such other duties as may be prescribed by the Board of Directors or by these Bylaws.

5.10 **Chief Financial Officer.**

The chief financial officer shall keep and maintain, or cause to be kept and maintained, adequate and correct books and records of accounts of the properties and business transactions of the corporation, including accounts of its assets, liabilities, receipts, disbursements, gains, losses, capital, retained earnings and shares. The books of account shall at all reasonable times be open to inspection by any member of the Board of Directors.

The chief financial officer shall render to the chief executive officer, the president, or the Board of Directors, upon request, an account of all his or her transactions as chief financial officer and of the financial condition of the corporation. He or she shall have the general powers and duties usually vested in the office of chief financial officer of a corporation and shall have such other powers and perform such other duties as may be prescribed by the Board of Directors or these Bylaws.

The person serving as the chief financial officer shall also be the acting treasurer of the corporation whenever no other person is then serving in such capacity. Subject to such supervisory powers, if any, as may be given by the Board of Directors to another officer of the corporation, the chief financial officer shall supervise and direct the responsibilities of the treasurer whenever someone other than the chief financial officer is serving as treasurer of the corporation.

5.11 **Treasurer.**

The treasurer shall keep and maintain, or cause to be kept and maintained, adequate and correct books and records with respect to all bank accounts, deposit accounts, cash management accounts and other investment accounts of the corporation. The books of account shall at all reasonable times be open to inspection by any member of the Board of Directors.

The treasurer shall deposit, or cause to be deposited, all moneys and other valuables in the name and to the credit of the corporation with such depositories as may be designated by the Board of Directors. He or she shall disburse the funds of the corporation as may be ordered by the Board of Directors and shall render to the chief financial officer, the chief executive officer, the president or the Board of Directors, upon request, an account of all his or her transactions as treasurer. He or she shall have the general powers and duties usually vested in the office of treasurer of a corporation and shall have such other powers and perform such other duties as may be prescribed by the Board of Directors or these Bylaws.

The person serving as the treasurer shall also be the acting chief financial officer of the corporation whenever no other person is then serving in such capacity.

5.12 **Representation Of Shares Of Other Corporations.**

The chairman of the board, the chief executive officer, the president, any vice president, the chief financial officer, the secretary or assistant secretary of this corporation, or any other person authorized by the Board of Directors or the chief executive officer or the president or a vice president, is authorized to vote, represent, and exercise on behalf of this corporation all rights incident to any and all shares of any other corporation or corporations standing in the name of this corporation. The authority granted herein may be exercised either by such person directly or by any other person authorized to do so by proxy or power of attorney duly executed by the person having such authority.

5.13 **Authority And Duties Of Officers.**

In addition to the foregoing authority and duties, all officers of the corporation shall respectively have such authority and perform such duties in the management of the business of the corporation as may be designated from time to time by the Board of Directors.

ARTICLE VI

INDEMNIFICATION OF DIRECTORS, OFFICERS, EMPLOYEES, AND OTHER AGENTS

6.1 **Indemnification Of Directors And Officers.**

The corporation shall, to the maximum extent and in the manner permitted by the General Corporation Law of Delaware, indemnify each of its directors and officers against expenses (including attorneys' fees), judgments, fines, settlements and other amounts actually and reasonably incurred in connection with any proceeding, arising by reason of the fact that such person is or was an agent of the corporation. For purposes of this Section 6.1, a "director" or "officer" of the corporation includes any person (a) who is or was a director or officer of the corporation, (b) who is or was serving at the request of the corporation as a director or officer of another corporation, partnership, joint venture, trust or other enterprise, or (c) who was a director or officer of a corporation which was a predecessor corporation of the corporation or of another enterprise at the request of such predecessor corporation.

6.2 **Indemnification Of Others.**

The corporation shall have the power, to the maximum extent and in the manner permitted by the General Corporation Law of Delaware, to indemnify each of its employees and agents (other than directors and officers) against expenses (including attorneys' fees), judgments, fines, settlements and other amounts actually and reasonably incurred in connection with any proceeding, arising by reason of the fact that such person is or was an agent of the corporation. For purposes of this Section 6.2, an "employee" or "agent" of the corporation (other than a director or officer) includes any person (a) who is or was an employee or agent of the corporation, (b) who is or was serving at the request of the corporation as an employee or agent of another corporation, partnership, joint venture, trust or other enterprise, or (c) who was an employee or agent of a corporation which was a predecessor corporation of the corporation or of another enterprise at the request of such predecessor corporation.

6.3 **Payment Of Expenses In Advance.**

Expenses incurred in defending any action or proceeding for which indemnification is required pursuant to Section 6.1 or for which indemnification is permitted pursuant to Section 6.2 following authorization thereof by the Board of Directors shall be paid by the corporation in advance of the final disposition of such action or proceeding upon receipt of an undertaking by or on behalf of the indemnified party to repay such amount if it shall ultimately be determined by final judicial decision from which there is no further right to appeal that the indemnified party is not entitled to be indemnified as authorized in this Article VI.

6.4 **Indemnity Not Exclusive.**

The indemnification provided by this Article VI shall not be deemed exclusive of any other rights to which those seeking indemnification may be entitled under any Bylaw, agreement, vote of stockholders or disinterested directors or otherwise, both as to action in an official capacity and as to action in another capacity while holding such office, to the extent that such additional rights to indemnification are authorized in the certificate of incorporation.

6.5 **Insurance.**

The corporation may purchase and maintain insurance on behalf of any person who is or was a director, officer, employee or agent of the corporation, or is or was serving at the request of the corporation as a director, officer, employee or agent of another corporation, partnership, joint venture, trust or other enterprise against any liability asserted against him or her and incurred by him or her in any such capacity, or arising out of his or her status as such, whether or not the corporation would have the power to indemnify him or her against such liability under the provisions of the General Corporation Law of Delaware.

6.6 **Conflicts.**

No indemnification or advance shall be made under this Article VI, except where such indemnification or advance is mandated by law or the order, judgment or decree of any court of competent jurisdiction, in any circumstance where it appears:

(a) That it would be inconsistent with a provision of the certificate of incorporation, these Bylaws, a resolution of the stockholders or an agreement in effect at the time of the accrual of the alleged cause of the action asserted in the proceeding in which the expenses were incurred or other amounts were paid, which prohibits or otherwise limits indemnification; or

(b) That it would be inconsistent with any condition expressly imposed by a court in approving a settlement.

ARTICLE VII

RECORDS AND REPORTS

7.1 **Maintenance And Inspection Of Records.**

The corporation shall, either at its principal executive offices or at such place or places as designated by the Board of Directors, keep a record of its stockholders listing their names and addresses and the number and class of shares held by each stockholder, a copy of these Bylaws as amended to date, accounting books, and other records.

Any stockholder of record, in person or by attorney or other agent, shall, upon written demand under oath stating the purpose thereof, have the right during the usual hours for business to inspect for any proper purpose the corporation’s stock ledger, a list of its stockholders, and its other books and records and to make copies or extracts therefrom. A proper purpose shall mean a purpose reasonably related to such person’s interest as a stockholder. In every instance where an attorney or other agent is the person who seeks the right to inspection, the demand under oath shall be accompanied by a power of attorney or such other writing that authorizes the attorney or other agent to so act on behalf of the stockholder. The demand under oath shall be directed to the corporation at its registered office in Delaware or at its principal place of business.

A complete list of stockholders entitled to vote at any meeting of stockholders, arranged in alphabetical order for each class of stock and showing the address of each such stockholder and the number of shares registered in each such stockholder’s name, shall be open to the examination of any such stockholder for a period of at least ten (10) days prior to the meeting in the manner provided by law. The stock list shall also be open to the examination of any stockholder during the whole time of the meeting as provided by law. This list shall presumptively determine the identity of the stockholders entitled to vote at the meeting and the number of shares held by each of them.

7.2 **Inspection By Directors.**

Any director shall have the right to examine the corporation’s stock ledger, a list of its stockholders, and its other books and records for a purpose reasonably related to his or her position as a director. The Court of Chancery is hereby vested with the exclusive jurisdiction to determine whether a director is entitled to the inspection sought. The Court may summarily order the corporation to permit the director to inspect any and all books and records, the stock ledger, and the stock list and to make copies or extracts therefrom. The Court may, in its discretion, prescribe any limitations or conditions with reference to the inspection, or award such other and further relief as the Court may deem just and proper.

ARTICLE VIII

GENERAL MATTERS

8.1 **Checks**.

From time to time, the Board of Directors shall determine by resolution which person or persons may sign or endorse all checks, drafts, other orders for payment of money, notes or other evidences of indebtedness that are issued in the name of or payable to the corporation, and only the persons so authorized shall sign or endorse those instruments.

8.2 **Execution Of Corporate Contracts And Instruments**.

The Board of Directors, except as otherwise provided in these Bylaws, may authorize any officer or officers, or agent or agents, to enter into any contract or execute any instrument in the name of and on behalf of the corporation; such authority may be general or confined to specific instances. Unless so authorized or ratified by the Board of Directors or within the agency power of an officer, no officer, agent or employee shall have any power or authority to bind the corporation by any contract or engagement or to pledge its credit or to render it liable for any purpose or for any amount.

8.3 **Stock Certificates; Partly Paid Shares**.

The shares of a corporation shall be represented by certificates, provided that the Board of Directors of the corporation may provide by resolution or resolutions that some or all of any or all classes or series of its stock shall be uncertificated shares. Any such resolution shall not apply to shares represented by a certificate until such certificate is surrendered to the corporation. Any or all of the signatures on the certificate may be a facsimile. In case any officer, transfer agent or registrar who has signed or whose facsimile signature has been placed upon a certificate has ceased to be such officer, transfer agent or registrar before such certificate is issued, it may be issued by the corporation with the same effect as if he or she were such officer, transfer agent or registrar at the date of issue.

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, 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.

8.4 **Special Designation On Certificates**.

If the corporation is authorized to issue more than one class of stock or more than one series of any class, then the powers, the designations, the preferences, and the relative, participating, optional or other special rights of each class of stock or series thereof and the qualifications, limitations or restrictions of such preferences and/or rights shall be set forth in full

or summarized on the face or back of the certificate that the corporation shall issue to represent such class or series of stock; provided, however, that, except as otherwise provided in Section 202 of the General Corporation Law of Delaware, 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.

8.5 **Lost Certificates.**

Except as provided in this Section 8.5, no new certificates for shares shall be issued to replace a previously issued certificate unless the latter is surrendered to the corporation and cancelled at the same time. The corporation may issue a new certificate of stock or uncertificated shares in the place of any certificate previously issued by it, alleged to have been lost, stolen or destroyed, and the corporation may require the owner of the lost, stolen or destroyed certificate, or the owner's legal representative, to give the corporation a bond sufficient to indemnify it against any claim that may be made against it on account of the alleged loss, theft or destruction of any such certificate or the issuance of such new certificate or uncertificated shares.

8.6 **Construction; Definitions.**

Unless the context requires otherwise, the general provisions, rules of construction, and definitions in the Delaware General Corporation Law shall govern the construction of these Bylaws. Without limiting the generality of this provision, the singular number includes the plural, the plural number includes the singular, and the term "person" includes both a corporation and a natural person.

8.7 **Dividends.**

The directors of the corporation, subject to any restrictions contained in (a) the General Corporation Law of Delaware or (b) the certificate of incorporation, may declare and pay dividends upon the shares of its capital stock. Dividends may be paid in cash, in property, or in shares of the corporation's capital stock.

The directors of the corporation may set apart out of any of the funds of the corporation available for dividends a reserve or reserves for any proper purpose and may abolish any such reserve. Such purposes shall include but not be limited to equalizing dividends, repairing or maintaining any property of the corporation, and meeting contingencies.

8.8 **Fiscal Year.**

The fiscal year of the corporation shall be fixed by resolution of the Board of Directors and may be changed by the Board of Directors.

8.9 **Seal**.

The corporation may adopt a corporate seal, which may be altered at pleasure, and may use the same by causing it or a facsimile thereof, to be impressed or affixed or in any other manner reproduced.

8.10 **Transfer Of Stock**.

Upon surrender to the corporation or the transfer agent of the corporation of a certificate for shares duly endorsed or accompanied by proper evidence of succession, assignation or authority to transfer, it shall be the duty of the corporation to issue a new certificate to the person entitled thereto, cancel the old certificate, and record the transaction in its books.

8.11 **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 of stock of the corporation to restrict the transfer of shares of stock of the corporation of any one or more classes owned by such stockholders in any manner not prohibited by the General Corporation Law of Delaware.

8.12 **Registered Stockholders**.

The corporation shall be entitled to recognize the exclusive right of a person registered on its books as the owner of shares to receive dividends and to vote as such owner, shall be entitled to hold liable for calls and assessments the person registered on its books as the owner of shares, and shall not be bound to recognize any equitable or other claim to or interest in such share or shares on the part of another person, whether or not it shall have express or other notice thereof, except as otherwise provided by the laws of Delaware.

8.13 **Facsimile Signature**.

In addition to the provisions for use of facsimile signatures elsewhere specifically authorized in these Bylaws, facsimile signatures of any officer or officers of the corporation may be used whenever and as authorized by the Board of Directors or a committee thereof.

ARTICLE IX

AMENDMENTS

The Bylaws of the corporation may be adopted, amended or repealed by the stockholders entitled to vote; provided, however, that the corporation may, in its certificate of incorporation, confer the power to adopt, amend or repeal Bylaws upon the directors. The fact that such power has been so conferred upon the directors shall not divest the stockholders of the power, nor limit their power to adopt, amend or repeal Bylaws.

ARTICLE X

Notwithstanding anything herein or in the Certificate of Incorporation to the contrary, for such time as the Corporation is admitted to the Official List of ASX Limited (the "ASX"), the following shall apply:

1. Except to the extent of any express written waiver (whether before or after the relevant act is taken) by ASX, if the Official Listing Rules of ASX or any other rules of ASX which are applicable to the Corporation from time to time (collectively the "Listing Rules") prohibit an act being done, the Corporation shall not have the power or authority to take such act.

2. Nothing contained in the Certificate of Incorporation or these Bylaws shall prevent an act being done that the Listing Rules require to be done.

3. If the Listing Rules require an act to be done or not to be done, the Board of Directors (and any committee or subcommittee thereof) and each officer of the Corporation shall have authority to cause such act to be done or not to be done (as the case may be).

4. If the Listing Rules require the Certificate of Incorporation or these Bylaws to contain a provision and such document does not contain such provision, such applicable document shall, and shall be deemed to, contain such provision.

5. If the Listing Rules require the Certificate of Incorporation or these Bylaws not to contain any provision otherwise contained herein or therein, such provision shall be, and shall be deemed to be, excluded from such document.

6. If any provision of the Certificate of Incorporation or these Bylaws is or becomes inconsistent with the Listing Rules, such inconsistency shall not affect the validity or enforceability of any other provision of such document, and such document shall not contain that provision to the extent of the inconsistency.

ARTICLE XI

To the extent that any provision of these Bylaws is found to be invalid or unenforceable, such invalidity or unenforceability shall not affect the validity or enforceability of any other provision of these Bylaws, and following any determination by a court of competent jurisdiction that any provision of these Bylaws is invalid or unenforceable, these Bylaws shall contain only such provisions (A) as were in effect immediately prior to such determination and (B) were not so determined to be invalid or unenforceable.

11.1 **Restricted Securities**

In connection with the corporation's admission to the Official List of the ASX and its listing of CHESS Depositary Interests ("CDIs") (with each CDI representing an interest in one twenty-fifth of a share of Common Stock) on the ASX, certain stockholders (each a "Restricted Stockholder") were required by the ASX to enter into an escrow (each an "Escrow Agreement") under which each stockholder agreed, among other things, to certain restrictions and prohibitions from engaging in transactions in the shares of capital stock (including capital stock in the form of CDIs) held or acquired by the stockholder (including shares of capital stock that may be acquired upon exercise of a stock option, warrant or other right) or shares of capital stock which attach to or arise from such capital stock (collectively, the "Restricted Securities") for a period of time identified in the Escrow Agreement (the "Lock-Up Period").

The corporation may refuse to acknowledge a disposal (including registering a transfer) of Restricted Securities during the Lock-Up Period except as permitted by the ASX or the Listing Rules.

11.2 **Registration of transfer**

The corporation may refuse to acknowledge or register any transfer of shares of the corporation's capital stock (including CDIs) held or acquired by a stockholder (including shares of the corporation's capital stock that may be acquired upon exercise of a stock option, warrant or other right) or shares of the corporation's capital stock which attach to or arise from such shares which are not made:

(a) in accordance with the provisions of Regulation S of the Securities Act of 1933 (U.S.), as amended to date and the rules and regulations promulgated thereunder (the "U.S. Securities Act") (Rule 901 through Rule 905 and preliminary notes);

(b) pursuant to registration under the U.S. Securities Act; or

(c) pursuant to an available exemption from registration.

LIFE360, INC.

CERTIFICATE OF ADOPTION OF
AMENDED AND RESTATED BYLAWS

May 14, 2019

The undersigned, Chris Hulls, hereby certifies that:

1. He is the duly elected, qualified and acting Secretary of Life360, Inc., a Delaware corporation (the "Company").

2. The foregoing Amended and Restated Bylaws of the Company were (a) duly adopted and approved by action of the Board of Directors of the Company (the "Board") and (b) duly adopted and approved by action by the stockholders of the Company, and are effective as of May 14, 2019.

IN WITNESS WHEREOF, the undersigned has executed this Certificate of Adoption of Amended and Restated Bylaws as of the date first written above.

/s/ Chris Hulls
Chris Hulls, Secretary

Exhibit 4.1

LIFE360, INC.

FOURTH AMENDED AND RESTATED INVESTORS' RIGHTS AGREEMENT

This Fourth Amended and Restated Investors' Rights Agreement (this "Agreement") is made and entered into as of September 18, 2018, by and among Life360, Inc., a Delaware corporation (the "Company"), the stockholders listed on Schedule 3 hereto (the "Founders"), the holders of Preferred Stock of the Company listed on Schedule 1 hereto (the "Existing Preferred Holders") and the purchasers of Series D Preferred Stock of the Company listed on Schedule 2 hereto (the "New Investors").

RECITALS

The Company, the Founders, and the Existing Preferred Holders are parties to a Third Amended and Restated Investors' Rights Agreement dated as of July 12, 2017 (the "Prior Agreement").

The Company and the New Investors have entered into a Series D Preferred Stock Purchase Agreement (the "Purchase Agreement") dated as the date hereof, pursuant to which the Company desires to sell to the New Investors and the New Investors desire to purchase from the Company shares of the Company's Series D Preferred Stock (the "Series D Preferred Stock"). A condition to the New Investors' obligations under the Purchase Agreement is that the Company, the Founders, the Existing Preferred Holders, and the New Investors enter into this Agreement in order to provide the Investors (as defined below) (i) certain rights to register shares of the Company's common stock (the "Common Stock") issuable upon conversion of the Company's preferred stock (the "Preferred Stock") held by the Investors, (ii) certain rights to receive or inspect information pertaining to the Company, and (iii) a right of first offer with respect to certain issuances by the Company of its securities. The Company, the Founders, and the Existing Preferred Holders desire to induce the New Investors to purchase shares of Series D Preferred Stock pursuant to the Purchase Agreement by agreeing to the terms and conditions set forth below.

The undersigned represent (a) the Company, (b) the holders of at least a majority of the Founders' Shares (as defined in the Prior Agreement) held by Founders (as defined in the Prior Agreement) providing services to the Company as an officer, employee or consultant and (c) the holders of at least a majority of the Company's outstanding Preferred Stock, and, as such, have the right pursuant to Section 5.3 of the Prior Agreement to execute and deliver this Agreement and amend and restate the Prior Agreement in the manner provided herein.

The Company, the Founders, and the Existing Preferred Holders desire to amend and restate the Prior Agreement in its entirety as set forth herein.

AGREEMENT

The parties agree as follows:

A. **Amendment of Prior Agreement; Waiver of Right of First Offer**.

Pursuant to Section 5.3 of the Prior Agreement, the Prior Agreement is hereby amended and restated in its entirety to read as set forth in this Agreement, and the Company, the Founders, the Existing Preferred Holders, and the New Investors shall be bound by the provisions hereof as the sole agreement of the Company, the Founders, the Existing Preferred Holders, and the New Investors with respect to the subject matter hereof. The Existing Preferred Holders holding at least a majority of the outstanding Preferred Stock hereby waive the right of first offer, including the notice requirements, set forth in Section 2.6 of the Prior Agreement with respect to the issuance of Series D Preferred Stock.

1. **Registration Rights**.

1.1 **Definitions**. For purposes of this Agreement:

(a) The term "Comerica" means Comerica Bank, a Texas banking association.

(b) The term "Comerica Warrants" means that certain Preferred Stock Purchase Warrant, issued by the Company to Comerica on July 17, 2012, and that certain Preferred Stock Purchase Warrant, issued by the Company to Comerica on March 27, 2014.

(c) The term "Corporate Investor" means ADT Holdings, Inc.

(d) The term "Exchange Act" means the Securities Exchange Act of 1934, as amended (and any successor thereto) and the rules and regulations promulgated thereunder.

(e) The term "Form S-3" means such form under the Securities Act as in effect on the date hereof or any successor form under the Securities Act that permits significant incorporation by reference of the Company's subsequent public filings under the Exchange Act.

(f) The term "Founders' Shares" means the shares of Common Stock issued to the Founders.

(g) The term "Holder" means any person owning or having the right to acquire Registrable Securities or any assignee thereof in accordance with Section 1.12 of this Agreement.

(h) The term "Investor" means the New Investors and the Existing Investors; provided that, upon the exercise of the Lighthouse Warrant, and the exercise of the Comerica Warrants, Comerica or Lighthouse, respectively, shall be deemed an "Investor" hereunder and Schedule 1 hereto shall be automatically amended to include such party as an "Investor" hereunder without any further action by or consent from the Investors.

(i) The term "Lender Warrant" means each of the Comerica Warrant and the Lighthouse Warrant, and collectively, the "Lender Warrants."

(j) The term "Lighthouse" means Lighthouse Capital Partners VI, L. P.

(k) The term "Lighthouse Warrant" means that certain Preferred Stock Purchase Warrant, issued by the Company to Lighthouse on July 17, 2012.

(l) The term "Qualified IPO" shall have the meaning as defined in the Restated Certificate.

(m) The terms "register," "registered," and "registration" refer to a registration effected by preparing and filing a registration statement or similar document in compliance with the Securities Act, and the declaration or ordering of effectiveness of such registration statement or document.

(n) The term "Registrable Securities" means (i) the shares of Common Stock issuable or issued upon conversion of the Preferred Stock, including, without limitation, shares of Preferred Stock issued upon exercise of the Lender Warrants, other than shares for which registration rights have terminated pursuant to Section 1.15 hereof; provided, however, that for the purposes of Sections 1.2 and 1.13, the shares of Common Stock issuable or issued upon conversion of the Preferred Stock issued upon exercise of the Lender Warrants shall not be deemed Registrable Securities and the holders thereof shall not be deemed Holders, (ii) the Founders' Shares only for the purposes of Section 1.3 related to Company registrations and provisions 1.7 through 1.12 only insofar as such provision relates to such Company registrations, and (iii) any other shares of Common Stock of the Company issued as (or issuable upon the conversion or exercise of any warrant, right or other security which is issued as) a dividend or other distribution with respect to, or in exchange for or in replacement of, the shares listed in (i) and (ii); provided, however, that the foregoing definition shall exclude in all cases any Registrable Securities sold by a person in a transaction in which such person's rights under this Agreement are not assigned. Notwithstanding the foregoing, Common Stock or other securities shall only be treated as Registrable Securities if and so long as (A) they have not been sold to or through a broker or dealer or underwriter in a public distribution or a public securities transaction, (B) they have not been sold in a transaction exempt from the registration and prospectus delivery requirements of the Securities Act under Section 4(1) thereof so that all transfer restrictions, and restrictive legends with respect thereto, if any, are removed upon the consummation of such sale, or (C) the Holder thereof is entitled to exercise any right provided in Section 1 in accordance with Section 1.12 below.

(o) The number of shares of "Registrable Securities then outstanding" shall be determined by the number of shares of Common Stock outstanding which are, and the number of shares of Common Stock issuable pursuant to then exercisable or convertible securities which are, Registrable Securities.

(p) The term "Restated Certificate" means the Company's Amended and Restated Certificate of Incorporation as the same may be amended from time to time.

(q) The term "SEC" means the U.S. Securities and Exchange Commission.

(r) The term "Securities Act" means the U.S. Securities Act of 1933, as amended (and any successor thereto) and the rules and regulations promulgated thereunder.

1.2 **Request for Registration**.

(a) If the Company shall receive at any time after the earlier of (i) the 5th anniversary of the Initial Closing (as defined in the Purchase Agreement), or (ii) six months after the effective date of the first registration statement for a public offering of securities of the Company (other than a registration statement relating either to the sale of securities to employees of the Company pursuant to a stock option, stock purchase or similar plan or an SEC Rule 145 transaction), a written request from the Holders of at least 33% of the Registrable Securities then outstanding that the Company file a registration statement under the Securities Act covering the registration of at least such number of the Registrable Securities having an anticipated aggregate offering price, net of underwriting discounts and commissions, of at least $5,000,000, then the Company shall, within 10 days of the receipt thereof, give written notice of such request to all Holders and shall, subject to the limitations of subsection 1.2(b), use its best efforts to file as soon as practicable, and in any event within 45 days of the receipt of such request, a registration statement under the Securities Act covering all Registrable Securities which the Holders request to be registered within 20 days of the mailing of such notice by the Company.

(b) If the Holders initiating the registration request hereunder ("Initiating Holders") intend to distribute the Registrable Securities covered by their request by means of an underwriting, they shall so advise the Company as a part of their request made pursuant to this Section 1.2 and the Company shall include such information in the written notice referred to in subsection 1.2(a). The underwriter will be selected by a majority in interest of the Initiating Holders and shall be reasonably acceptable to the Company. In such event, the right of any Holder to include its Registrable Securities in such registration shall be conditioned upon such Holder's participation in such underwriting and the inclusion of such Holder's Registrable Securities in the underwriting (unless otherwise mutually agreed by a majority in interest of the Initiating Holders and such Holder) to the extent provided herein. All Holders proposing to distribute their securities through such underwriting shall (together with the Company as provided in subsection 1.5(e)) enter into an underwriting agreement in customary form with the underwriter or underwriters selected for such underwriting. Notwithstanding any other provision of this Section 1.2, if the underwriter advises the Initiating Holders in writing that marketing factors require a limitation of the number of shares to be underwritten, then the Initiating Holders shall so advise all Holders of Registrable Securities that would otherwise be underwritten pursuant hereto, and the number of shares of Registrable Securities that may be included in the underwriting shall be allocated among all participating Holders thereof, including the Initiating Holders, in proportion (as nearly as practicable) to the amount of Registrable Securities of the Company owned by each participating Holder; provided, however, that the number of shares of Registrable Securities to be included in such underwriting shall not be reduced unless all other securities are first entirely excluded from the underwriting.

(c) Notwithstanding the foregoing, if the Company shall furnish to Holders requesting a registration statement pursuant to this Section 1.2, a certificate signed by the President of the Company stating that in the good faith judgment of the Board of Directors of the Company (the "Board"), it would be seriously detrimental to the Company and its holders of capital stock for such registration statement to be filed and it is therefore essential to defer the filing of such registration statement, the Company shall have the right to defer such filing for a period of not more than 60 days after receipt of the request of the Initiating Holders; provided, however, that the Company may not utilize this right more than once in any twelve-month period.

(d) In addition, the Company shall not be obligated to effect, or to take any action to effect, any registration pursuant to this Section 1.2:

(i) after the Company has effected 2 registrations pursuant to this Section 1.2 and such registrations have been declared or ordered effective;

(ii) during the period starting with the date 90 days prior to the Company's good faith estimate of the date of filing of, and ending on a date 90 days after the effective date of, a registration subject to Section 1.3 unless such offering is the initial public offering of the Company's securities, in which case, ending on a date 180 days after the effective date of such registration subject to Section 1.3 or such longer period as required by the Joint Lead Managers in connection with an offering of the Company's Common Stock on the official list of the Australian Securities Exchange (the "ASX" and such offering, the "ASX Offering"), provided that such period shall in no event exceed 12 months; provided that the Company is actively employing in good faith all reasonable efforts to cause such registration statement to become effective; or

(iii) if the Initiating Holders propose to dispose of shares of Registrable Securities that may be immediately registered on Form S-3 pursuant to a request made pursuant to Section 1.4.

1.3 **Company Registration**. If (but without any obligation to do so) the Company proposes to register (including for this purpose a registration effected by the Company for holders of capital stock other than the Holders) any of its stock under the Securities Act in connection with the public offering of such securities (other than a registration relating solely to the sale of securities to participants in a Company stock plan or a transaction covered by Rule 145 under the Securities Act, a registration in which the only stock being registered is Common Stock issuable upon conversion of debt securities which are also being registered, or any registration on any form which does not include substantially the same information as would be required to be included in a registration statement covering the sale of the Registrable Securities), the Company shall, at such time, give each Holder written notice of such registration at least fifteen (15) days prior to the filing of such registration statement. Upon the written request of each Holder given within 20 days after mailing of such notice by the Company in accordance with Section 5.4, the Company shall, subject to the cut back provisions of Section 1.8 cause to be registered under the Securities Act all of the Registrable Securities that each such Holder has requested to be registered. 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.

1.4 **Form S-3 Registration**. In case the Company shall receive from any Holder or Holders of at least 20% of the Registrable Securities a written request or requests that the Company effect a registration on Form S-3 (or any successor to Form S-3) or any similar short-form registration statement and any related qualification or compliance with respect to all or a part of the Registrable Securities owned by such Holder or Holders, the Company will:

(a) promptly give written notice of the proposed registration, and any related qualification or compliance, to all other Holders; and

(b) as soon as practicable, effect such registration and all such qualifications and compliances as may be so requested and as would permit or facilitate the sale and distribution of all or such portion of such Holder's or Holders' Registrable Securities as are specified in such request, together with all or such portion of the Registrable Securities of any other Holder or Holders joining in such request as are specified in a written request given within 15 days after receipt of such written notice from the Company; provided, however, that the Company shall not be obligated to effect any such registration, qualification or compliance, pursuant to this Section 1.4: (i) if Form S-3 is not available for such offering by the Holders; (ii) if the Holders, together with the holders of any other securities of the Company entitled to inclusion in such registration, propose to sell Registrable Securities and such other securities (if any) at an aggregate price to the public (net of any underwriters' discounts or commissions) of less than $1,000,000; (iii) if within thirty (30) days of receipt of a written request from any Holder or Holders pursuant to this Section 1.4, the Company gives notice to such Holder or Holders of the Company's intention to make a public offering within ninety (90) days, *provided* that such Holders were permitted to register such shares as requested to be registered pursuant to Section 1.3 hereof without reduction by the underwriter thereof, (iv) if the Company shall furnish to the Holders a certificate signed by the President of the Company stating that in the good faith judgment of the Board, it would be seriously detrimental to the Company and its holders of capital stock for such Form S-3 registration to be effected at such time, in which event the Company shall have the right to defer the filing of the Form S-3 registration statement for a period of not more than 60 days after receipt of the request of the Holder or Holders under this Section 1.4; provided, however, that the Company shall not utilize this right more than once in any 12-month period; (v) if the Company has, within the 12-month period preceding the date of such request, already effected two registrations on Form S-3 for the Holders pursuant to this Section 1.4; or (vi) in any particular jurisdiction in which the Company would be required to qualify to do business or to execute a general consent to service of process in effecting such registration, qualification or compliance.

(c) Subject to the foregoing, the Company shall file a registration statement covering the Registrable Securities and other securities so requested to be registered as soon as practicable after receipt of the request or requests of the Holders. Registrations effected pursuant to this Section 1.4 shall not be counted as demands for registration or registrations effected pursuant to Section 1.2.

1.5 **Obligations of the Company**. Whenever required under this Section 1 to effect the registration of any Registrable Securities, the Company shall, as expeditiously as reasonably possible:

(a) Prepare and file with the SEC a registration statement with respect to such Registrable Securities and use its best efforts to cause such registration statement to become effective, and, upon the request of the Holders of a majority of the Registrable Securities registered thereunder, keep such registration statement effective for up to 120 days, or until the distribution described in such registration statement is completed, if earlier.

(b) Prepare and file with the SEC such amendments and supplements to such registration statement and the prospectus used in connection with such registration statement as may be necessary to comply with the provisions of the Securities Act with respect to the disposition of all securities covered by such registration statement for up to 120 days, or until the distribution described in such registration statement is completed, if earlier.

(c) Furnish to the Holders such number of copies of a prospectus, including a preliminary prospectus, in conformity with the requirements of the Securities Act, and such other documents as they may reasonably request in order to facilitate the disposition of Registrable Securities owned by them.

(d) Use its best efforts to register and qualify the securities covered by such registration statement under such other securities or Blue Sky laws of such jurisdictions as shall be reasonably requested by the Holders, provided that the Company shall not be required in connection therewith or as a condition thereto to qualify to do business or to file a general consent to service of process in any such states or jurisdictions.

(e) In the event of any underwritten public offering, enter into and perform its obligations under an underwriting agreement, in usual and customary form, with the managing underwriter of such offering. Each Holder participating in such underwriting shall also enter into and perform its obligations under such an agreement.

(f) Notify each Holder of Registrable Securities covered by such registration statement at any time when a prospectus relating thereto is required to be delivered under the Securities Act of the happening of any event as a result of which the prospectus included in such registration statement, as then in effect, includes an untrue statement of a material fact or omits to state a material fact required to be stated therein or necessary to make the statements therein not misleading in the light of the circumstances then existing, such obligation to continue for 120 days.

(g) Cause all such Registrable Securities registered pursuant hereunder to be listed on each securities exchange on which similar securities issued by the Company are then listed.

(h) Provide a transfer agent and registrar for all Registrable Securities registered pursuant hereunder and a CUSIP number for all such Registrable Securities, in each case not later than the effective date of such registration.

(i) Use its best efforts to furnish, at the request of any Holder requesting registration of Registrable Securities pursuant to this Section 1, on the date that such Registrable Securities are delivered to the underwriters for sale in connection with a registration pursuant to this Section 1, if such securities are being sold through underwriters, (i) an opinion, dated such date, of the counsel representing the Company for the purposes of such registration, in form and substance as is customarily given to underwriters in an underwritten public offering, addressed to the underwriters and (ii) a letter dated such date, from the independent certified public accountants of the Company, in form and substance as is customarily given by independent certified public accountants to underwriters in an underwritten public offering, addressed to the underwriters.

1.6 **Furnish Information**. It shall be a condition precedent to the obligations of the Company to take any action pursuant to this Section 1 with respect to the Registrable Securities of any selling Holder that such Holder shall furnish to the Company such information regarding itself, the Registrable Securities held by it, and the intended method of disposition of such securities as shall be required to effect the registration of such Holder's Registrable Securities. The Company shall have no obligation with respect to any registration requested pursuant to Section 1.2 or Section 1.4 of this Agreement if, as a result of the application of the preceding sentence, the number of shares or the anticipated aggregate offering price of the Registrable Securities to be included in the registration does not equal or exceed the number of shares or the anticipated aggregate offering price required to originally trigger the Company's obligation to initiate such registration as specified in subsection 1.2(a) or subsection 1.4(b), whichever is applicable.

1.7 **Expenses of Registration**.

(a) **Demand Registration**. All expenses other than underwriting discounts and commissions incurred in connection with registrations, filings or qualifications pursuant to Section 1.2, including (without limitation) all registration, filing and qualification fees, printers' and accounting fees, fees and disbursements of counsel for the Company, and the reasonable fees and disbursements, not to exceed $50,000 for each registration, of one counsel for the selling Holders selected by them with the approval of the Company, which approval shall not be unreasonably withheld, shall be borne by the Company; provided, however, that the Company shall not be required to pay for any expenses of any registration proceeding begun pursuant to Section 1.2 if the registration request is subsequently withdrawn at the request of the Holders of a majority of the Registrable Securities to be registered (in which case all participating Holders shall bear such expenses), unless the Holders of a majority of the Registrable Securities agree to forfeit their right to one demand registration pursuant to Section 1.2; provided further, however, that if at the time of such withdrawal, the Holders (i) have learned of a material adverse change in the condition, business, or prospects of the Company that was not known to the Holders at the time of their request and (ii) have withdrawn the request with reasonable promptness following disclosure by the Company of such material adverse change, then the Holders shall not be required to pay any of such expenses and shall not forfeit their rights pursuant to Section 1.2.

(b) **Company Registration**. All expenses other than underwriting discounts and commissions incurred in connection with registrations, filings or qualifications of Registrable Securities pursuant to Section 1.3 for each Holder (which right may be assigned as provided in Section 1.12), including (without limitation) all registration, filing, and qualification fees, printers' and accounting fees, fees and disbursements of counsel for the Company and the reasonable fees and disbursements, not to exceed $50,000 for each registration, of one counsel for the selling Holder or Holders selected by them with the approval of the Company, which approval shall not be unreasonably withheld, shall be borne by the Company.

(c) **Registration on Form S-3**. All expenses incurred in connection with a registration requested pursuant to Section 1.4, including (without limitation) all registration, filing, qualification, printers' and accounting fees and the reasonable fees and disbursements, not to exceed $50,000 for each registration, of one counsel for the selling Holder or Holders selected by them with the approval of the Company, which approval shall not be unreasonably withheld, and counsel for the Company, and any underwriters' discounts or commissions associated with Registrable Securities, shall be borne by the Company.

1.8 **Underwriting Requirements**. In connection with any offering involving an underwriting of shares of the Company's capital stock, the Company shall not be required under Section 1.3 to include any of the Holders' securities in such underwriting unless they accept the terms of the underwriting as agreed upon between the Company and the underwriters selected by it (or by other persons entitled to select the underwriters), and then only in such quantity as the underwriters determine in their sole discretion will not jeopardize the success of the offering by the Company. If the total amount of securities, including Registrable Securities, requested by holders of capital stock to be included in such offering exceeds the amount of securities sold other than by the Company that the underwriters determine in their sole discretion is compatible with the success of the offering, then the Company shall be required to include in the offering only that number of such securities, including Registrable Securities, which the underwriters determine in their sole discretion will not jeopardize the success of the offering (the securities so included to be apportioned pro rata among the selling security holders according to the total amount of securities entitled to be included therein owned by each selling security holder or in such other proportions as shall mutually be agreed to by such selling security holders) but in no event shall (a) the amount of securities of the selling Holders included in the offering be reduced below 33% of the total amount of securities included in such offering, unless such offering is the initial public offering of the Company's securities, in which case, the selling security holders may be excluded if the underwriters make the determination described above and no other holder's securities are included or (b) any securities held by a Founder be included if any securities held by any selling Holder are excluded. For purposes of the preceding parenthetical concerning apportionment, for any selling security holder which is a holder of Registrable Securities and which is a partnership or corporation, the partners, retired partners and holders of capital stock of such holder, or the estates and family members of any such partners and retired partners and any trusts for the benefit of any of the foregoing persons shall be deemed to be a single "selling security holder," and any pro-rata reduction with respect to such "selling security holder" shall be based upon the aggregate amount of shares carrying registration rights owned by all entities and individuals included in such "selling security holder," as defined in this sentence.

1.9 **Delay of Registration**. No Holder shall have any right to obtain or seek an injunction restraining or otherwise delaying any such registration as the result of any controversy that might arise with respect to the interpretation or implementation of this Section 1.

1.10 **Indemnification**. In the event any Registrable Securities are included in a registration statement under this Section 1:

(a) To the extent permitted by law, the Company will indemnify and hold harmless each Holder, the partners, officers, directors and security holders of each Holder, legal counsel and accountants for each Holder, any underwriter (as defined in the Securities Act) for such Holder and each person, if any, who controls such Holder or underwriter within the meaning of the Securities Act or the Exchange Act, against any losses, claims, damages, or liabilities (joint or several) to which they may become subject under the Securities Act, the Exchange Act or other

federal or state law, insofar as such losses, claims, damages, or liabilities (or actions in respect thereof) arise out of or are based upon any of the following statements, omissions or violations (collectively a "Violation"): (i) any untrue statement or alleged untrue statement of a material fact contained in such registration statement, including any preliminary prospectus or final prospectus contained therein or any amendments or supplements thereto, (ii) the omission or alleged omission to state therein a material fact required to be stated therein, or necessary to make the statements therein not misleading, or (iii) any violation or alleged violation by the Company of the Securities Act, the Exchange Act, any state securities law or any rule or regulation promulgated under the Securities Act, the Exchange Act or any state securities law; and the Company will pay to each such Holder, partner, officer, director, security holder, legal counsel, accountant, underwriter, or controlling person of such Holder, as incurred, any legal or other expenses reasonably incurred by them in connection with investigating or defending any such loss, claim, damage, liability, or action; provided, however, that the indemnity agreement contained in this subsection 1.10(a) shall not apply to amounts paid in settlement of any such loss, claim, damage, liability, or action if such settlement is effected without the consent of the Company (which consent shall not be unreasonably withheld), nor shall the Company be liable to any Holder, underwriter or controlling person for any such loss, claim, damage, liability, or action to the extent that it arises out of or is based upon a Violation which occurs in reliance upon and in conformity with written information furnished expressly for use in connection with such registration by any such Holder, partner, officer, director, security holder, legal counsel, accountant, underwriter, or controlling person of such Holder.

(b) To the extent permitted by law, each selling Holder, severally and not jointly, will, if Registrable Securities held by such Holder are included in the securities as to which such registration qualifications or compliance is being effected, indemnify and hold harmless the Company, each of its directors, each of its officers who has signed the registration statement, each person, if any, who controls the Company within the meaning of the Securities Act, any underwriter, any other Holder selling securities in such registration statement and any controlling person of any such underwriter or other Holder, against any losses, claims, damages, or liabilities (joint or several) to which any of the foregoing persons may become subject, under the Securities Act, the Exchange Act or other federal or state law, insofar as such losses, claims, damages, or liabilities (or actions in respect thereto) arise out of or are based upon any of the following statements, omissions or violations: (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, (ii) the omission or alleged omission to state therein a material fact required to be stated therein, or necessary to make the statements therein not misleading, or (iii) any violation or alleged violation by the Company of the Securities Act, the Exchange Act or any state securities law (collectively, a "Holder Violation"), in each case to the extent (and only to the extent) that such Holder Violation occurs solely in reliance upon and in conformity with written information furnished by such Holder under an instrument duly executed by such Holder and stated to be specifically for use in connection with such registration; and each such Holder will reimburse any legal or other expenses reasonably incurred by the Company or any such director, officer, controlling person, underwriter or other Holder, or partner, officer, director or controlling person of such other Holder in connection with investigating or defending any such loss, claim, damage, liability or action if it is judicially determined that there was such a Holder Violation; provided, however, that the indemnity agreement contained in this subsection 1.10(b) shall not apply to

amounts paid in settlement of any such loss, claim, damage, liability or action if such settlement is effected without the consent of the Holder, which consent shall not be unreasonably withheld; provided that in no event shall any indemnity under this subsection 1.10(b) exceed the net proceeds from the offering received by such Holder, except in the case of willful fraud by such Holder.

(c) Promptly after receipt by an indemnified party under this Section 1.10 of notice of the commencement of any action (including any governmental action), such indemnified party will, if a claim in respect thereof is to be made against any indemnifying party under this Section 1.10, deliver to the indemnifying party a written notice of the commencement thereof and the indemnifying party shall have the right to participate in, and, to the extent the indemnifying party so desires, jointly with any other indemnifying party similarly noticed, to assume the defense thereof with counsel mutually satisfactory to the parties; provided, however, that an indemnified party (together with all other indemnified parties which may be represented without conflict by one counsel) shall have the right to retain one separate counsel, with the reasonable fees and expenses to be paid by the indemnifying party, if representation of such indemnified party by the counsel retained by the indemnifying party would be inappropriate due to actual or potential differing interests between such indemnified party and any other party represented by such counsel in such proceeding. The failure to deliver written notice to the indemnifying party within a reasonable time of the commencement of any such action, if prejudicial to its ability to defend such action, shall relieve such indemnifying party of any liability to the indemnified party under this Section 1.10, but the omission so to deliver written notice to the indemnifying party will not relieve it of any liability that it may have to any indemnified party otherwise than under this Section 1.10.

(d) If the indemnification provided for in this Section 1.10 is held by a court of competent jurisdiction to be unavailable to an indemnified party with respect to any loss, liability, claim, damage or expense referred to therein, then the indemnifying party, in lieu of indemnifying such indemnified party hereunder, shall contribute to the amount paid or payable by such indemnified party as a result of such loss, liability, claim, damage, or expense in such proportion as is appropriate to reflect the relative fault of the indemnifying party on the one hand and of the indemnified party on the other in connection with the statements or omissions that resulted in such loss, liability, claim, damage or expense as well as any other relevant equitable considerations; provided that in no event shall any contribution by a Holder under this Subsection 1.10(d) exceed the net proceeds from the offering received by such Holder, except in the case of willful fraud by such Holder. The relative fault of the indemnifying party and of the indemnified party shall be determined by reference to, among other things, whether the untrue or alleged untrue statement of a material fact or the omission to state a material fact relates to information supplied by the indemnifying party or by the indemnified party and the parties' relative intent, knowledge, access to information, and opportunity to correct or prevent such statement or omission.

(e) Notwithstanding the foregoing, to the extent that the provisions on indemnification and contribution contained in the underwriting agreement entered into in connection with the underwritten public offering are in conflict with the foregoing provisions, the provisions in the underwriting agreement shall control.

(f) The obligations of the Company and Holders under this Section 1.10 shall survive the completion of any offering of Registrable Securities in a registration statement under this Section 1, and otherwise. 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.

1.11 **Reports Under the Exchange Act**. With a view to making available to the Holders the benefits of Rule 144 promulgated under the Securities Act and any other rule or regulation of the SEC that may at any time permit a Holder to sell securities of the Company to the public without registration or pursuant to a registration on Form S-3, the Company agrees to:

(a) make and keep public information available, as those terms are understood and defined in SEC Rule 144, at all times after 90 days after the effective date of the first registration statement filed by the Company for the offering of its securities to the general public so long as the Company remains subject to the periodic reporting requirements under Sections 13 or 15(d) of the Exchange Act;

(b) take such action, including the voluntary registration of its Common Stock under Section 12 of the Exchange Act, as is necessary to enable the Holders to utilize Form S-3 for the sale of their Registrable Securities, such action to be taken as soon as practicable after the end of the fiscal year in which the first registration statement filed by the Company for the offering of its securities to the general public is declared effective;

(c) file with the SEC in a timely manner all reports and other documents required of the Company under the Securities Act and the Exchange Act; and

(d) furnish to any Holder, so long as the Holder owns any Registrable Securities, forthwith upon request (i) a written statement by the Company that it has complied with the reporting requirements of SEC Rule 144 (at any time after 90 days after the effective date of the first registration statement filed by the Company), the Securities Act and the Exchange Act (at any time after it has become subject to such reporting requirements), or that it qualifies as a registrant whose securities may be resold pursuant to Form S-3 (at any time after it so qualifies), (ii) a copy of the most recent annual or quarterly report of the Company and such other reports and documents so filed by the Company, and (iii) such other information as may be reasonably requested in availing any Holder of any rule or regulation of the SEC which permits the selling of any such securities without registration or pursuant to such form.

1.12 **Assignment of Registration Rights**. The rights to cause the Company to register Registrable Securities pursuant to this Section 1 may be assigned (but only with all related obligations) by a Holder to a transferee or assignee (a) of at least 20% of the transferring Holder’s aggregate Registrable Securities originally obtained from the Company (or if the transferring Holder then owns less than 20% of such originally acquired securities, then all remaining Registrable Securities then held by the transferring Holder), (b) that is a subsidiary, parent, partner, limited partner, retired partner, member, retired member or holder of capital stock of a Holder, (c) that is an affiliated fund or entity of the Holder, which means with respect to a limited liability company or a limited liability partnership, a fund or entity managed by the same manager or managing member or general partner or management company or by an entity controlling,

controlled by, or under common control with such manager or managing member or general partner or management company (such a fund or entity, an "Affiliated Fund"), (d) who is a Holder's child, stepchild, grandchild, parent, stepparent, grandparent, spouse, sibling, mother- in-law, father-in-law, son-in-law, daughter-in-law, brother-in-law, or sister-in-law (such a relation, a Holder's "Immediate Family Member", which term shall include adoptive relationships), or (e) that is a trust for the benefit of an individual Holder or such Holder's Immediate Family Member, provided the Company is, within a reasonable time after such transfer, furnished with written notice of the name and address of such transferee or assignee and the securities with respect to which such registration rights are being assigned; and provided, further, that such assignment shall be effective only if the transferee agrees to be bound by this Agreement and immediately following such transfer the further disposition of such securities by the transferee or assignee is restricted under the Securities Act. For the purposes of determining the number of shares of Registrable Securities held by a transferee or assignee, the holdings of transferees and assignees of (i) a partnership who are partners or retired partners of such partnership or (ii) a limited liability company who are members or retired members of such limited liability company (including Immediate Family Members of such partners or members who acquire Registrable Securities by gift, will or intestate succession) shall be aggregated together and with the partnership or limited liability company; provided that all assignees and transferees who would not qualify individually for assignment of registration rights shall have a single attorney-in-fact for the purpose of exercising any rights, receiving notices or taking any action under Section 1.

1.13 **Limitations on Subsequent Registration Rights**. From and after the date of this Agreement, the Company shall not, without the prior written consent of the Holders of a majority of the outstanding Registrable Securities, enter into any agreement with any holder or prospective holder of any securities of the Company which would allow such holder or prospective holder (a) to include such securities in any registration filed under Section 1.2 hereof, unless under the terms of such agreement, such holder or prospective holder may include such securities in any such registration only to the extent that the inclusion of such securities will not reduce the amount of the Registrable Securities of the Holders which is included or (b) to make a demand registration which could result in such registration statement being declared effective prior to the earlier of either of the dates set forth in subsection 1.2(a) or within 120 days of the effective date of any registration effected pursuant to Section 1.2.

1.14 **Lock-Up Agreement**.

(a) **Lock-Up Period; Agreement**. In connection with the initial public offering of the Company's securities and upon request of the Company or the underwriters managing such offering of the Company's securities, Holder hereby agrees that such Holder will not, without the prior written consent of the Company or such underwriters, as the case may be, (i) sell, make any short sale of, loan, grant any option for the purchase of, or otherwise dispose of any securities of the Company however or whenever acquired (other than those included in the registration), 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 such securities, 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, for such period of time (not to exceed 180 days) from the effective date of such registration as may be requested by the Company or such managing underwriters and to execute an agreement reflecting the foregoing as may be requested by the

underwriters at the time of the Company's initial public offering. Notwithstanding the foregoing, if during the last 17 days of the restricted period, the Company issues an earnings release or material news or a material event relating to the Company occurs, or prior to the expiration of the restricted period the Company announces that it will release earnings results during the 16-day period beginning on the last day of the restricted period, then, upon the request of the managing underwriter, to the extent required by any FINRA rules, the restrictions imposed by this subsection shall continue to apply until the end of the third trading day following the expiration of the 15-day period beginning on the issuance of the earnings release or the occurrence of the material news or material event. In no event will the restricted period extend beyond 216 days after the effective date of the registration statement. Any waiver or termination of the restrictions of any or all of such agreements by the Company or the underwriters shall apply to all securityholders subject to such agreements pro rata based on the number of shares subject to such agreements.

(b) **Limitations**. The obligations described in Section 1.14(a) shall apply only if all officers, directors and 1% securityholders of the Company enter into similar agreements, and shall not apply to a registration relating solely to employee benefit plans, or to a registration relating solely to a transaction pursuant to Rule 145 under the Securities Act.

(c) **Stop-Transfer Instructions**. In order to enforce the foregoing covenants, the Company may impose stop-transfer instructions with respect to the securities of each Holder (and the securities of every other person subject to the restrictions in Section 1.14(a)).

(d) **Transferees Bound**. Each Holder agrees that it will not transfer securities of the Company unless each transferee agrees in writing to be bound by all of the provisions of this Section 1.14; provided that this Section 1.14(d) shall not apply to transfers pursuant to a registration statement or transfers after the 12-month anniversary of the effective date of the Company's initial registration statement subject to this Section 1.14.

(e) **Power of Attorney**.

(i) Each Holder acknowledges that if the Company seeks admission to the ASX, (A) the ASX may determine that some or all of the Company's securities are "restricted securities" (as that term is defined in the ASX Listing Rules) ("Restricted Securities") and require, as a condition to admission, that each holder of Restricted Securities (a "Restricted Securities Holder") enter into a restriction agreement substantially in the form set out in Appendix 9A to the ASX Listing Rules under which the Restricted Securities Holder will be prohibited from transferring the Restricted Securities for the period of time determined by the ASX ("Mandatory Restriction Agreement") and (B) the Joint Lead Managers engaged with respect to such ASX offering may require some or all of the stockholders to enter into a voluntary restriction agreement under which the stockholder will be prohibited from transferring the number of securities determined by the Joint Lead Managers for the period of time determined by the Joint Lead Managers (a "Voluntary Restriction Agreement" and together with the Mandatory Restriction Agreement, a "Restriction Agreement").

(ii) Each Holder must, and when requested by the Board, will complete, execute and deliver to the Company, a Restriction Agreement, provided that Holders of Series D Preferred Stock will not be required to sign such Voluntary Restriction Agreement.

(iii) Each Holder irrevocably appoints any two directors of the Company acting together as his/her or its attorney to complete and sign the Restriction Agreement under hand or seal.

(iv) The Company will provide each Holder with a copy of any Restriction Agreement executed on behalf of that Holder pursuant to the power of attorney under this Section 1.14(e) promptly following such execution.

(v) Each attorney may exercise or concur in exercising his powers even if the attorney has a conflict of duty in exercising powers or has a direct or personal interest in the means or result of that exercise of power.

(vi) Each Holder agrees to ratify and confirm whatever the attorney lawfully does or causes to be done under the appointment.

1.15 **Termination of Registration Rights**. No Holder shall be entitled to exercise any right provided for in this Section 1 after the earlier of (a) five years following the consummation of a Qualified IPO or (b) upon termination of this Agreement, as provided in Section 4.

2. **Covenants of the Company**.

2.1 **Delivery of Financial Statements**. Upon the request by a Major Investor (as hereinafter defined), the Company shall deliver to each Major Investor (other than a Major Investor reasonably deemed by the Company to be a competitor of the Company):

(a) as soon as practicable, but in any event within 150 days after the end of each fiscal year of the Company, an income statement for such fiscal year, a balance sheet of the Company and statement of stockholders' equity as of the end of such year, and a statement of cash flows for such year, such year-end financial reports to be in reasonable detail, prepared in accordance with generally accepted accounting principles ("GAAP"), and, as and to the extent otherwise required by the Board, audited and certified by an independent public accounting firm of internationally recognized standing selected by the Company;

(b) as soon as practicable, but in any event within 45 days after the end of each of the first three quarters of each fiscal year of the Company, an unaudited profit or loss statement, a statement of cash flows for such fiscal quarter and an unaudited balance sheet as of the end of such fiscal quarter, all prepared in accordance with GAAP (except that such financial statements may (A) be subject to normal year-end audit adjustments and (B) not contain all notes thereto that may be required in accordance with GAAP);

(c) within 30 days of the end of each month, an unaudited income statement and a statement of cash flows and balance and statement of stockholders' equity (including the type and amount of such securities held by each holder of the company's capital stock) for and as of the end of such month, all prepared in accordance with GAAP (except that such financial statements may (A) be subject to normal year-end audit adjustments and (B) not contain all notes thereto that may be required in accordance with GAAP);

(d) as soon as practicable, but in any event 30 days prior to the end of each fiscal year, a budget and business plan for the next fiscal year, prepared on a monthly basis, and, as soon as prepared, any other budgets or revised budgets prepared by the Company; and

(e) such other information relating to the financial condition, business, prospectus, or corporate affairs of the Company as any Major Investor may from time to time reasonably request; provided, however, that the Company shall not be obligated under this Section 2.1(e) to provide information (i) that the Company reasonably determines in good faith to be a trade secret or confidential information (unless covered by an enforceable confidentiality agreement, in a form acceptance to the Company); or (ii) the disclosure of which would adversely affect the attorney-client privilege between the Company and its counsel.

Notwithstanding anything else in this Section 2.1 to the contrary, the Company may cease providing the information set forth in this Section 2.1 during the period starting with the date 60 days before the Company's good-faith estimate of the date of filing of a registration statement if it reasonably concludes it must do so to comply with the SEC rules applicable to such registration statement and related offering; provided that the Company's covenants under this Section 2.1 shall be reinstated at such time as the Company is no longer actively employing its commercially reasonable efforts to cause such registration statement to become effective.

For purposes of this Agreement, a "Major Investor" shall mean any Investor who holds at least 100,000 shares of Registrable Securities (subject to adjustment for stock splits, stock dividends, reclassifications or the like). For purposes of this Section 2.1, the term "Major Investor" includes any general partners, managing members and affiliates of a person that is otherwise a Major Investor, including Affiliated Funds. A Major Investor who chooses to exercise the right of first offer may designate as purchasers under such right itself or its partners or affiliates, including Affiliated Funds, in such proportions as it deems appropriate.

2.2 **Inspection**. The Company shall permit each Major Investor (except for a Major Investor reasonably deemed by the Company to be a competitor of the Company), at such Major Investor's expense, to visit and inspect the Company's properties, to examine its books of account and records and to discuss the Company's affairs, finances and accounts with its officers, all at such reasonable times as may be requested by the Major Investor; provided, however, that the Company shall not be obligated pursuant to this Section 2.2 to provide access to any information which it reasonably considers to be privileged or a trade secret or similar confidential information.

2.3 **Stock Vesting**. Unless otherwise approved by the Board (including at least two Preferred Directors, as defined in the Restated Certificate), all restricted stock, stock options and other stock equivalents issued after the date of this Agreement to employees, directors, consultants and other service providers shall be subject to vesting as follows: (a) twenty-five percent (25%) 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) seventy- five percent (75%) of such stock shall vest monthly over the remaining three (3) years. With respect to any shares of stock purchased by any such person, the Company's repurchase option shall provide that upon

such person's termination of employment or service with the Company, with or without cause, the Company or its assignee shall have the option to purchase at the lower of cost or fair market value, as determined by the Board in good faith, any unvested shares of stock held by such person. Unless otherwise approved by the Board (including the affirmative approval of at least two Preferred Directors), the Company shall not grant any stock option or stock equivalent providing for vesting provisions that differ from the standard vesting schedule or accelerate the vesting upon an Acquisition or an Asset Transfer, termination of employment or similar event. Any vesting acceleration granted by the Board after the date hereof shall be conditioned upon (i) execution of a release of claims, (ii) resignation from the Board, if applicable, and (iii) agreement to vote such shares as directed by the holders of a majority of the then outstanding shares of Common Stock.

2.4 **Proprietary Information and Inventions Agreement**. The Company shall require all future employees and consultants of the Company at the time they first begin working for the Company (whether as an employee or as a consultant) to execute and deliver a Proprietary Information and Inventions Agreement substantially in the form attached as an exhibit to the Purchase Agreement.

2.5 **Market Stand-off**. All outstanding shares of Common Stock and Preferred Stock, and all future shares of Common Stock and Preferred Stock issuable upon the exercise or conversion of outstanding options, warrants or other exercisable or convertible securities shall be subject to a market standoff substantially similar to that provided in Section 1.14 hereof.

2.6 **Right of First Offer**. Subject to the terms and conditions specified in this Section 2.6, the Company hereby grants to each Major Investor a right of first offer with respect to future sales by the Company of its Shares (as hereinafter defined). Each time the Company proposes to offer any shares of, or securities convertible into or exercisable for any shares of, any class of its capital stock ("Shares"), the Company shall first make an offering of such Shares to each Major Investor in accordance with the following provisions:

(a) The Company shall deliver a notice (the "RFO Notice") to the Major Investors stating (i) its bona fide intention to offer such Shares, (ii) the number of such Shares to be offered, and (iii) the price and terms, if any, upon which it proposes to offer such Shares.

(b) Within 15 calendar days after delivery of the RFO Notice, the Major Investor may elect to purchase or obtain, at the price and on the terms specified in the RFO Notice, up to that portion of such Shares which equals the proportion that the number of shares of Common Stock issued and held, or issuable upon conversion and exercise of all convertible or exercisable securities then held, by such Major Investor bears to the total number of shares of Common Stock then outstanding (assuming full conversion and exercise of all convertible or exercisable securities). Such purchase shall be completed at the same closing as that of any third party purchasers or at an additional closing thereunder. The Company shall promptly, in writing, inform each Major Investor that purchases all the shares available to it (each, a "Fully-Exercising Investor") of any other Major Investor's failure to do likewise. During the 10-day period commencing after receipt of such information, each Fully-Exercising Investor shall be entitled to obtain that portion of the Shares for which Major Investors were entitled to subscribe but which were not subscribed for by the Major Investors that is equal to the proportion that the number of shares of Common Stock issued and held, or issuable upon conversion and exercise of all

convertible or exercisable securities then held, by such Fully-Exercising Investor bears to the total number of shares of Common Stock then outstanding (assuming full conversion and exercise of all convertible or exercisable securities) issued and held, or issuable upon conversion of the Preferred Stock then held, by all the Fully Exercising Investors. A Major Investor who chooses to exercise the right of first offer may designate as purchasers under such right itself or its partners or affiliates, including Affiliated Funds, in such proportions as it deems appropriate.

(c) The Company may, during the 45-day period following the expiration of the period provided in subsection 2.6(b) hereof, offer the remaining unsubscribed portion of the Shares to any person or persons at a price not less than, and upon terms no more favorable to the offeree than those specified in the RFO Notice. If the Company does not enter into an agreement for the sale of the Shares within such period, or if such agreement is not consummated within 60 days of the execution thereof, the right provided hereunder shall be deemed to be revived and such Shares shall not be offered unless first reoffered to the Major Investors in accordance herewith.

(d) The right of first offer in this Section 2.6 shall not be applicable to the issuance of Exempted Securities (as defined in the Restated Certificate).

(e) In addition to the foregoing, the rights of first offer in this Section 2.6 shall not be applicable with respect to any Major Investor and any subsequent securities issuance, if (i) at the time of such subsequent securities issuance, the Major Investor is not an “accredited investor,” as that term is then defined in Rule 501(a) under the Securities Act, and (ii) such subsequent securities issuance is otherwise being offered only to accredited investors.

2.7 **Confidentiality**. Each Investor agrees to use, and to use commercially reasonable efforts to ensure that its authorized representatives use, the same degree of care as such recipient uses to protect its own confidential information to keep confidential any information furnished to it which the Company identifies in writing as being proprietary or confidential or which would, under the circumstances, appear to a reasonable person to be confidential or proprietary, except such information that (a) was in the public domain prior to the time it was furnished to such recipient, (b) is known or becomes known to the public in general (other than as a result of a breach of this Section 2.7 by such Investor), (c) is or has been independently developed or conceived by the Investor without use of the Company’s confidential information, (d) is or has been made known or disclosed to the Investor by a third party without a breach of any obligation of confidentiality such third party may have to the Company, or (e) was in its possession or known by such recipient (as evidenced by written records) without restriction prior to receipt from the Company; provided, however, that an Investor may disclose confidential information (i) to its attorneys, accountants, consultants, and other professionals to the extent necessary to obtain their services in connection with monitoring its investment in the Company; (ii) to any bona fide prospective purchaser of any Registrable Securities from such Investor, if such prospective purchaser is bound by the provisions of this Section 2.7 prior to such disclosure and the Board (after being made aware of the identity of such prospective purchaser) has not deemed such prospective purchaser to be a competitor of the Company; (iii) to any former, current or prospective Affiliate, partner, limited partner, general partner, member, stockholder, management company or wholly owned subsidiary of such Investor (or any employee or representative of any of the foregoing) (each of the foregoing persons, a “Permitted Disclosee”), provided that such Investor informs such Permitted Disclosee that such

information is confidential and directs such Permitted Disclosee to maintain the confidentiality of such information; or (iv) as may otherwise be required by law, provided that the Investor promptly notifies the Company of such disclosure and takes reasonable steps to minimize the extent of any such required disclosure. Furthermore, Company acknowledges that Investor is engaged in the business of venture capital and receives information from many sources and reviews and invests in many opportunities that may involve similar or competing technologies, products, or services as offered by Company, which may include information that may be similar or identical to information disclosed by Company hereunder. Investor shall be free to use any such proprietary or confidential information for any purpose it may deem appropriate, subject to its above obligation regarding disclosure of such proprietary or confidential information during the specified period of confidentiality. Furthermore, Investor will not maintain an exclusive relationship with Company and Company agrees that neither this Agreement nor any disclosure of such proprietary or confidential information hereunder to Investor or Permitted Disclosee, (A) obligates Investor or Permitted Disclosee to receive any information from, perform any work for or enter into any agreement with Company or (B) limits Investor or Permitted Disclosee from engaging in or operating any business, entering into any agreement or business relationship with any third party, or evaluating, engaging in investment discussions with or investing in any third party, whether or not competitive with Company.

2.8 **Right to Conduct Activities**. The Company hereby acknowledges that certain of the Investors are professional investment funds and strategic investors, and as such invest in numerous portfolio companies, some of which may be deemed competitive with the Company’s business. No such Investor, nor its partners, affiliates, or affiliated investment funds shall be liable to the Company for any claim arising out of, or based upon, (i) the investment by such Investor or any affiliated investment fund in any entity competitive to the Company, or (ii) actions taken by any partner, officer, advisor or other representative of such Investor or any of its affiliates to assist any such competitive company, whether or not such action was taken as a board member of such competitive company, or otherwise; provided, however, that nothing herein shall relieve such Investor or any other party from liability associated with misuse of the Company’s confidential information in contravention of Section 2.7 hereof.

2.9 **ASX Offering**. The Company shall use good faith efforts to (a) effect an ASX Offering on or before June 30, 2019 and (b) take such actions as are reasonably necessary to effect such ASX Offering, including, but not limited to (i) soliciting Board and stockholder consents to effect the changes to the Company’s Restated Certificate, Bylaws or equity plans as required by the ASX, (ii) effecting amendments to warrants to net exercise automatically upon the ASX Offering if not previously exercised at least one month prior to the ASX Offering, and (iii) creating a subsidiary to facilitate any secondary “sell-down” element of the ASX Offering.

2.10 **ASX Participation Right**. Subject to the requirements of applicable securities laws and regulations, and in connection with an ASX Offering, the Company agrees to cause its managing underwriter or underwriters for such ASX Offering to provide each Purchaser (as defined in the Purchase Agreement) with the right, but not the obligation, to purchase from the Company, in the ASX Offering, (i) a number of shares to be sold in the ASX Offering equal to 150% of total purchase price paid by such Purchaser for shares of Series D Preferred Stock pursuant to the Purchase Agreement divided by the price per share offered in the ASC Offering or, if an Investor’s participation in the ASX Offering would not be permitted under applicable

securities laws and regulations, (ii) an equivalent number of shares of Common Stock in a concurrent private placement at such price per share offered in the ASX Offering. The shares of Common Stock so offered, if any, shall be offered at the same price at which they are being offered to the public pursuant to the Company's offering circular with respect to the ASX Offering. The Company and each Investor acknowledge that this indication of interest is not intended to be an offer to purchase from any Investor but merely an indication of interest to assist the Company in structuring the ASX Offering and preparing appropriate disclosure in the offering circular.

2.11 **Termination of Certain Covenants**. Each of the covenants set forth in this Section 2 (other than the covenants set forth in Sections 2.4, 2.5, 2.7, 2.8, 2.10 and 2.11) shall terminate as to each Holder and be of no further force or effect (i) immediately prior to the consummation of a Qualified IPO, or (ii) upon termination of this Agreement, as provided in Section 4.

3. **Stand Still Agreement**.

3.1 The Corporate Investor agrees and acknowledges that it will not directly or indirectly, acting alone or in concert with others, acquire or agree, offer, seek or propose to acquire beneficial ownership (as defined in the Exchange Act) of any Shares of the Company, or rights or options to acquire such ownership (including from a third party) (collectively, an "Acquisition of Shares").

3.2 The restrictions set forth in Section 3.1 shall not apply to, and nothing herein shall in any way restrict the Corporate Investor:

(a) from obtaining any Shares acquired directly from the Company by the Corporate Investor in connection with a stock split, rights offering made by the Company, dividend or recapitalization; or

(b) from obtaining any Shares issued by the Company:

(i) pursuant to any pre-emptive or other contractual rights to acquire Shares provided by (A) the Company to such Corporate Investor (including, without limitation, pursuant to the rights of first offer set forth in Section 2.6 of this Agreement and any contractual right set forth in the Company's Certificate of Incorporation or the other Transaction Agreements (as defined in the Purchase Agreement)) or (B) any other stockholder of the Company or party pursuant to the terms of any Transaction Agreement;

(ii) upon conversion, exchange or exercise of convertible, exchangeable or exercisable securities, including, without limitation, warrants, notes or options (in each case, only to the extent such convertible, exchangeable, or exercisable security is issued to the Corporate Investor directly by the Company);

(iii) upon conversion of the Preferred Stock; or

(iv) pursuant to the Purchase Agreement.

3.3 The covenants set forth in this Section 3 may be terminated or waived by the Company, notwithstanding and without regard to any other waiver or termination requirements set forth in this Agreement. Any termination, waiver or consent that may be made by the Company under this Section 3 shall be made at the sole discretion of the Company. The waiver or consent of the Company with respect to any transaction that would constitute an Acquisition of Shares shall not be deemed to constitute a waiver or consent to any other transaction that would constitute an Acquisition of Shares hereunder.

3.4 The covenants set forth in this Section 3 shall terminate as to the Corporate Investor and be of no further force or effect (a) immediately prior to the consummation of a Qualified IPO, or (b) upon termination of this Agreement, as provided in Section 4.

4. **Termination of Agreement**. This Agreement shall terminate and have no further force or effect upon the consummation of a transaction or series of related transactions deemed to be a liquidation, dissolution or winding up of the Company pursuant to the Restated Certificate, including a Liquidation Transaction (as defined in the Restated Certificate), except that any indemnification obligations set forth in Section 1.10 arising prior to and existing at the time such transaction(s) are consummated shall continue in full force and effect notwithstanding the consummation of such transaction(s).

5. **Miscellaneous**.

5.1 **Entire Agreement**. This Agreement constitutes the entire agreement between the parties hereto pertaining to the subject matter hereof, and supersedes any and all other written or oral agreements relating to the subject matter hereof existing between the parties hereto, including, without limitation, the Prior Agreement.

5.2 **Successors and Assigns; Third Party Beneficiaries**. Except as otherwise provided in this Agreement, the terms and conditions of this Agreement shall inure to the benefit of and be binding upon the respective successors, assigns and legal representatives of the parties. Nothing in this Agreement, express or implied, is intended to confer upon any party other than the parties hereto or their respective successors, assigns and legal representatives any rights, remedies, obligations, or liabilities under or by reason of this Agreement, except as expressly provided in this Agreement.

5.3 **Amendments and Waivers**. Any term of this Agreement may be amended or waived only with the written consent of (a) the Company, (b) the holders of at least a majority of the Founders' Shares held by Founders so long as either Founder is then providing services to the Company as an officer, employee or consultant (provided, however, that if the Founders are not providing services to the Company as the result of a temporary disability or pursuant to a leave of absence approved by the Board of Directors, including at least two Preferred Directors, the consent of at least a majority of the Founders' Shares held by the Founders shall be required), and (c) the holders of at least a majority of the Company's outstanding Preferred Stock (or their respective successors and assigns). Notwithstanding the foregoing, this Agreement may be amended with only the written consent of the Company for the sole purpose of including additional purchasers of Series D Preferred Stock as "Investors." Notwithstanding the foregoing, (i) Sections 2.1, 2.2, Section 2.6 and any other section of this Agreement applicable to Major Investors (including this

clause (i))may be amended, or any provision waived with respect to a particular transaction only with the written consent of the Major Investors holding at least a majority of the Registrable Securities held by all Major Investors; (ii) any amendment to or waiver of Section 3 shall require the consent of the Corporate Investor; (iii) the consent of holders of at least a majority of the Founders' Shares held by Founders shall be required if any such amendment or waiver adversely affects the rights of the Founders in a manner that is different than the effect on the rights of the other parties hereto, (iv) this Agreement may not be amended and the observance of any term hereunder may not be waived without the written consent of the holders representing a majority of the outstanding shares of Series D Preferred Stock with respect to (A) the Series D Preferred Stock if such amendment or waiver would alter, change or waive the rights or obligations relating to the Series D Preferred Stock in a manner that is materially and adversely different than, or materially disproportionate to, the treatment by such amendment or waiver of the rights or obligations relating to all other series of Preferred Stock and (B) any provision related to the ASX Offering, which for the avoidance of doubt shall include, but not be limited to, Sections 1.1(l), 1.2(d)(ii), 1.12 and 1.14(e), (v) this Agreement may not be amended and the observance of any term hereunder may not be waived with respect to any Investor without the written consent of such Investor if such amendment or waiver would alter, change or waive the rights or obligations of such Investor in a manner that is materially and adversely different than, or materially disproportionate to, the treatment by such amendment or waiver of the rights or obligations of all other Investors, (vi) this Agreement may not be amended and the observance of any term hereunder may not be waived with respect to the Series C-1 Preferred Stock without the written consent of the holders representing a majority of the outstanding shares of Series C-1 Preferred Stock if such amendment or waiver would alter, change or waive the rights or obligations relating to the Series C-1 Preferred Stock in a manner that is materially and adversely different than, or materially disproportionate to, the treatment by such amendment or waiver of the rights or obligations relating to all other series of Preferred Stock, (vii) this Agreement may not be amended and the observance of any term hereunder may not be waived with respect to the Series C Preferred Stock without the written consent of the holders representing a majority of the outstanding shares of Series C Preferred Stock if such amendment or waiver would alter, change or waive the rights or obligations relating to the Series C Preferred Stock in a manner that is materially and adversely different than, or materially disproportionate to, the treatment by such amendment or waiver of the rights or obligations relating to all other series of Preferred Stock, (viii) this Agreement may not be amended and the observance of any term hereunder may not be waived with respect to the Series B Preferred Stock without the written consent of the holders representing a majority of the outstanding shares of Series B Preferred Stock if such amendment or waiver would alter, change or waive the rights or obligations relating to the Series B Preferred Stock in a manner that is materially and adversely different than, or materially disproportionate to, the treatment by such amendment or waiver of the rights or obligations relating to all other series of Preferred Stock, and (ix) this Agreement may not be amended and the observance of any term hereunder may not be waived with respect to the Series A Preferred Stock without the written consent of the holders representing a majority of the outstanding shares of Series A Preferred Stock if such amendment or waiver would alter, change or waive the rights or obligations relating to the Series A Preferred Stock in a manner that is materially and adversely different than, or materially disproportionate to, the treatment by such amendment or waiver of the rights or obligations relating to all other series of Preferred Stock. Any amendment or waiver effected in accordance with this Section 5.3 shall be binding upon the Company, the Founders, the Investors, and each of their respective successors and assigns.

5.4 **Notices**. Any notice required or permitted by this Agreement shall be in writing and shall be deemed sufficient upon delivery, when delivered personally or by overnight courier or sent by email or fax (upon customary confirmation of receipt), or forty-eight (48) hours after being deposited in the U.S. mail as certified or registered mail with postage prepaid, addressed to the party to be notified at such party's address or fax number as set forth on the signature page or on Schedule 1 hereto, or as subsequently modified by written notice.

5.5 **Aggregation of Stock**. All shares of capital stock of the Company held or acquired by Affiliated entities or persons shall be aggregated together for the purpose of determining the availability of any rights under this Agreement and such Affiliated persons may apportion such rights as among themselves in any manner they deem appropriate. As used herein, "Affiliate" means, with respect to any specified Investor, any other Investor who, directly or indirectly, controls, is controlled by or is under common control with such Investor, including, without limitation, any general partner, managing member, officer or director of such Investor, or any venture capital fund now or hereafter existing which is controlled by one or more general partners or managing members of, or shares the same management company with, such Investor.

5.6 **Severability**. If one or more provisions of this Agreement are held to be unenforceable under applicable law, the parties agree to renegotiate such provision in good faith. In the event that the parties cannot reach a mutually agreeable and enforceable replacement for such provision, then (a) such provision shall be excluded from this Agreement, (b) the balance of this Agreement shall be interpreted as if such provision were so excluded and (c) the balance of this Agreement shall be enforceable in accordance with its terms.

5.7 **Governing Law**. This Agreement and any controversy arising out of or relating to this Agreement 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 all other matters shall be governed by and construed in accordance with the laws of the State of California, without giving effect to principles of conflicts of law.

5.8 **Counterparts**. This Agreement may be executed in two or more counterparts, each of which shall be deemed an original and all of which together shall constitute one and the same instrument.

5.9 **Titles and Subtitles**. The titles and subtitles used in this Agreement are used for convenience only and are not to be considered in construing or interpreting this Agreement.

[*Signature Page Follows*]

The parties have executed this Fourth Amended and Restated Investors' Rights Agreement as of the date first written above.

THE COMPANY:

LIFE360, INC.

By: */s/ Chris Hulls*
Chris Hulls
Chief Executive Officer

Address:

FOURTH AMENDED AND RESTATED INVESTORS' RIGHTS AGREEMENT OF LIFE360, INC.

The parties have executed this Fourth Amended and Restated Investors' Rights Agreement as of the date first written above.

THE FOUNDERS:

CHRIS HULLS

/s/ Chris Hulls
(Signature)

Address:

Email:

FOURTH AMENDED AND RESTATED INVESTORS' RIGHTS AGREEMENT OF LIFE360, INC.

The parties have executed this Fourth Amended and Restated Investors' Rights Agreement as of the date first written above.

THE FOUNDERS:

ALEX HARO

/s/ Alex Haro
(Signature)

Address:

Email:

FOURTH AMENDED AND RESTATED INVESTORS' RIGHTS AGREEMENT OF LIFE360, INC.

The parties have executed this Fourth Amended and Restated Investors' Rights Agreement as of the date first written above.

NEW VENTURES, LLC

By: AmFam Holdings, Inc.

Its: Managing Member

By: */s/Peter Gunder*
(Signature)

Name: Peter C. Gunder
Title: Vice President

Address:

Email:

FOURTH AMENDED AND RESTATED INVESTORS' RIGHTS AGREEMENT OF LIFE360, INC.

The parties have executed this Fourth Amended and Restated Investors' Rights Agreement as of the date first written above.

A-FUND, L.P.

By: A-Fund Investment Management, L.P. its General Partner

By: A-Fund International, Ltd. its General Partner

By: */s/ Jason Krikorian*
General Partner

Address:

FOURTH AMENDED AND RESTATED INVESTORS' RIGHTS AGREEMENT OF LIFE360, INC.

The parties have executed this Fourth Amended and Restated Investors' Rights Agreement as of the date first written above.

BULLPEN CAPITAL, L.P.

By: */s/ Richard Melmon*
(Signature)

Name: Richard Melmon
Title: Managing Director

Address:

Email:

FOURTH AMENDED AND RESTATED INVESTORS' RIGHTS AGREEMENT OF LIFE360, INC.

The parties have executed this Fourth Amended and Restated Investors' Rights Agreement as of the date first written above.

FONTINALIS CAPITAL PARTNERS I, LP

By: FONTINALIS CAPITAL PARTNERS GP I, LLC, its General Partner

By: */s/ Laura Petterle*
Laura A. Petterle
Partner and CFO

Address:

Email:

The parties have executed this Fourth Amended and Restated Investors' Rights Agreement as of the date first written above.

KEVIN HARTZ

By: *Isl Kevin Hartz*

Address:

Email:

FOURTH AMENDED AND RESTATED INVESTORS' RIGHTS AGREEMENT OF LIFE360, INC.

The parties have executed this Fourth Amended and Restated Investors' Rights Agreement as of the date first written above.

SERPAH LIFE360, LLC

By: */s/ Tuff Yen*
Tuff Yen
CEO Seraph Capital

Address:

Email:

FOURTH AMENDED AND RESTATED INVESTORS' RIGHTS AGREEMENT OF LIFE360, INC.

The parties have executed this Fourth Amended and Restated Investors’ Rights Agreement as of the date first written above.

VERIZON VENTURES LLC

By: */s/ Colleen Cunniffe*
Colleen Cunniffe
Chairman and Chief lnvestment Officer

Address:

Email:

FOURTH AMENDED AND RESTATED INVESTORS’ RIGHTS AGREEMENT OF LIFE360, INC.

The parties have executed this Fourth Amended and Restated Investors' Rights Agreement as of the date first written above.

SVIC NO. 22 NEW TECHNOLOGY BUSINESS INVESTMENT L.L.P

By: */s/ Wonsang Jang*
(Signature)

Name: Wonsang Jang
Title: CFO

Address:

Email:

FOURTH AMENDED AND RESTATED INVESTORS' RIGHTS AGREEMENT OF LIFE360, INC.

The parties have executed this Fourth Amended and Restated Investors’ Rights Agreement as of the date first written above.

ADT HOLDINGS, INC.

By: */s/ Lee Jackson*
(Signature)

Name: Lee Jackson
Title: Vice President

Address:

Email:

FOURTH AMENDED AND RESTATED INVESTORS’ RIGHTS AGREEMENT OF LIFE360, INC.

The parties have executed this Fourth Amended and Restated Investors' Rights Agreement as of the date first written above.

GREENCAPE BROADCAP FUND

By: */s/ Steven Haralambdis*
(Signature)

Name: Steven Haralambdis
Title: Dealer

Address:

Email:

HESTA GREENCAPE CAPITAL

By: /s/ Steven Haralambdis
(Signature)

Name: Steven Haralambdis
Title: Dealer

Address:

Email:

FOURTH AMENDED AND RESTATED INVESTORS' RIGHTS AGREEMENT OF LIFE360, INC.

The parties have executed this Fourth Amended and Restated Investors' Rights Agreement as of the date first written above.

LOCAL GOVERNMENT SUPER SCHEME—GREENCAPE

By: */s/ Steven Haralambdis*
(Signature)

Name: Steven Haralambdis
Title: Dealer

Address:

Email:

FOURTH AMENDED AND RESTATED INVESTORS' RIGHTS AGREEMENT OF LIFE360, INC.

The parties have executed this Fourth Amended and Restated Investors' Rights Agreement as of the date first written above.

REST – GREENCAPE CAPITAL

By: */s/ Steven Haralambdis*
(Signature)

Name: Steven Haralambdis
Title: Dealer

Address:

Email:

REST – GREENCAPE CAPITAL 2

By: */s/ Steven Haralambdis*
(Signature)

Name: Steven Haralambdis
Title: Dealer

Address:

Email:

FOURTH AMENDED AND RESTATED INVESTORS' RIGHTS AGREEMENT OF LIFE360, INC.

The parties have executed this Fourth Amended and Restated Investors' Rights Agreement as of the date first written above.

WARAKIRRI AUSTALIAN PENSIONS FUND

By: */s/ Steven Haralambdis*
(Signature)

Name: Steven Haralambdis
Title: Dealer

Address:

Email:

WARAKIRRI ENDEAVOUR FUND

By: */s/ Steven Haralambdis*
(Signature)

Name: Steven Haralambdis
Title: Dealer

Address:

Email:

The parties have executed this Fourth Amended and Restated Investors' Rights Agreement as of the date first written above.

WARAKIRRI ETHICAL CHARITIES PENSIONS FUND

By: */s/ Steven Haralambdis*
(Signature)

Name: Steven Haralambdis
Title: Dealer

Address:

Email:

FOURTH AMENDED AND RESTATED INVESTORS' RIGHTS AGREEMENT OF LIFE360, INC.

The parties have executed this Fourth Amended and Restated Investors' Rights Agreement as of the date first written above.

REGAL FUNDS MANAGEMENT PTY LTD

as trustee for Atlantic Absolute Return Fund

By: *\/s/ Brendan O'Connor*
(Signature)

Name: Brendan O'Connor
Title: CEO, Director

Address:

Email:

By: */s/ Kenny Ho*
(Signature)

Name: Kenny Ho
Title: Company Secretary

FOURTH AMENDED AND RESTATED INVESTORS' RIGHTS AGREEMENT OF LIFE360, INC.

Exhibit 10.1

INDEMNIFICATION AGREEMENT

THIS INDEMNIFICATION AGREEMENT (this "Agreement") is effective as of _______________, between Life360, Inc., a Delaware corporation (the "Company"), and ____________________ ("Indemnitee").

WITNESSETH THAT:

WHEREAS, Indemnitee performs a valuable service for the Company;

WHEREAS, the Board of Directors of the Company (the "Board of Directors") has adopted Amended and Restated Bylaws (the "Bylaws") providing for the indemnification of the officers and directors of the Company to the maximum extent authorized by Section 145 of the Delaware General Corporation Law, as amended (the "Law");

WHEREAS, the Bylaws and the Law, by their nonexclusive nature, permit contracts between the Company and the officers or directors of the Company with respect to indemnification of such officers or directors;

WHEREAS, in accordance with the authorization as provided by the Law, the Company may purchase and maintain a policy or policies of directors' and officers' liability insurance ("D & O Insurance"), covering certain liabilities which may be incurred by its officers or directors in the performance of their obligations to the Company;

WHEREAS, in order to induce Indemnitee to continue to serve as an officer or director of the Company, the Company has determined and agreed to enter into this contract with Indemnitee.

NOW, THEREFORE, in consideration of Indemnitee's service as an officer or director after the date hereof, the parties hereto agree as follows:

1. Indemnity of Indemnitee. The Company hereby agrees to hold harmless and indemnify Indemnitee to the full extent authorized or permitted by the provisions of the Law, as such may be amended from time to time, and Article VI of the Bylaws, as such may be amended. In furtherance of the foregoing indemnification, and without limiting the generality thereof:

(a) Proceedings Other Than Proceedings by or in the Right of the Company. Indemnitee shall be entitled to the rights of indemnification provided in this Section l(a) if, by reason of his Corporate Status (as hereinafter defined), he is, or is threatened to be made, a party to or participant in any Proceeding (as hereinafter defined) other than a Proceeding by or in the right of the Company. Pursuant to this Section 1(a), Indemnitee shall be indemnified against all Expenses (as hereinafter defined), judgments, penalties, fines and amounts paid in settlement actually and reasonably incurred by him, or on his behalf, in connection with such Proceeding or any claim, issue or matter therein, if he acted in good faith and in a manner he reasonably believed to be in or not opposed to the best interests of the Company, and with respect to any criminal Proceeding, had no reasonable cause to believe his conduct was unlawful.

(b) Proceedings by or in the Right of the Company. Indemnitee shall be entitled to the rights of indemnification provided in this Section 1(b) if, by reason of his Corporate Status, he is, or is threatened to be made, a party to or participant in any Proceeding brought by or in the right of the Company. Pursuant to this Section 1(b), Indemnitee shall be indemnified against all Expenses actually and reasonably incurred by him, or on his behalf, in connection with such Proceeding if he acted in good faith and in a manner he reasonably believed to be in or not opposed to the best interests of the Company; provided, however, if applicable law so provides, no indemnification against such Expenses shall be made in respect of any claim, issue or matter in such Proceeding as to which Indemnitee shall have been adjudged to be liable to the Company unless and to the extent that the Court of Chancery of the State of Delaware shall determine that such indemnification may be made.

(c) Indemnification for Expenses of a Party Who is Wholly or Partly Successful. Notwithstanding any other provision of this Agreement, to the extent that Indemnitee is, by reason of his Corporate Status, a party to and is successful, on the merits or otherwise, in any Proceeding, he shall be indemnified to the maximum extent permitted by law against all Expenses actually and reasonably incurred by him or on his behalf in connection therewith. If Indemnitee is not wholly successful in such Proceeding but is successful, on the merits or otherwise, as to one or more but less than all claims, issues or matters in such Proceeding, the Company shall indemnify Indemnitee against all Expenses actually and reasonably incurred by her or on his behalf in connection with each successfully resolved claim, issue or matter. For purposes of this Section and without limitation, the termination of any claim, issue or matter in such a Proceeding by dismissal, with or without prejudice, shall be deemed to be a successful result as to such claim, issue or matter.

2. Additional Indemnity. In addition to, and without regard to any limitations on, the indemnification provided for in Section 1 of this Agreement, the Company shall and hereby does indemnify and hold harmless Indemnitee against all Expenses, judgments, penalties, fines and amounts paid in settlement actually and reasonably incurred by him or on his behalf if, by reason of his Corporate Status, he is, or is threatened to be made, a party to or participant in any Proceeding (including a Proceeding by or in the right of the Company), including, without limitation, all liability arising out of the negligence or active or passive wrongdoing of Indemnitee. The only limitation that shall exist upon the Company’s obligations pursuant to this Agreement shall be that the Company shall not be obligated to make any payment to Indemnitee that is finally determined (under the procedures, and subject to the presumptions, set forth in Sections 6 and 7 hereof) to be unlawful under Delaware law.

3. Contribution in the Event of Joint Liability.

(a) Whether or not the indemnification provided in Sections 1 and 2 hereof is available, to the fullest extent provided by Delaware law, in respect of any threatened, pending or completed action, suit or proceeding in which the Company is jointly liable with Indemnitee (or would be if joined in such action, suit or proceeding), the Company shall pay, in the first instance, the entire amount of any judgment or settlement of such action, suit or proceeding without requiring Indemnitee to contribute to such payment and the Company hereby waives and relinquishes any right of contribution it may have against Indemnitee. The Company shall not enter into any settlement of any action, suit or proceeding in which the Company is jointly liable with Indemnitee (or would be if joined in such action, suit or proceeding) unless such settlement provides for a full and final release of all claims asserted against Indemnitee.

(b) Without diminishing or impairing the obligations of the Company set forth in the preceding subparagraph, if, for any reason, Indemnitee shall elect or be required to pay all or any portion of any judgment or settlement in any threatened, pending or completed action, suit or proceeding in which the Company is jointly liable with Indemnitee (or would be if joined in such action, suit or proceeding), the Company shall contribute to the amount of Expenses (including attorneys' fees), judgments, fines and amounts paid in settlement actually and reasonably incurred and paid or payable by Indemnitee in proportion to the relative benefits received by the Company and all officers, directors or employees of the Company, other than Indemnitee, who are jointly liable with Indemnitee (or would be if joined in such action, suit or proceeding), on the one hand, and Indemnitee, on the other hand, from the transaction from which such action, suit or proceeding arose; provided, however, that the proportion determined on the basis of relative benefit may, to the extent necessary to conform to law, be further adjusted by reference to the relative fault of the Company and all officers, directors or employees of the Company other than Indemnitee who are jointly liable with Indemnitee (or would be if joined in such action, suit or proceeding), on the one hand, and Indemnitee, on the other hand, in connection with the events that resulted in such expenses, judgments, fines or settlement amounts, as well as any other equitable considerations which the Law may require to be considered. The relative fault of the Company and all officers, directors or employees of the Company, other than Indemnitee, who are jointly liable with Indemnitee (or would be if joined in such action, suit or proceeding), on the one hand, and Indemnitee, on the other hand, shall be determined by reference to, among other things, the degree to which their actions were motivated by intent to gain personal profit or advantage, the degree to which their liability is primary or secondary and the degree to which their conduct is active or passive.

(c) The Company hereby agrees to fully indemnify and hold Indemnitee harmless from any claims of contribution which may be brought by officers, directors or employees of the Company, other than Indemnitee, who may be jointly liable with Indemnitee.

4. Indemnification for Expenses of a Witness. Notwithstanding any other provision of this Agreement, to the extent that Indemnitee is, by reason of his Corporate Status, a witness in any Proceeding to which Indemnitee is not a party or is made (or asked to) respond to discovery requests, he shall be indemnified against all Expenses actually and reasonably incurred by him or on his behalf in connection therewith.

5. Advancement of Expenses. Notwithstanding any other provision of this Agreement, the Company shall advance all Expenses incurred by or on behalf of Indemnitee in connection with any Proceeding by reason of Indemnitee's Corporate Status within ten (10) days after the receipt by the Company of a statement or statements from Indemnitee requesting such advance or advances from time to time, whether prior to or after final disposition of such Proceeding. Such statement or statements shall reasonably evidence the Expenses incurred by Indemnitee and shall include or be preceded or accompanied by an undertaking by or on behalf of Indemnitee to repay any Expenses advanced if it shall ultimately be determined that Indemnitee is not entitled to be indemnified against such Expenses. Any advances and

undertakings to repay pursuant to this Section 5 shall be unsecured and interest free. Notwithstanding the foregoing, the obligation of the Company to advance Expenses pursuant to this Section 5 shall be subject to the condition that, if, when and to the extent that the Company reasonably determines that Indemnitee would not be permitted to be indemnified under applicable law, the Company shall be entitled to be reimbursed, within thirty (30) days of such determination, by Indemnitee (who hereby agrees to reimburse the Company) for all such amounts theretofore paid; provided, however, that if Indemnitee has commenced or thereafter commences legal proceedings in the Court of Chancery of the State of Delaware to secure a determination that Indemnitee should be indemnified under applicable law, any determination made by the Company that Indemnitee would not be permitted to be indemnified under applicable law shall not be binding and Indemnitee shall not be required to reimburse the Company for any advance of Expenses until a final judicial determination is made with respect thereto (and as to which all rights of appeal therefrom have been exhausted or lapsed).

6. Procedures and Presumptions for Determination of Entitlement to Indemnification. It is the intent of this Agreement to secure for Indemnitee rights of indemnity that are as favorable as may be permitted under the Law and public policy of the State of Delaware. Accordingly, the parties agree that the following procedures and presumptions shall apply in the event of any question as to whether Indemnitee is entitled to indemnification under this Agreement:

(a) To obtain indemnification (including, but not limited to, the advancement of Expenses and contribution by the Company) under this Agreement, Indemnitee shall submit to the Company a written request, including therein or therewith such documentation and information as is reasonably available to Indemnitee and is reasonably necessary to determine whether and to what extent Indemnitee is entitled to indemnification. The Secretary of the Company shall, promptly upon receipt of such a request for indemnification, advise the Board of Directors in writing that Indemnitee has requested indemnification. Notwithstanding the foregoing, any failure of Indemnitee to provide such a request to the Company, or to provide such a request in a timely fashion, shall not relieve the Company of any liability that it may have to Indemnitee unless, and to the extent that, such failure actually and materially prejudices the interests of the Company.

(b) Upon written request by Indemnitee for indemnification pursuant to the first sentence of Section 6(a) hereof, a determination, if required by applicable law, with respect to Indemnitee's entitlement thereto shall be made in the specific case by one of the following three methods, which shall be at the election of the Board of Directors: (1) by a majority vote of the Disinterested Directors, even though less than a quorum, (2) by Independent Counsel in a written opinion or (3) by the stockholders.

(c) If the determination of entitlement to indemnification is to be made by Independent Counsel pursuant to Section 6(b) hereof, the Independent Counsel shall be selected as provided in this Section 6(c). The Independent Counsel shall be selected by the Board of Directors. Indemnitee may, within 10 days after written notice of such selection shall have been given, deliver to the Company 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 13 of this Agreement,

and the objection shall set forth with particularity the factual basis of such assertion. Absent a proper and timely objection, the person so selected shall act as Independent Counsel. If a written objection is made and substantiated, the Independent Counsel selected may not serve as Independent Counsel unless and until such objection is withdrawn or a court has determined that such objection is without merit. If, within 20 days after submission by Indemnitee of a written request for indemnification pursuant to Section 6(a) hereof, no Independent Counsel shall have been selected and not objected to, either the Company or Indemnitee may petition the Court of Chancery of the State of Delaware for resolution of any objection which shall have been made by Indemnitee to the Board of Director's selection of Independent Counsel and/or for the appointment as Independent Counsel of a person selected by the court or by such other person as the court shall designate, and the person with respect to whom all objections are so resolved or the person so appointed shall act as Independent Counsel under Section 6(b) hereof. The Company shall pay any and all reasonable fees and expenses of Independent Counsel incurred by such Independent Counsel in connection with acting pursuant to Section 6(b) hereof, and the Company shall pay all reasonable fees and expenses incident to the procedures of this Section 6(c), regardless of the manner in which such Independent Counsel was selected or appointed.

(d) In making a determination with respect to entitlement to indemnification hereunder, the person or persons or entity making such determination shall presume that Indemnitee is entitled to indemnification under this Agreement. Anyone seeking to overcome this presumption shall have the burden of proof and the burden of persuasion by clear and convincing evidence. 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, shall be a defense to the action or create a presumption that Indemnitee has not met the applicable standard of conduct.

(e) Indemnitee shall be deemed to have acted in good faith if Indemnitee's action is based on the records or books of account of the Enterprise (as hereinafter defined), including financial statements, or on information supplied to Indemnitee by the officers of the Enterprise in the course of their duties, or on the advice of legal counsel for the Enterprise or on information or records given or reports made to the Enterprise by an independent certified public accountant or by an appraiser or other expert selected with reasonable care by the Enterprise. In addition, the knowledge and/or actions, or failure to act, of any director, officer, agent or employee of the Enterprise shall not be imputed to Indemnitee for purposes of determining the right to indemnification under this Agreement. Whether or not the foregoing provisions of this Section 6(e) are satisfied, it shall in any event be presumed that Indemnitee has at all times acted in good faith and in a manner he reasonably believed to be in or not opposed to the best interests of the Company. Anyone seeking to overcome this presumption shall have the burden of proof and the burden of persuasion by clear and convincing evidence.

(f) If the person, persons or entity empowered or selected under Section 6 to determine whether Indemnitee is entitled to indemnification shall not have made a determination within thirty (30) days after receipt by the Company of the request therefor, the requisite determination of entitlement to indemnification shall be deemed to have been made and

Indemnitee shall 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; provided, however, that such 30-day period may be extended for a reasonable time, not to exceed an additional fifteen (15) days, if the person, persons or entity making such determination with respect to entitlement to indemnification in good faith requires such additional time to obtain or evaluate documentation and/or information relating thereto; and provided, further, that the foregoing provisions of this Section 6(f) shall not apply if the determination of entitlement to indemnification is to be made by the stockholders pursuant to Section 6(b) of this Agreement and if (A) within fifteen (15) days after receipt by the Company of the request for such determination, the Board of Directors or the Disinterested Directors, if appropriate, resolve to submit such determination to the stockholders for their consideration at an annual meeting thereof to be held within seventy-five (75) days after such receipt and such determination is made thereat, or (B) a special meeting of stockholders is called within fifteen (15) days after such receipt for the purpose of making such determination, such meeting is held for such purpose within sixty (60) days after having been so called and such determination is made thereat.

(g) Indemnitee shall cooperate with the person, persons or entity making such 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. Any Independent Counsel, member of the Board of Directors or stockholder of the Company shall act reasonably and in good faith in making a determination regarding the Indemnitee's entitlement to indemnification under this Agreement. Any costs or expenses (including attorneys' fees and disbursements) incurred by Indemnitee in so cooperating with the person, persons or entity making such determination shall be borne by the Company (irrespective of the determination as to Indemnitee's entitlement to indemnification) and the Company hereby indemnifies and agrees to hold Indemnitee harmless therefrom.

(h) The Company acknowledges that a settlement or other disposition short of final judgment may be successful if it permits a party to avoid expense, delay, distraction, disruption and uncertainty. In the event that any action, claim or proceeding to which Indemnitee is a party is resolved in any manner other than by adverse judgment against Indemnitee (including, without limitation, settlement of such action, claim or proceeding with or without payment of money or other consideration) it shall be presumed that Indemnitee has been successful on the merits or otherwise in such action, suit or proceeding. Anyone seeking to overcome this presumption shall have the burden of proof and the burden of persuasion by clear and convincing evidence.

(i) The termination of any Proceeding or of any claim, issue or matter therein, by judgment, order, settlement or conviction, or upon a plea of nolo contendere or its equivalent, shall not (except as otherwise expressly provided in this Agreement) of itself adversely affect the right of Indemnitee to indemnification or create a presumption that Indemnitee did not act in good faith and in a manner which he reasonably believed to be in or not opposed to the best interests of the Company or, with respect to any criminal Proceeding, that Indemnitee had reasonable cause to believe that his conduct was unlawful.

7. Remedies of Indemnitee.

(a) In the event that (i) a determination is made pursuant to Section 6 of this Agreement that Indemnitee is not entitled to indemnification under this Agreement, (ii) advancement of Expenses is not timely made pursuant to Section 5 of this Agreement, (iii) no determination of entitlement to indemnification is made pursuant to Section 6(b) of this Agreement within 90 days after receipt by the Company of the request for indemnification, (iv) payment of indemnification is not made pursuant to this Agreement within ten (10) days after receipt by the Company of a written request therefor or (v) payment of indemnification is not made within ten (10) days after a determination has been made that Indemnitee is entitled to indemnification or such determination is deemed to have been made pursuant to Section 6 of this Agreement, Indemnitee shall be entitled to an adjudication in the Court of Chancery of the State of Delaware of his entitlement to such indemnification. Indemnitee shall commence such proceeding seeking an adjudication within 180 days following the date on which Indemnitee first has the right to commence such proceeding pursuant to this Section 7(a). The Company shall not oppose Indemnitee's right to seek any such adjudication.

(b) In the event that a determination shall have been made pursuant to Section 6(b) of this Agreement that Indemnitee is not entitled to indemnification, any judicial proceeding commenced pursuant to this Section 7 shall be conducted in all respects as a de novo trial on the merits, and Indemnitee shall not be prejudiced by reason of the adverse determination under Section 6(b).

(c) If a determination shall have been made pursuant to Section 6(b) of this Agreement that Indemnitee is entitled to indemnification, the Company shall be bound by such determination in any judicial proceeding commenced pursuant to this Section 7, absent (i) a misstatement by Indemnitee of a material fact, or an omission of a material fact necessary to make Indemnitee's misstatement not materially misleading in connection with the application for indemnification or (ii) a prohibition of such indemnification under applicable law.

(d) In the event that Indemnitee, pursuant to this Section 7, seeks a judicial adjudication of his rights under, or to recover damages for breach of, this Agreement, or to recover under any directors' and officers' liability insurance policies maintained by the Company, the Company shall pay on his behalf, in advance, any and all expenses (of the types described in the definition of Expenses in Section 13 of this Agreement) actually and reasonably incurred by him in such judicial adjudication, regardless of whether Indemnitee ultimately is determined to be entitled to such indemnification, advancement of expenses or insurance recovery.

(e) The Company shall be precluded from asserting in any judicial proceeding commenced pursuant to this Section 7 that the procedures and presumptions of this Agreement are not valid, binding and enforceable and shall stipulate in any such court that the Company is bound by all the provisions of this Agreement.

(f) Notwithstanding anything in this Agreement to the contrary, no determination as to entitlement to indemnification under this Agreement shall be required to be made prior to the final disposition of the Proceeding.

8. Non-Exclusivity; Survival of Rights; Insurance; Subrogation.

(a) The rights of indemnification as provided by this Agreement shall not be deemed exclusive of any other rights to which Indemnitee may at any time be entitled under applicable law, the certificate of incorporation of the Company, the Bylaws, any agreement, a vote of stockholders, a resolution of directors or otherwise. No amendment, alteration or repeal of this Agreement or of any provision hereof shall limit or restrict any right of Indemnitee under this Agreement in respect of any action taken or omitted by such Indemnitee in his Corporate Status prior to such amendment, alteration or repeal. To the extent that a change in the Law, whether by statute or judicial decision, permits greater indemnification than would be afforded currently under the Bylaws and this Agreement, it is the intent of the parties hereto that Indemnitee shall enjoy by this Agreement the greater benefits so afforded by such change. No right or remedy herein conferred is intended to be exclusive of any other right or remedy, and every other right and remedy shall be cumulative and in addition to every other right and remedy given hereunder or now or hereafter existing at law or in equity or otherwise. The assertion or employment of any right or remedy hereunder, or otherwise, shall not prevent the concurrent assertion or employment of any other right or remedy.

(b) To the extent that the Company maintains an insurance policy or policies providing liability insurance for directors, officers, employees, or agents or fiduciaries of the Company or of any other corporation, partnership, joint venture, trust, employee benefit plan or other enterprise that such person serves at the request of the Company, Indemnitee shall be covered by such policy or policies in accordance with its or their terms to the maximum extent of the coverage available for any director, officer, employee, agent or fiduciary under such policy or policies. If, at the time of the receipt of a notice of a claim pursuant to the terms hereof, the Company has directors' and officers' liability insurance in effect, the Company shall give prompt notice of the commencement of such proceeding to the insurers in accordance with the procedures set forth in the respective policies. The Company shall thereafter take all necessary or desirable action to cause such insurers to pay, on behalf of the Indemnitee, all amounts payable as a result of such proceeding in accordance with the terms of such policies.

(c) In the event of any payment under this Agreement, the Company shall be subrogated to the extent of such payment to all of the rights of recovery of Indemnitee, who shall execute all 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.

(d) The Company shall not be liable under this Agreement to make any payment of amounts otherwise indemnifiable hereunder if and to the extent that Indemnitee has otherwise actually received such payment under any insurance policy, contract, agreement or otherwise.

9. Exception to Right of Indemnification. Notwithstanding any other provision of this Agreement, Indemnitee shall not be entitled to indemnification under this Agreement with respect to any Proceeding brought by Indemnitee, or any claim therein, unless (a) the bringing of such Proceeding or making of such claim shall have been approved by the Board of Directors prior to its initiation or (b) such Proceeding is being brought by Indemnitee to assert, interpret or enforce his rights under this Agreement.

10. Duration of Agreement. All agreements and obligations of the Company contained herein shall continue during the period Indemnitee is an officer or director of the Company (or is or was serving at the request of the Company as a director, officer, employee or agent of another corporation, partnership, joint venture, trust or other enterprise) and shall continue thereafter so long as Indemnitee shall be subject to any Proceeding (or any proceeding commenced under Section 7 hereof) by reason of his Corporate Status, whether or not he is acting or serving in any such capacity at the time any liability or expense is incurred for which indemnification can be provided under this Agreement. This Agreement shall be binding upon and inure to the benefit of and be enforceable by the parties hereto and their respective successors (including any direct or indirect successor by purchase, merger, consolidation or otherwise to all or substantially all of the business or assets of the Company), assigns, spouses, heirs, executors and personal and legal representatives.

11. Security. To the extent requested by Indemnitee and approved by the Board of Directors of the Company, the Company may at any time and from time to time provide security to Indemnitee for the Company's obligations hereunder through an irrevocable bank line of credit, funded trust or other collateral. Any such security, once provided to Indemnitee, may not be revoked or released without the prior written consent of the Indemnitee.

12. Enforcement.

(a) The Company expressly confirms and agrees that it has entered into this Agreement and assumes the obligations imposed on it hereby in order to induce Indemnitee to serve as an officer or director of the Company, and the Company acknowledges that Indemnitee is relying upon this Agreement in serving as an officer or director 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.

(c) The Company shall not seek from a court, or agree to, a "bar order" which would have the effect of prohibiting or limiting the Indemnitee's rights to receive advancement of expenses under this Agreement.

13. Definitions. For purposes of this Agreement:

(a) "Corporate Status" describes the status of a person who is or was a director, officer, employee, agent or fiduciary of the Company or of any other corporation, partnership, joint venture, trust, employee benefit plan or other enterprise that such person is or was serving at the express written request of the Company.

(b) "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.

(c) "Enterprise" shall mean the Company and any other corporation, partnership, joint venture, trust, employee benefit plan or other enterprise that Indemnitee is or was serving at the express written request of the Company as a director, officer, employee, agent or fiduciary.

(d) "Expenses" shall include all reasonable attorneys' fees, retainers, court costs, transcript costs, fees of experts, witness fees, travel expenses, duplicating costs, printing and binding costs, telephone charges, postage, delivery service fees and all other disbursements or expenses of the types customarily incurred in connection with prosecuting, defending, preparing to prosecute or defend, investigating, participating, or being or preparing to be a witness in a Proceeding, or responding to, or objecting to, a request to provide discovery in any Proceeding. Expenses also shall include Expenses incurred in connection with any appeal resulting from any Proceeding and any federal, state, local or foreign taxes imposed on the Indemnitee as a result of the actual or deemed receipt of any payments under this Agreement, including without limitation the premium, security for, and other costs relating to any cost bond, supersede as bond, or other appeal bond or its equivalent. Expenses, however, shall not include amounts paid in settlement by Indemnitee or the amount of judgments or fines against Indemnitee.

(e) "Independent Counsel" means a law firm, or a member of a law firm, that is experienced in matters of corporation law and neither presently is, nor in the past five years has been, retained to represent: (i) the Company or Indemnitee in any matter material to either such party (other than with respect to matters concerning 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" shall not include any person who, under the applicable standards of professional conduct then prevailing, would have a conflict of interest in representing either the Company or Indemnitee in an action to determine Indemnitee's rights under this Agreement. The Company agrees to pay the reasonable fees of the Independent Counsel referred to above and to fully indemnify such counsel against any and all Expenses, claims, liabilities and damages arising out of or relating to this Agreement or its engagement pursuant hereto.

(f) "Proceeding" includes any threatened, pending or completed action, suit, arbitration, alternate dispute resolution mechanism, investigation, inquiry, administrative hearing or any other actual, threatened or completed proceeding, whether brought by or in the right of the Company or otherwise and whether civil, criminal, administrative or investigative, in which Indemnitee was, is or will be involved as a party or otherwise, by reason of the fact that Indemnitee is or was an officer or director of the Company, by reason of any action taken by him or of any inaction on his part while acting as an officer or director of the

Company, or by reason of the fact that he is or was serving at the request of the Company as a director, officer, employee, agent or fiduciary of another corporation, partnership, joint venture, trust or other Enterprise; in each case whether or not he is acting or serving in any such capacity at the time any liability or expense is incurred for which indemnification can be provided under this Agreement; including one pending on or before the date of this Agreement, but excluding one initiated by an Indemnitee pursuant to Section 7 of this Agreement to enforce his rights under this Agreement.

14. Severability. If any provision or provisions of this Agreement shall be held by a court of competent jurisdiction to be invalid, void, illegal or otherwise 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) shall not in any way be affected or impaired thereby and shall remain enforceable to the fullest extent permitted by law; and (b) 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) shall be construed so as to give effect to the intent manifested thereby. Without limiting the generality of the foregoing, this Agreement is intended to confer upon Indemnitee indemnification rights to the fullest extent permitted by applicable laws. In the event any provision hereof conflicts with any applicable law, such provision shall be deemed modified, consistent with the aforementioned intent, to the extent necessary to resolve such conflict.

15. Modification and Waiver. No supplement, modification, termination or amendment of this Agreement shall be binding unless executed in writing by both of the parties hereto. No waiver of any of the provisions of this Agreement shall be deemed or shall constitute a waiver of any other provisions hereof (whether or not similar) nor shall such waiver constitute a continuing waiver.

16. Injunctive Relief. The Company and Indemnitee agree herein that a monetary remedy for breach of this Agreement, at some later date, may be inadequate, impracticable and difficult of proof, and further agree that such breach may cause Indemnitee and the Company irreparable harm. Accordingly, the parties hereto agree that the parties may enforce this Agreement by seeking injunctive relief and/or specific performance hereof, without any necessity of showing actual damage or irreparable harm and that by seeking injunctive relief and/or specific performance, they shall not be precluded from seeking or obtaining any other relief to which they may be entitled. The Company and Indemnitee further agree that they shall be entitled to such specific performance and injunctive relief, including temporary restraining orders, preliminary injunctions and permanent injunctions, without the necessity of posting bonds or other undertaking in connection therewith. The Company and Indemnitee acknowledge that in the absence of a waiver, a bond or undertaking may be required by the Chancery Court of the State of Delaware, and they hereby waive any such requirement of such a bond or undertaking

17. Notice By Indemnitee. Indemnitee agrees promptly to notify the Company in writing upon being served with or otherwise receiving any summons, citation, subpoena, complaint, indictment, information or other document relating to any Proceeding or matter which may be subject to indemnification covered hereunder. The failure to so notify the Company shall not relieve the Company of any obligation which it may have to Indemnitee under this Agreement or otherwise unless and only to the extent that such failure or delay materially prejudices the Company.

18. Notices. All notices, requests, demands and other communications hereunder shall be in writing and shall be deemed to have been duly given if (i) delivered by hand and receipted for by the party to whom said notice or other communication shall have been directed, or (ii) mailed by certified or registered mail with postage prepaid, on the third business day after the date on which it is so mailed:

(a) If to Indemnitee, to the address set forth below Indemnitee's signature hereto.

(b) If to the Company, to:

Life360, Inc.
539 Bryant Street, Suite 402
San Francisco CA 94107

With a copy (which shall not constitute notice) to:

Orrick, Herrington & Sutcliffe LLP
1000 Marsh Road
Menlo Park, California 94025

Attn: Greg Heibel

or to such other address as may have been furnished to Indemnitee by the Company or to the Company by Indemnitee, as the case may be.

19. Identical Counterparts. This Agreement may be executed in two or more counterparts, each of which shall for all purposes be deemed to be an original but all of which together shall constitute 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.

20. Headings. The headings of the paragraphs of this Agreement are inserted for convenience only and shall not be deemed to constitute part of this Agreement or to affect the construction thereof.

21. Governing Law and Consent to Jurisdiction. The parties agree that this Agreement shall be governed by, and construed and enforced in accordance with, the laws of the State of Delaware without application of the conflict of laws principles thereof. The Company and Indemnitee each hereby irrevocably consent to the jurisdiction of the Chancery Court of the State of Delaware for all purposes in connection with any action or proceeding which arises out of or relates to this Agreement and agree that any action instituted under this Agreement shall be brought only in the Chancery Court of the State of Delaware.

[Signature Pages Follow]

IN WITNESS WHEREOF, the parties hereto have executed this Agreement on and as of the day and year first above written.

LIFE360, INC.

By: ______________________________
Name: Chris Hulls
Title: Chief Executive Officer

INDEMNITEE

[NAME OF INDEMNITEE]

____

Address: ______________________________

____

SIGNATURE PAGE TO INDEMNIFICATION AGREEMENT

Exhibit 10.2

LIFE360, INC.

AMENDED AND RESTATED 2011 STOCK PLAN
(Last Amended and Restated by the Board – March 10, 2020)
(Last Approved by the Stockholders – July 30, 2020)

1. **Purposes of the Plan.** The purposes of this Amended and Restated 2011 Stock Plan are to attract and retain the best available personnel for positions of substantial responsibility, to provide additional incentive to Employees and Consultants, and to promote the success of the Company's business. Options granted under the Plan may be Incentive Stock Options or Nonstatutory Stock Options, as determined by the Administrator at the time of grant of an Option and subject to the applicable provisions of Section 422 of the Code and the regulations promulgated thereunder. Restricted Stock and Restricted Stock Units may also be granted under the Plan. For purposes of clarity, this Amended and Restated 2011 Stock Plan will only apply to Awards granted under the Plan on or after the date this Amended and Restated 2011 Stock Plan is adopted by the Board.

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

(a) **"Administrator"** means the Board or a Committee.

(b) **"Affiliate"** means (i) an entity other than a Subsidiary which, together with the Company, is under common control of a third person or entity and (ii) an entity other than a Subsidiary in which the Company and /or one or more Subsidiaries own a controlling interest.

(c) **"Applicable Laws"** means all applicable laws, rules, regulations and requirements, including, but not limited to, all applicable U.S. federal or state laws, any Stock Exchange rules or regulations, and the applicable laws, rules or regulations of any other country or jurisdiction where Options, Restricted Stock or Restricted Stock Units are granted under the Plan or Participants reside or provide services, as such laws, rules, and regulations shall be in effect from time to time.

(d) **"Award"** means any award of an Option, Restricted Stock or Restricted Stock Units under the Plan.

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

(f) **"California Participant"** means a Participant whose Award is issued in reliance on Section 25102(o) of the California Corporations Code.

(g) **"Cashless Exercise"** means a program approved by the Administrator in which payment of the Option exercise price or tax withholding obligations or other required deductions applicable to an Award may be satisfied, in whole or in part, with Shares subject to the Award, including by delivery of an irrevocable direction to a securities broker (on a form prescribed by the Company) to sell Shares and to deliver all or part of the sale proceeds to the Company in payment of such amount.

(h) **“<u>Cause</u>”** for termination of a Participant’s Continuous Service Status will exist (unless another definition is provided in an applicable Option Agreement, Restricted Stock Purchase Agreement, Restricted Stock Unit Agreement, employment agreement or other applicable written agreement) if the Participant’s Continuous Service Status is terminated for any of the following reasons: (i) any material breach by Participant of any material written agreement between Participant and the Company and Participant’s failure to cure such breach within 30 days after receiving written notice thereof; (ii) any failure by Participant to comply with the Company’s material written policies or rules as they may be in effect from time to time; (iii) neglect or persistent unsatisfactory performance of Participant’s duties and Participant’s failure to cure such condition within 30 days after receiving written notice thereof; (iv) Participant’s repeated failure to follow reasonable and lawful instructions from the Board or Chief Executive Officer and Participant’s failure to cure such condition within 30 days after receiving written notice thereof; (v) Participant’s conviction of, or plea of guilty or nolo contendre to, any felony or crime that results in, or is reasonably expected to result in, a material adverse effect on the business or reputation of the Company; (vi) Participant’s commission of or participation in an act of fraud against the Company; (vii) Participant’s intentional material damage to the Company’s business, property or reputation; or (viii) Participant’s unauthorized use or disclosure of any proprietary information or trade secrets of the Company or any other party to whom the Participant owes an obligation of nondisclosure as a result of his or her relationship with the Company. For purposes of clarity, a termination without “Cause” does not include any termination that occurs as a result of Participant’s death or disability. The determination as to whether a Participant’s Continuous Service Status has been terminated for Cause shall be made in good faith by the Company and shall be final and binding on the Participant. The foregoing definition does not in any way limit the Company’s ability to terminate a Participant’s employment or consulting relationship at any time, and the term “Company” will be interpreted to include any Subsidiary, Parent, Affiliate, or any successor thereto, if appropriate.

(i) **“<u>CDI</u>”** means a CHESS Depositary Interest.

(j) **“<u>Change of Control</u>”** means (i) a sale of all or substantially all of the Company’s assets other than to an Excluded Entity (as defined below), (ii) a merger, consolidation or other capital reorganization or business combination transaction of the Company with or into another corporation, limited liability company or other entity other than an Excluded Entity, or (iii) the consummation of a transaction, or series of related transactions, in which any “person” (as such term is used in Sections 13(d) and 14(d) of the Exchange Act) becomes the “beneficial owner” (as defined in Rule 13d-3 of the Exchange Act), directly or indirectly, of all of the Company’s then outstanding voting securities.

Notwithstanding the foregoing, a transaction shall not constitute a Change of Control if its purpose is to (A) change the jurisdiction of the Company’s incorporation, (B) create a holding company that will be owned in substantially the same proportions by the persons who hold the Company’s securities immediately before such transaction, or (C) obtain funding for the Company in a financing that is approved by the Company’s Board. An “<u>Excluded Entity</u>” means a corporation or other entity of which the holders of voting capital stock of the Company outstanding immediately prior to such transaction are the direct or indirect holders of voting securities representing at least a majority of the votes entitled to be cast by all of such corporation’s or other entity’s voting securities outstanding immediately after such transaction.

(k) **"Code"** means the Internal Revenue Code of 1986, as amended.

(l) **"Committee"** means one or more committees or subcommittees of the Board consisting of two (2) or more Directors (or such lesser or greater number of Directors as shall constitute the minimum number permitted by Applicable Laws to establish a committee or sub-committee of the Board) appointed by the Board to administer the Plan in accordance with Section 4 below.

(m) **"Common Stock"** means the Company's common stock, as adjusted in accordance with Section 11 below.

(n) **"Company"** means Life360, Inc., a Delaware corporation.

(o) **"Consultant"** means any person or entity, including an advisor but not an Employee, that renders, or has rendered, services to the Company, or any Parent, Subsidiary or Affiliate and is compensated for such services, and any Director whether compensated for such services or not.

(p) **"Continuous Service Status"** means the absence of any interruption or termination of service as an Employee or Consultant. Continuous Service Status as an Employee or Consultant shall not be considered interrupted or terminated in the case of: (i) Company approved sick leave; (ii) military leave; (iii) any other bona fide leave of absence approved by the Company, provided that, if an Employee is holding an Incentive Stock Option and such leave exceeds 3 months then, for purposes of Incentive Stock Option status only, such Employee's service as an Employee shall be deemed terminated on the 1st day following such 3-month period and the Incentive Stock Option shall thereafter automatically become a Nonstatutory Stock Option in accordance with Applicable Laws, unless reemployment upon the expiration of such leave is guaranteed by contract or statute, or unless provided otherwise pursuant to a written Company policy. Also, Continuous Service Status as an Employee or Consultant shall not be considered interrupted or terminated in the case of a transfer between locations of the Company or between the Company, its Parents, Subsidiaries or Affiliates, or their respective successors, or a change in status from an Employee to a Consultant or from a Consultant to an Employee.

(q) **"Director"** means a member of the Board.

(r) **"Disability"** means "disability" within the meaning of Section 22(e)(3) of the Code.

(s) **"Employee"** means any person employed by the Company, or any Parent, Subsidiary or Affiliate, with the status of employment determined pursuant to such factors as are deemed appropriate by the Company in its sole discretion, subject to any requirements of Applicable Laws, including the Code. The payment by the Company of a director's fee shall not be sufficient to constitute "employment" of such director by the Company or any Parent, Subsidiary or Affiliate.

(t) **“Exchange Act”** means the Securities Exchange Act of 1934, as amended.

(u) **“Fair Market Value”** means, as of any date, the per share fair market value of the Common Stock, as determined by the Administrator in good faith on such basis as it deems appropriate and applied consistently with respect to Participants. If the Company is admitted to the official list of ASX Limited, whenever possible, the determination of Fair Market Value shall be based upon the closing price of a CDI for the applicable date, adjusted as necessary to reflect the CDI/per Share ratio. Otherwise, whenever possible, the determination of Fair Market Value shall be based upon the per share closing price for the Shares as reported in The Wall Street Journal.

(v) **“Family Members”** means any child, stepchild, grandchild, parent, stepparent, grandparent, spouse, former spouse, sibling, niece, nephew, mother-in-law, father-in-law, son-in-law, daughter-in-law, brother-in-law, or sister-in-law (including adoptive relationships) of the Participant, any person sharing the Participant’s household (other than a tenant or employee), a trust in which these persons (or the Participant) have more than 50% of the beneficial interest, a foundation in which these persons (or the Participant) control the management of assets, and any other entity in which these persons (or the Participant) own more than 50% of the voting interests.

(w) **“Incentive Stock Option”** means an Option intended to, and which does, in fact, qualify as an incentive stock option within the meaning of Section 422 of the Code.

(x) **“Involuntary Termination”** means (unless another definition is provided in the applicable Option Agreement, Restricted Stock Purchase Agreement, Restricted Stock Unit Agreement, employment agreement or other applicable written agreement) the termination of a Participant’s Continuous Service Status other than for (i) death, (ii) Disability or (iii) for Cause by the Company or a Parent, Subsidiary, Affiliate or successor thereto, as appropriate.

(y) **“Nonstatutory Stock Option”** means an Option that is not intended to, or does not, in fact, qualify as an Incentive Stock Option.

(z) **“Option”** means a stock option granted pursuant to the Plan.

(aa) **“Option Agreement”** means a written document, the form(s) of which shall be approved from time to time by the Administrator, reflecting the terms of an Option granted under the Plan and includes any documents attached to or incorporated into such Option Agreement, including, but not limited to, a notice of stock option grant and a form of exercise notice.

(bb) **“Optioned Stock”** means Shares that are subject to an Option or that were issued pursuant to the exercise of an Option.

(cc) **“Optionee”** means an Employee or Consultant who receives an Option.

(dd) **“<u>Parent</u>”** means any corporation (other than the Company) in an unbroken chain of corporations ending with the Company if, at the time of grant of the Award, each of the corporations other than the Company owns stock possessing 50% or more of the total combined voting power of all classes of stock in one of the other corporations in such chain. A corporation that attains the status of a Parent on a date after the adoption of the Plan shall be considered a Parent commencing as of such date.

(ee) **“<u>Participant</u>”** means any holder of one or more Awards or Shares issued pursuant to an Award.

(ff) **“<u>Plan</u>”** means this Amended and Restated 2011 Stock Plan.

(gg) **“<u>Restricted Stock</u>”** means Shares acquired pursuant to a right to purchase or receive Common Stock granted pursuant to Section 8 below.

(hh) **“<u>Restricted Stock Purchase Agreement</u>”** means a written document, the form(s) of which shall be approved from time to time by the Administrator, reflecting the terms of Restricted Stock granted under the Plan and includes any documents attached to such agreement.

(ii) **“<u>Restricted Stock Unit</u>”** means a bookkeeping entry representing an amount equal to the Fair Market Value of one Share, granted pursuant to Section 8 below. Each Restricted Stock Unit represents an unfunded and unsecured obligation of the Company.

(jj) **“<u>Restricted Stock Unit Agreement</u>”** means a written document, the form(s) of which shall be approved from time to time by the Administrator, reflecting the terms of Restricted Stock Units granted under the Plan and includes any document attached to such agreement.

(kk) **“<u>Rule 16b-3</u>”** means Rule 16b-3 promulgated under the Exchange Act, as amended from time to time, or any successor provision.

(ll) **“<u>Share</u>”** means a share of Common Stock, as adjusted in accordance with Section 11 below.

(mm) **“<u>Stock Exchange</u>”** means any stock exchange or consolidated stock price reporting system on which prices for the Common Stock or prices for CDIs are quoted at any given time.

(nn) **“<u>Subsidiary</u>”** means any corporation (other than the Company) in an unbroken chain of corporations beginning with the Company if, at the time of grant of the Award, each of the corporations other than the last corporation in the unbroken chain owns stock possessing 50% or more of the total combined voting power of all classes of stock in one of the other corporations in such chain. A corporation that attains the status of a Subsidiary on a date after the adoption of the Plan shall be considered a Subsidiary commencing as of such date.

(oo) **“<u>Ten Percent Holder</u>”** means a person who owns stock representing more than 10% of the voting power of all classes of stock of the Company or any Parent or Subsidiary measured as of an Award’s date of grant.

3. **<u>Stock Subject to the Plan</u>.**

(a) <u>Stock Subject to the Plan</u>. Subject to the provisions of Section 11 below, the maximum aggregate number of Shares that may be issued under the Plan is 21,781,589 (which represents the sum of (x) the existing approved share reserve of 18,118,548 Shares and (y) an additional 3,663,051 Shares added effective as of the amendment and restatement of the Plan effective March 10, 2020), all of which Shares may be issued under the Plan pursuant to Incentive Stock Options. The Shares issued under the Plan may be authorized, but unissued, or reacquired Shares. Notwithstanding the foregoing, subject to the provisions of Section 11 below, in no event shall the maximum aggregate number of Shares that may be issued under the Plan pursuant to Incentive Stock Options exceed the number set forth in this Section 3(a) plus, to the extent allowable under Section 422 of the Code and the Treasury Regulations promulgated there under, any Shares that again become available for issuance pursuant to the remaining provisions of Sections 3(b) and 3(c).

(b) <u>Automatic Share Reserve Increase</u>. The number of Shares available for issuance under the Plan will be increased on January 1 of each year, commencing with January 1, 2021, in an amount equal to the lessor of (i) five percent (5%) of the outstanding Shares on the last day of the immediately preceding December 31, (ii) 5,000,000 Shares and (iii) such number of Shares determined by the Board.

(c) <u>Lapsed Awards</u>. If an Award should expire or become unexercisable for any reason without having been exercised in full, the unissued Shares that were subject thereto shall, unless the Plan shall have been terminated, continue to be available under the Plan for issuance pursuant to future Awards. In addition, any Shares which are retained by the Company upon exercise of an Award in order to satisfy the exercise or purchase price for such Award or any withholding taxes due with respect to such Award shall be treated as not issued and shall continue to be available under the Plan for issuance pursuant to future Awards. Shares issued under the Plan and later forfeited to the Company due to the failure to vest or repurchased by the Company at the original purchase price paid to the Company for the Shares (including, without limitation, upon forfeiture to or repurchase by the Company in connection with the termination of a Participant's Continuous Service Status) shall again be available for future grant under the Plan.

4. **<u>Administration of the Plan</u>.**

(a) **<u>General</u>.** The Plan shall be administered by the Board, a Committee appointed by the Board, or any combination thereof, as determined by the Board. The Plan may be administered by different administrative bodies with respect to different classes of Participants and, if permitted by Applicable Laws, the Board may authorize one or more officers of the Company to make Awards under the Plan to Employees and Consultants (who are not subject to Section 16 of the Exchange Act) within parameters specified by the Board.

(b) **<u>Committee Composition</u>.** If a Committee has been appointed pursuant to this Section 4, such Committee shall continue to serve in its designated capacity until otherwise directed by the Board. From time to time the Board may increase the size of any Committee and appoint additional members thereof, remove members (with or without cause) and appoint new

members in substitution therefor, fill vacancies (however caused) and dissolve a Committee and thereafter directly administer the Plan, all to the extent permitted by Applicable Laws and, in the case of a Committee administering the Plan in accordance with the requirements of Rule 16b-3 or Section 162(m) of the Code, to the extent permitted or required by such provisions.

(c) **Powers of the Administrator.** Subject to the provisions of the Plan and, in the case of a Committee, the specific duties delegated by the Board to such Committee, the Administrator shall have the authority, in its sole discretion:

(i) to determine the Fair Market Value in accordance with Section 2(u) above, provided that such determination shall be applied consistently with respect to Participants under the Plan;

(ii) to select the Employees and Consultants to whom Awards may from time to time be granted;

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

(iv) to approve the form(s) of agreement(s) and other related documents used under the Plan;

(v) to determine the terms and conditions, not inconsistent with the terms of the Plan, of any Award granted hereunder, which terms and conditions include but are not limited to the exercise or purchase price, the time or times when Awards may vest and/or be exercised (which may be based on performance criteria), the circumstances (if any) when vesting will be accelerated or forfeiture restrictions will be waived, and any restriction or limitation regarding any Award, Optioned Stock, Restricted Stock or Restricted Stock Units;

(vi) subject to Section 7(e), to amend any outstanding Award or agreement related to any Optioned Stock, Restricted Stock or Restricted Stock Unit, including any amendment adjusting vesting (e.g., in connection with a change in the terms or conditions under which such person is providing services to the Company), provided that no amendment shall be made that would materially and adversely affect the rights of any Participant without his or her consent;

(vii) subject to Section 7(e), to determine whether and under what circumstances an Option may be settled in cash under Section 7(d)(iii) below instead of Common Stock;

(viii) to approve addenda pursuant to Section 17 below or to grant Awards to, or to modify the terms of, any outstanding Option Agreement, Restricted Stock Purchase Agreement, Restricted Stock Unit Agreement or any agreement related to any Optioned Stock, Restricted Stock or Restricted Stock Units held by Participants who are foreign nationals or employed outside of the United States with such terms and conditions as the Administrator deems necessary or appropriate to accommodate differences in local law, tax policy or custom which deviate from the terms and conditions set forth in this Plan to the extent necessary or appropriate to accommodate such differences; and

(ix) to construe and interpret the terms of the Plan, any Option Agreement, Restricted Stock Purchase Agreement, or Restricted Stock Unit Agreement and any agreement related to any Optioned Stock, Restricted Stock or Restricted Stock Units, which constructions, interpretations and decisions shall be final and binding on all Participants.

(d) **Indemnification.** To the maximum extent permitted by Applicable Laws, each member of the Committee (including officers of the Company, if applicable), or of the Board, as applicable, shall be indemnified and held harmless by the Company against and from (i) any loss, cost, liability, or expense that may be imposed upon or reasonably incurred by him or her in connection with or resulting from any claim, action, suit, or proceeding to which he or she may be a party or in which he or she may be involved by reason of any action taken or failure to act under the Plan or pursuant to the terms and conditions of any Award except for actions taken in bad faith or failures to act in good faith, and (ii) any and all amounts paid by him or her in settlement thereof, with the Company's approval, or paid by him or her in satisfaction of any judgment in any such claim, action, suit, or proceeding against him or her, provided that such member shall give the Company an opportunity, at its own expense, to handle and defend any such claim, action, suit or proceeding before he or she undertakes to handle and defend it on his or her own behalf. The foregoing right of indemnification shall not be exclusive of any other rights of indemnification to which such persons may be entitled under the Company's Articles of Incorporation, Certificate of Incorporation or Bylaws, by contract, as a matter of law, or otherwise, or under any other power that the Company may have to indemnify or hold harmless each such person.

5. **Eligibility.**

(a) **Recipients of Grants.** Nonstatutory Stock Options, Restricted Stock and Restricted Stock Units may be granted to Employees and Consultants. Incentive Stock Options may be granted only to Employees, provided that Employees of Affiliates shall not be eligible to receive Incentive Stock Options.

(b) **Type of Option.** Each Option shall be designated in the Option Agreement as either an Incentive Stock Option or a Nonstatutory Stock Option.

(c) **ISO $100,000 Limitation.** Notwithstanding any designation under Section 5(b) above, to the extent that the aggregate Fair Market Value of Shares with respect to which options designated as incentive stock options are exercisable for the first time by any Optionee during any calendar year (under all plans of the Company or any Parent or Subsidiary) exceeds $100,000, such excess options shall be treated as nonstatutory stock options. For purposes of this Section 5(c), incentive stock options shall be taken into account in the order in which they were granted, and the Fair Market Value of the Shares subject to an incentive stock option shall be determined as of the date of the grant of such option.

(d) **No Employment Rights.** Neither the Plan nor any Award shall confer upon any Employee or Consultant any right with respect to continuation of an employment or consulting relationship with the Company (any Parent, Subsidiary or Affiliate), nor shall it interfere in any way with such Employee's or Consultant's right or the Company's (Parent's, Subsidiary's or Affiliate's) right to terminate his or her employment or consulting relationship at any time, with or without cause.

6. **Term of Plan.** The most recent amendment and restatement of the Plan shall become effective upon its adoption by the Board on March 10, 2020, and the Plan shall continue in effect through and until November 5, 2028 unless sooner terminated under Section 13 below.

7. **Options.**

(a) **Term of Option.** The term of each Option shall be the term stated in the Option Agreement; provided that the term shall be no more than 10 years from the date of grant thereof or such shorter term as may be provided in the Option Agreement and provided further that, in the case of an Incentive Stock Option granted to a person who at the time of such grant is a Ten Percent Holder, the term of the Option shall be 5 years from the date of grant thereof or such shorter term as may be provided in the Option Agreement.

(b) **Underlying Shares.** In no circumstances can an Option be exercisable over a percentage of the Company's capital.

(c) **Option Exercise Price and Consideration.**

(i) **Exercise Price.** The per Share exercise price for the Shares to be issued pursuant to the exercise of an Option shall be such price as is determined by the Administrator and set forth in the Option Agreement, but shall be subject to the following:

(1) In the case of an Incentive Stock Option

a. granted to an Employee who at the time of grant is a Ten Percent Holder, the per Share exercise price shall be no less than 110% of the Fair Market Value on the date of grant;

b. granted to any other Employee, the per Share exercise price shall be no less than 100% of the Fair Market Value on the date of grant;

(2) Except as provided in subsection (3) below, in the case of a Nonstatutory Stock Option the per Share exercise price shall be such price as is determined by the Administrator, provided that, if the per Share exercise price is less than 100% of the Fair Market Value on the date of grant, it shall otherwise comply with all Applicable Laws, including Section 409A of the Code; and

(3) Notwithstanding the foregoing, Options may be granted with a per Share exercise price other than as required above pursuant to a merger or other corporate transaction.

(ii) **Permissible Consideration.** The consideration to be paid for the Shares to be issued upon exercise of an Option, including the method of payment, shall be determined by the Administrator (and, in the case of an Incentive Stock Option and to the extent required by Applicable Laws, shall be determined at the time of grant) and may consist entirely

of (1) cash; (2) check; (3) to the extent permitted under, and in accordance with, Applicable Laws, delivery of a promissory note with such recourse, interest, security and redemption provisions as the Administrator determines to be appropriate (subject to the provisions of Section 152 of the Delaware General Corporation Law); (4) cancellation of indebtedness; (5) other previously owned Shares that have a Fair Market Value on the date of surrender equal to the aggregate exercise price of the Shares as to which the Option is exercised; (6) a Cashless Exercise; (7) such other consideration and method of payment permitted under Applicable Laws; or (8) any combination of the foregoing methods of payment. In making its determination as to the type of consideration to accept, the Administrator shall consider if acceptance of such consideration may be reasonably expected to benefit the Company and the Administrator may, in its sole discretion, refuse to accept a particular form of consideration at the time of any Option exercise.

(d) **Exercise of Option.**

(i) **General.**

(1) **Exercisability.** Any Option granted hereunder shall be exercisable at such times and under such conditions as determined by the Administrator, consistent with the terms of the Plan and reflected in the Option Agreement, including vesting requirements and/or performance criteria with respect to the Company, and Parent, Subsidiary or Affiliate, and/or the Optionee.

(2) **Leave of Absence.** The Administrator shall have the discretion to determine at any time whether and to what extent the vesting of Options shall be tolled during any leave of absence; provided, however, that in the absence of such determination, vesting of Options shall continue during any paid leave and shall be tolled during any unpaid leave (unless otherwise required by Applicable Laws). Notwithstanding the foregoing, in the event of military leave, vesting shall toll during any unpaid portion of such leave, provided that, upon an Optionee's returning from military leave (under conditions that would entitle him or her to protection upon such return under the Uniformed Services Employment and Reemployment Rights Act of 1994, as amended), he or she shall be given vesting credit with respect to Options to the same extent as would have applied had the Optionee continued to provide services to the Company (or any Parent, Subsidiary or Affiliate, if applicable) throughout the leave on the same terms as he or she was providing services immediately prior to such leave.

(3) **Minimum Exercise Requirements.** An Option may not be exercised for a fraction of a Share. The Administrator may require that an Option be exercised as to a minimum number of Shares, provided that such requirement shall not prevent an Optionee from exercising the full number of Shares as to which the Option is then exercisable.

(4) **Procedures for and Results of Exercise.** An Option shall be deemed exercised when written notice of such exercise has been received by the Company in accordance with the terms of the Option Agreement by the person entitled to exercise the Option and the Company has received full payment for the Shares with respect to which the Option is exercised and has paid, or made arrangements to satisfy, any applicable taxes, withholding,

required deductions or other required payments in accordance with Section 9 below. The exercise of an Option shall result in a decrease in the number of Shares that thereafter may be available, both for purposes of the Plan and for sale under the Option, by the number of Shares as to which the Option is exercised.

(5) **Rights as Holder of Capital Stock.** Until the issuance of the Shares (as evidenced by the appropriate entry on the books of the Company or of a duly authorized transfer agent of the Company), no right to vote or receive dividends or any other rights as a holder of capital stock shall exist with respect to the Optioned Stock, notwithstanding the exercise of the Option. No adjustment will be made for a dividend or other right for which the record date is prior to the date the stock is issued, except as provided in Section 11 below.

(6) **New Issues.** An Optionee cannot participate in a new issue of Shares without exercising the Optionee's Options.

(ii) **Termination of Continuous Service Status.** The Administrator shall establish and set forth in the applicable Option Agreement the terms and conditions upon which an Option shall remain exercisable, if at all, following termination of an Optionee's Continuous Service Status, which provisions may be waived or modified by the Administrator at any time. To the extent that an Option Agreement does not specify the terms and conditions upon which an Option shall terminate upon termination of an Optionee's Continuous Service Status, the following provisions shall apply:

(1) **General Provisions.** If the Optionee (or other person entitled to exercise the Option) does not exercise the Option to the extent so entitled within the time specified below, the Option shall terminate and the Optioned Stock underlying the unexercised portion of the Option shall revert to the Plan. In no event may any Option be exercised after the expiration of the Option term as set forth in the Option Agreement (and subject to this Section 7).

(2) **Termination other than Upon Disability or Death or for Cause.** In the event of termination of an Optionee's Continuous Service Status other than under the circumstances set forth in the subsections (3) through (5) below, such Optionee may exercise any outstanding Option at any time within 3 months following such termination to the extent the Optionee is vested in the Optioned Stock.

(3) **Disability of Optionee.** In the event of termination of an Optionee's Continuous Service Status as a result of his or her Disability, such Optionee may exercise any outstanding Option at any time within 12 months following such termination to the extent the Optionee is vested in the Optioned Stock.

(4) **Death of Optionee.** In the event of the death of an Optionee during the period of Continuous Service Status since the date of grant of any outstanding Option, or within 3 months following termination of the Optionee's Continuous Service Status, the Option may be exercised by any beneficiaries designated in accordance with Section 15 below, or if there are no such beneficiaries, by the Optionee's estate, or by a person who acquired the right to exercise the Option by bequest or inheritance, at any time within 12 months following the date the Optionee's Continuous Service Status terminated, but only to the extent the Optionee is vested in the Optioned Stock.

(5) **Termination for Cause.** In the event of termination of an Optionee's Continuous Service Status for Cause, any outstanding Option (including any vested portion thereof) held by such Optionee shall immediately terminate in its entirety upon first notification to the Optionee of termination of the Optionee's Continuous Service Status for Cause. If an Optionee's Continuous Service Status is suspended pending an investigation of whether the Optionee's Continuous Service Status will be terminated for Cause, all the Optionee's rights under any Option, including the right to exercise the Option, shall be suspended during the investigation period. Nothing in this Section 7(d)(ii)(5) shall in any way limit the Company's right to purchase unvested Shares issued upon exercise of an Option as set forth in the applicable Option Agreement.

(iii) **Buyout Provisions.** The Administrator may at any time, subject to Section 7(e), offer to buy out for a payment in cash or Shares an Option previously granted under the Plan based on such terms and conditions as the Administrator shall establish and communicate to the Optionee at the time that such offer is made.

(e) **Amendment or Cancellation of Option.**

(i) Under no circumstances may the terms of any outstanding Option be amended or modified so as to have any of the following effects: (1) reducing the per Share exercise price of an Option, (2) increasing the period for exercise of an Option, or (3) increasing the number of Shares received on exercise of an Option. Further, any other amendment or modification to the terms of any Option (i.e., any amendment or modification that is not prohibited pursuant to the first sentence of this Section 7(e)(i)) can only be made with stockholder approval or on the provision of a waiver of the official rules of ASX Limited (trading as the Australian Securities Exchange) granted by ASX Limited.

(ii) Under no circumstances may an Option be cancelled unless (1) stockholder approval has been obtained for the cancellation of the Option, or (2) no consideration is provided to the Optionee in connection with the cancellation of the Option.

8. **Restricted Stock and Restricted Stock Units.**

(a) **Restricted Stock.**

(i) **Rights to Purchase.** When a right to purchase or receive Restricted Stock is granted under the Plan, the Company shall advise the recipient in writing of the terms, conditions and restrictions related to the offer, including the number of Shares that such person shall be entitled to purchase, the price to be paid, if any (which shall be as determined by the Administrator, subject to Applicable Laws, including any applicable securities laws), and the time within which such person must accept such offer. The permissible consideration for Restricted Stock shall be determined by the Administrator and shall be the same as is set forth in Section 7(c)(ii) above with respect to exercise of Options. The offer to purchase Shares shall be accepted by execution of a Restricted Stock Purchase Agreement in the form determined by the Administrator.

(ii) **Repurchase Option.**

(1) **General.** Unless the Administrator determines otherwise, the Restricted Stock Purchase Agreement shall grant the Company a repurchase option exercisable upon the voluntary or involuntary termination of the Participant's Continuous Service Status for any reason (including death or Disability) at a purchase price for Shares equal to the original purchase price paid by the purchaser to the Company for such Shares and may be paid by cancellation of any indebtedness of the purchaser to the Company. The repurchase option shall lapse at such rate as the Administrator may determine.

(2) **Leave of Absence.** The Administrator shall have the discretion to determine at any time whether and to what extent the lapsing of Company repurchase rights shall be tolled during any leave of absence; provided, however, that in the absence of such determination, such lapsing shall continue during any paid leave and shall be tolled during any unpaid leave (unless otherwise required by Applicable Laws). Notwithstanding the foregoing, in the event of military leave, the lapsing of Company repurchase rights shall toll during any unpaid portion of such leave, provided that, upon a Participant's returning from military leave (under conditions that would entitle him or her to protection upon such return under the Uniformed Services Employment and Reemployment Rights Act of 1994, as amended), he or she shall be given vesting credit with respect to Shares purchased pursuant to the Restricted Stock Purchase Agreement to the same extent as would have applied had the Participant continued to provide services to the Company (or any Parent, Subsidiary or Affiliate, if applicable) throughout the leave on the same terms as he or she was providing services immediately prior to such leave.

(iii) **Other Provisions.** The Restricted Stock Purchase Agreement shall contain such other terms, provisions and conditions not inconsistent with the Plan as may be determined by the Administrator in its sole discretion. In addition, the provisions of Restricted Stock Purchase Agreements need not be the same with respect to each Participant.

(iv) **Rights as a Holder of Capital Stock.** Once the Restricted Stock is purchased, the Participant shall have the rights equivalent to those of a holder of capital stock, and shall be a record holder when his or her purchase and the issuance of the Shares is entered upon the records of the duly authorized transfer agent of the Company. No adjustment will be made for a dividend or other right for which the record date is prior to the date the Restricted Stock is purchased, except as provided in Section 11 below.

(b) **Restricted Stock Units.**

(i) Award Terms. When Restricted Stock Units are granted under the Plan, the Company shall advise the recipient in writing of the terms, conditions and restrictions applicable to the Award, including the number of Restricted Stock Units that such person shall be entitled to receive. The offer to receive Restricted Stock Units shall be accepted by execution of a Restricted Stock Unit Agreement in the form determined by the Administrator.

(ii) Vesting and Settlement.

(A) General. The Administrator may, in its discretion, set vesting criteria for the Restricted Stock Units that must be met in order to be eligible to receive a payout pursuant to the Award. Any such vesting criteria may be based upon the achievement of Company-wide, business unit, or individual goals (including, but not limited to, continued employment or service), or any other basis determined by the Administrator in its discretion. Notwithstanding the foregoing, at any time after the grant of Restricted Stock Units, subject to the official rules of ASX Limited (trading as the Australian Securities Exchange), the Administrator, in its sole discretion, may reduce or waive any applicable vesting criteria. To the extent that rules 6.22.2, 6.22.2A and 6.22.3 of the official listing rules of ASX Limited (trading as Australian Securities Exchange) apply to Restricted Stock Units, the conditions of Restricted Stock Units may be changed in accordance with those rules.

(B) Leave of Absence. The Administrator shall have the discretion to determine at any time whether and to what extent the vesting of an Award of Restricted Stock Units shall be tolled during any leave of absence; provided, however, that in the absence of such determination, vesting shall continue during any paid leave and shall be tolled during any unpaid leave (unless otherwise required by Applicable Laws). Notwithstanding the foregoing, in the event of military leave, vesting shall be tolled during any unpaid portion of such leave, provided that, upon a Participant's returning from military leave (under conditions that would entitle him or her to protection upon such return under the Uniformed Services Employment and Reemployment Rights Act of 1994, as amended), he or she shall be given vesting credit with respect to the Restricted Stock Units received pursuant to the Restricted Stock Unit Agreement to the same extent as would have applied had the Participant continued to provide services to the Company (or any Parent, Subsidiary or Affiliate, if applicable) throughout the leave on the same terms as he or she was providing services immediately prior to such leave.

(iii) Form and Timing of Settlement. Settlement of earned Restricted Stock Units will be made upon the date(s) determined by the Administrator and may be subject to additional conditions, if any, each as set forth in the Restricted Stock Unit Agreement. The Administrator, in its sole discretion, may settle earned Restricted Stock Units in cash, Shares, or a combination of both.

(iv) Other Provisions. The Restricted Stock Unit Agreement shall contain such other terms, provisions and conditions not inconsistent with the Plan as may be determined by the Administrator in its sole discretion. In addition, the provisions of Restricted Stock Unit Agreements need not be the same with respect to each Participant.

(v) Rights as a Holder of Capital Stock. Until the issuance of the Shares (as evidenced by the appropriate entry on the books of the Company or of a duly authorized transfer agent of the Company), no right to vote or receive dividends or any other rights as a holder of capital stock shall exist with respect to the Restricted Stock Units. No adjustment will be made for a dividend or other right for which the record date is prior to the date the stock certificate is issued, except as provided in Section 11 below.

9. **Taxes.**

(a) As a condition of the grant, vesting and exercise or settlement of an Award, the Participant (or in the case of the Participant's death or a permitted transferee, the person holding, exercising or receiving the proceeds of the Award) shall make such arrangements as the Administrator may require for the satisfaction of any applicable U.S. federal, state, local or foreign tax, withholding, and any other required deductions or payments that may arise in connection with such Award. The Company shall not be required to issue any Shares under the Plan until such obligations are satisfied.

(b) The Administrator may, to the extent permitted under Applicable Laws, permit a Participant (or in the case of the Participant's death or a permitted transferee, the person holding, exercising or receiving the proceeds of the Award) to satisfy all or part of his or her tax, withholding, or any other required deductions or payments by Cashless Exercise or by surrendering Shares (either directly or by stock attestation) that he or she previously acquired; provided that, unless specifically permitted by the Company, any such Cashless Exercise must be an approved broker-assisted Cashless Exercise or the Shares withheld in the Cashless Exercise must be limited to avoid financial accounting charges under applicable accounting guidance and any such surrendered Shares must have been previously held for any minimum duration required to avoid financial accounting charges under applicable accounting guidance. Any payment of taxes by surrendering Shares to the Company may be subject to restrictions, including, but not limited to, any restrictions required by rules of the Securities and Exchange Commission.

10. **Non-Transferability of Awards.**

(a) **General.** Except as set forth in this Section 10, Awards may not be sold, pledged, assigned, hypothecated, transferred or disposed of in any manner other than by will or by the laws of descent or distribution. The designation of a beneficiary by a Participant will not constitute a transfer. An Option may be exercised, during the lifetime of the holder of the Option, only by such holder or a transferee permitted by this Section 10.

(b) **Limited Transferability Rights.** Notwithstanding anything else in this Section 10, the Administrator may in its sole discretion provide that any Nonstatutory Stock Options may be transferred by instrument to an inter vivos or testamentary trust in which the Options are to be passed to beneficiaries upon the death of the trustor (settlor) or by gift to Family Members. Further, beginning with (i) the period when the Company begins to rely on the exemption described in Rule 12h-1(f)(1) promulgated under the Exchange Act, as determined by the Board in its sole discretion, and (ii) ending on the earlier of (A) the date when the Company ceases to rely on such exemption, as determined by the Board in its sole discretion, or (B) the date when the Company becomes subject to the reporting requirements of Section 13 or 15(d) of the Exchange Act, an Option, or prior to exercise, the Shares subject to the Option, may not be pledged, hypothecated or otherwise transferred or disposed of, in any manner, including by entering into any short position, any "put equivalent position" or any "call equivalent position" (as defined in Rule 16a-1(h) and Rule 16a-1(b) of the Exchange Act, respectively), other than to (i) persons who are Family Members through gifts or domestic relations orders, or (ii) to an executor or guardian of the Participant upon the death or disability of the Participant. Notwithstanding the foregoing sentence, the Board, in its sole discretion, may permit transfers of Nonstatutory Stock Options to the Company or in connection with a Change of Control or other acquisition transactions involving the Company to the extent permitted by Rule 12h-1(f).

11. **Adjustments Upon Changes in Capitalization, Merger or Certain Other Transactions.**

(a) **Compliance with ASX Listing Rules**. Notwithstanding any other provision in this Plan, the rights of an Optionee holding Options and the terms of any such Options held by the Optionee (and, to the extent required by the official listing rules of ASX Limited (trading as Australian Securities Exchange), the rights of a recipient of Restricted Stock Units and the terms of any such Restricted Stock Units) must be amended by the Company in compliance with the official listing rules of ASX Limited (trading as Australian Securities Exchange) applying to a reorganization of capital at the time of the reorganization, and each Optionee and recipient consents to any such change. The per Share exercise price for the Shares to be issued pursuant to the exercise of an Option and/or the number of Shares over which an Option can be exercised may be changed in accordance with rules 6.22.2, 6.22.2A and 6.22.3 of the official listing rules of ASX Limited (trading as Australian Securities Exchange).

(b) **Changes in Capitalization.** Subject to Applicable Laws, including, without limitation, the official rules of ASX Limited (trading as the Australian Securities Exchange) and any Applicable Laws requiring action by the holders of capital stock of the Company, in the event of a stock split, reverse stock split, stock dividend, combination, consolidation, reclassification of the Shares, subdivision of the Shares or other reorganization of the Company's capital, (i) the numbers and class of Shares or other stock or securities: (x) available for future Awards under Section 3 above and (y) covered by each outstanding Award, and (ii) any repurchase price per Share applicable to Shares issued pursuant to any Award, shall be automatically proportionately adjusted. Subject to Applicable Laws, including, without limitation, the official rules of ASX Limited (trading as the Australian Securities Exchange), in the event of any increase or decrease in the number of issued Shares effected without receipt of consideration by the Company, a declaration of an extraordinary dividend with respect to the Shares payable in a form other than Shares in an amount that has a material effect on the Fair Market Value, a recapitalization (including a recapitalization through a large nonrecurring cash dividend), a rights offering, a reorganization, merger, a spin-off, split-up, change in corporate structure or a similar occurrence, the Administrator shall make appropriate adjustments, in its discretion, in one or more of (i) the numbers and class of Shares or other stock or securities: (x) available for future Awards under Section 3 above and (y) covered by each outstanding Award, (ii) the exercise price per Share of each outstanding Option and (iii) any repurchase price per Share applicable to Shares issued pursuant to any Award, and any such adjustment by the Administrator shall be made in the Administrator's sole and absolute discretion and shall be final, binding and conclusive. Except as expressly provided herein, no issuance by the Company of shares of stock of any class, or securities convertible into shares of stock of any class, shall affect, and no adjustment by reason thereof shall be made with respect to, the number or price of Shares subject to an Award. If, by reason of a transaction described in this Section 11(a) or an adjustment pursuant to this Section 11(a), a Participant's Award agreement or agreement related to any Optioned Stock, Restricted Stock or Restricted Stock Units covers additional or different shares of stock or securities, then such additional or different shares, and the Award agreement or agreement related to the Optioned Stock, Restricted Stock or Restricted Stock Units in respect thereof, shall be subject to all of the terms, conditions and restrictions which were applicable to the Award, Optioned Stock, Restricted Stock and Restricted Stock Units prior to such adjustment.

(c) **<u>Dissolution or Liquidation</u>.** In the event of the dissolution or liquidation of the Company, each Award will terminate immediately prior to the consummation of such action, unless otherwise determined by the Administrator.

(d) **<u>Corporate Transactions</u>.** Subject Section 7(e), In the event of (i) a transfer of all or substantially all of the Company's assets, (ii) a merger, consolidation or other capital reorganization or business combination transaction of the Company with or into another corporation, entity or person, or (iii) the consummation of a transaction, or series of related transactions, in which any "person" (as such term is used in Sections 13(d) and 14(d) of the Exchange Act) becomes the "beneficial owner" (as defined in Rule 13d-3 of the Exchange Act), directly or indirectly, of the Company's capital stock that represents at least a majority of the voting power of the Company's then outstanding capital stock (a "<u>Corporate Transaction</u>"), each outstanding Award (vested or unvested) will be treated as the Administrator determines, which determination may be made without the consent of any Participant and need not treat all outstanding Awards (or portion thereof) in an identical manner. Such determination, without the consent of any Participant, may provide (without limitation) for one or more of the following in the event of a Corporate Transaction: (A) the continuation of such outstanding Awards by the Company (if the Company is the surviving corporation); (B) the assumption of such outstanding Awards by the surviving corporation or its parent; (C) the substitution by the surviving corporation or its parent of new options or equity awards for such Awards; (D) the cancellation of such Awards in exchange for a payment to the Participants equal to the excess of (1) the Fair Market Value of the Shares subject to such Awards as of the closing date of such Corporate Transaction over (2) any exercise price or purchase price paid or to be paid for the Shares subject to the Awards; or (E) the cancellation of any outstanding Options, an outstanding right to purchase Restricted Stock or outstanding Restricted Stock Units, in any case, for no consideration. Notwithstanding anything under this Plan, any Award agreement or otherwise, any escrow, holdback, earn-out or similar provisions agreed to pursuant to, or in connection with, a Corporate Transaction shall, unless otherwise determined by the Board, apply to any payment or other right a Participant may be entitled to under this Plan, if any, to the same extent and in the same manner as such provisions apply generally to the holders of the Company's Common Stock with respect to the Corporate Transaction, but only to the extent permitted by Applicable Law, including (without limitation), Section 409A of the Code.

12. **<u>Time of Granting of Awards</u>.** The date of grant of an Award shall, for all purposes, be the date on which the Administrator makes the determination granting such Award, or such other date as is determined by the Administrator.

13. **<u>Amendment and Termination of the Plan</u>.** Subject to the official rules of ASX Limited (trading as the Australian Securities Exchange) granted by ASX Limited, the Board may at any time amend or terminate the Plan, but no amendment or termination (other than an adjustment pursuant to Section 11 above) shall be made that would materially and adversely affect the rights of any Participant under any outstanding Award, without his or her consent. In addition, to the extent necessary and desirable to comply with Applicable Laws, the Company shall obtain the approval of holders of capital stock with respect to any Plan amendment in such a manner and to such a degree as required.

14. **Conditions Upon Issuance of Shares.** Notwithstanding any other provision of the Plan or any agreement entered into by the Company pursuant to the Plan, the Company shall not be obligated, and shall have no liability for failure, to issue or deliver any Shares under the Plan unless such issuance or delivery would comply with Applicable Laws, with such compliance determined by the Company in consultation with its legal counsel. As a condition to the exercise of any Option, purchase or receipt of any Restricted Stock or settlement of any Restricted Stock Units, the Company may require the person exercising the Option or purchasing or receiving the Restricted Stock or Restricted Stock Units to represent and warrant at the time of any such exercise, purchase, receipt or settlement that the Shares are being purchased or received 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 advisable or required by Applicable Laws.

15. **Beneficiaries.** If permitted by the Company, a Participant may designate one or more beneficiaries with respect to an Award by timely filing the prescribed form with the Company. A beneficiary designation may be changed by filing the prescribed form with the Company at any time before the Participant's death. Except as otherwise provided in an Award agreement, if no beneficiary was designated or if no designated beneficiary survives the Participant, then after a Participant's death any vested Award(s) shall be transferred or distributed to the Participant's estate or to any person who has the right to acquire the Award by bequest or inheritance.

16. **Approval of Holders of Capital Stock.** If required by Applicable Laws, continuance of the Plan shall be subject to approval by the holders of capital stock of the Company within 12 months before or after the date the Plan is adopted or, to the extent required by Applicable Laws, any date the Plan is amended. Such approval shall be obtained in the manner and to the degree required under Applicable Laws.

17. **Addenda.** The Administrator may approve such addenda to the Plan as it may consider necessary or appropriate for the purpose of granting Awards to Employees or Consultants, which Awards may contain such terms and conditions as the Administrator deems necessary or appropriate to accommodate differences in local law, tax policy or custom, which may deviate from the terms and conditions set forth in this Plan. The terms of any such addenda shall supersede the terms of the Plan to the extent necessary to accommodate such differences but shall not otherwise affect the terms of the Plan as in effect for any other purpose.

18. **Information to Holders of Options.** In the event the Company is relying on the exemption provided by Rule 12h-1(f) under the Exchange Act, the Company shall provide the information described in Rule 701(e)(3), (4) and (5) of the Securities Act of 1933, as amended, to all holders of Options in accordance with the requirements thereunder until such time as the Company becomes subject to the reporting requirements of Section 13 or 15(d) of the Exchange Act. The Company may request that holders of Options agree to keep the information to be provided pursuant to this Section confidential. If the holder does not agree to keep the information to be provided pursuant to this Section confidential, then the Company will not be required to provide the information unless otherwise required pursuant to Rule 12h-1(f)(1) of the Exchange Act.

<u>ADDENDUM A</u>

Amended and Restated 2011 Stock Plan

(California Participants)

Prior to the date, if ever, on which the Company is subject to the reporting requirements of the Exchange Act, the terms set forth herein shall apply to Awards issued to California Participants. All capitalized terms used herein but not otherwise defined shall have the respective meanings set forth in the Plan.

1. The following rules shall apply to any Option in the event of termination of the Participant's Continuous Service Status:

(a) If such termination was for reasons other than death, "Permanent Disability" (as defined below), or Cause, the Participant shall have at least 30 days after the date of such termination to exercise his or her Option to the extent the Participant is entitled to exercise on his or her termination date, provided that in no event shall the Option be exercisable after the expiration of the term as set forth in the Option Agreement.

(b) If such termination was due to death or Permanent Disability, the Participant shall have at least 6 months after the date of such termination to exercise his or her Option to the extent the Participant is entitled to exercise on his or her termination date, provided that in no event shall the Option be exercisable after the expiration of the term as set forth in the Option Agreement.

"<u>Permanent Disability</u>" for purposes of this Addendum shall mean the inability of the Participant, in the opinion of a qualified physician acceptable to the Company, to perform the major duties of the Participant's position with the Company or any Parent or Subsidiary because of the sickness or injury of the Participant.

2. Notwithstanding anything to the contrary in Section 11(a) of the Plan, the Administrator shall in any event make such adjustments as may be required by Section 25102(o) of the California Corporations Code.

3. Notwithstanding anything stated herein to the contrary, no Option shall be exercisable on or after the 10th anniversary of the date of grant and any Award agreement shall terminate on or before the 10th anniversary of the date of grant.

4. The Company shall furnish summary financial information (audited or unaudited) of the Company's financial condition and results of operations, consistent with the requirements of Applicable Laws, at least annually to each California Participant during the period such Participant has one or more Awards outstanding, and in the case of an individual who acquired Shares pursuant to the Plan, during the period such Participant owns such Shares; provided, however, the Company shall not be required to provide such information if (i) the issuance is limited to key persons whose duties in connection with the Company assure their access to equivalent information or (ii) the Plan or any agreement complies with all conditions of Rule 701 of the Securities Act of 1933, as amended; 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.

Exhibit 10.3

LIFE360, INC.

AMENDED AND RESTATED 2011 STOCK PLAN

RESTRICTED STOCK UNIT AWARD AGREEMENT

The person named in Carta as this recipient of this Restricted Stock Unit Award Agreement (the "***Award Agreement***") is referred to herein as "you" and "Participant" in this Award Agreement. Unless otherwise defined herein, the terms defined in the Life360, Inc. Amended and Restated 2011 Stock Plan (the "***Plan***") will have the same defined meanings in this Award Agreement.

I. NOTICE OF RESTRICTED STOCK UNIT GRANT

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

Please see Carta for the following terms:

Date of Grant

Vesting Commencement Date

Number of Restricted Stock Units

So long as your Continuous Service Status does not terminate (and provided that no vesting shall occur following the Termination Date (as defined in Section 3 of Exhibit A to this Award Agreement) unless otherwise determined by the Company in its sole discretion), the Restricted Stock Units shall vest in accordance with the schedule set forth in Carta.

By accepting this Award, you agree that this Award of Restricted Stock Units is granted under and governed by the terms and conditions of the Plan and this Award Agreement, including the Terms and Conditions of Restricted Stock Unit Grant (including any country-specific addendum thereto) attached hereto as Exhibit A, all of which are made a part of this document. By accepting this Award, you further acknowledge and agree that you have reviewed the Plan and this Award Agreement in their entirety, have had an opportunity to obtain the advice of counsel prior to accepting this Award Agreement and fully understand all provisions of the Plan and Award Agreement. You agree to accept as binding, conclusive and final all decisions or interpretations of the Administrator on any questions relating to the Plan and Award Agreement.

LIFE360, INC.

See Carta

By: Chris Hulls
Its: Chief Executive Officer

EXHIBIT A

TERMS AND CONDITIONS OF RESTRICTED STOCK UNIT GRANT

1. **Grant of Restricted Stock Units.** The Company hereby grants to Participant under the Plan an Award of Restricted Stock Units, subject to all of the terms and conditions in this Award Agreement and the Plan, which is incorporated herein by reference. Subject to Section 13 of the Plan, if there is a conflict between the terms and conditions of the Plan and the terms and conditions of this Award Agreement, the terms and conditions of the Plan will prevail.

2. **Company's Obligation to Pay.** Each Restricted Stock Unit represents the right to receive a Share on the date it vests. Unless and until the Restricted Stock Units will have vested in the manner set forth in this Award Agreement, including the Notice of Grant attached as Part I to this Award Agreement, Participant will have no right to receive Shares pursuant to any such Restricted Stock Units. Prior to actual payment of any vested Restricted Stock Units, such Restricted Stock Units will represent an unsecured obligation of the Company. Any Restricted Stock Units that vest in accordance with this Award Agreement will be settled by delivery of whole Shares as set forth herein to Participant (or in the event of Participant's death, to his or her estate), subject to Participant satisfying any Tax-Related Items as set forth in Section 6. Subject to the provisions of Section 4, such vested Restricted Stock Units will be settled by delivery of whole Shares as soon as practicable after vesting, but in each such case within the period ending no later than the date that is two and one-half (2½) months from the end of the Company's tax year that includes the vesting date. In no event will Participant be permitted, directly or indirectly, to specify the taxable year in which Shares will be issued upon payment of any Restricted Stock Units under this Award Agreement.

3. **Termination.** If Participant's Continuous Service Status terminates at any time for any reason (the "Termination Date"), all Restricted Stock Units for which vesting is no longer possible under the terms of the Notice of Grant attached as Part I to this Award Agreement and this Award Agreement shall be forfeited to the Company on the date that is three (3) months following such termination of Continuous Service Status, and all rights of Participant to such Restricted Stock Units shall immediately terminate at such time. Further, for purposes of the Restricted Stock Units, Participant's Continuous Service Status will be considered terminated as of the date Participant is no longer actively providing services to the Company, its Parent, Subsidiaries or Affiliates, regardless of the reason for such termination and whether or not later found to be invalid or in breach of the Applicable Laws in the jurisdiction where Participant is employed or the terms of Participant's employment agreement, if any, and, unless otherwise determined by the Company, Participant's right to vest in the Restricted Stock Units will terminate as of such date and will not be extended by any contractual notice period or any period of "garden leave" or similar notice period mandated under the Applicable Laws in the jurisdiction where Participant is employed or the terms of Participant's employment agreement, if any. The Company shall have the exclusive discretion to determine when Participant is no longer actively providing services for purposes of the Restricted Stock Units (including, subject to the terms of the Plan and Applicable Laws, whether Participant may still be considered to be providing services while on a leave of absence).

4. **Administrator Discretion.** Notwithstanding anything in the Plan or this Award Agreement to the contrary, if the vesting of the balance, or some lesser portion of the balance, of the Restricted Stock Units is accelerated in connection with the termination of Participant's Continuous Service Status (provided that such termination is a "separation from service" within the meaning of Code Section 409A, as determined by the Company), other than due to death, and if (x) Participant is a "specified employee" within the meaning of Code Section 409A at the time of such termination of Participant's Continuous Service Status and (y) the payment of such accelerated Restricted Stock Units will result in the imposition of additional tax under Code Section 409A if paid to Participant on or within the six (6) month period following termination of Participant's Continuous Service Status, then the payment of such accelerated Restricted Stock Units will not be made until the date six (6) months and one (1) day following the date the termination of Participant's Continuous Service Status, unless the Participant dies following the termination of his or her Continuous Service Status, in which case, the Restricted Stock Units will be settled in Shares to the Participant's estate as soon as practicable following his or her death. It is the intent of this Award Agreement that it and all payments and benefits hereunder be exempt from, or comply with, the requirements of Code Section 409A so that none of the Restricted Stock Units provided under this Award Agreement or Shares issuable thereunder will be subject to the additional tax imposed under Code Section 409A, and any ambiguities herein will be interpreted to be so exempt or so comply. Each payment payable under this Award Agreement is intended to constitute a separate payment for purposes of U.S. Treasury Regulation Section 1.409A-2(b)(2). For purposes of this Award Agreement, "Code Section 409A" means Section 409A of the Code, and any final U.S. Treasury Regulations and U.S. Internal Revenue Service guidance thereunder, as each may be amended from time to time.

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

6. **Withholding of Taxes.** Regardless of any action the Company or Participant's employer (the "Employer") takes with respect to any or all applicable national, local, or other tax or social contribution, withholding, required deductions, or other payments, if any, that arise upon the grant or vesting of the Restricted Stock Units or the holding or subsequent sale of Shares, and the receipt of dividends, if any, or otherwise in connection with the Restricted Stock Units or the Shares ("Tax-Related Items"), Participant acknowledges and agrees that the ultimate liability for all Tax-Related Items legally due by Participant is and remains Participant's responsibility and may exceed any amount actually withheld by the Company or the Employer. Participant further acknowledges and agrees that Participant is solely responsible for filing all relevant documentation that may be required in relation to the Restricted Stock Units or any Tax-Related Items (other than filings or documentation that is the specific obligation of the Company or a Parent, Subsidiary, or Employer pursuant to Applicable Law) such as but not limited to personal income tax returns or reporting statements in relation to the grant, vesting or payment of the Restricted Stock Units, the holding of Shares or any bank or brokerage account, the subsequent sale of Shares, and the receipt of any dividends. Participant further acknowledges that the Company and the Employer (a) make no representations or undertakings regarding the treatment of any Tax-Related Items in connection

with any aspect of the Restricted Stock Units, including the grant or vesting of the Restricted Stock Units, the subsequent sale of Shares acquired under the Plan, and the receipt of dividends, if any; and (b) do not commit to and are under no obligation to structure the terms of the Restricted Stock Units or any aspect of the Restricted Stock Units to reduce or eliminate Participant's liability for Tax-Related Items, or achieve any particular tax result. Participant also understands that Applicable Laws may require varying Share or Restricted Stock Unit valuation methods for purposes of calculating Tax-Related Items, and the Company assumes no responsibility or liability in relation to any such valuation or for any calculation or reporting of income or Tax-Related Items that may be required of Participant under Applicable Laws. Further, if Participant has become subject to tax in more than one jurisdiction between the date of grant and the date of any relevant taxable event, Participant acknowledges that the Company and/or the Employer (or former employer, as applicable) may be required to withhold or account for Tax-Related Items in more than one jurisdiction. Notwithstanding any contrary provision of this Award Agreement, no certificate representing the Shares will be issued to Participant, unless and until satisfactory arrangements (as determined by the Administrator) will have been made by Participant with respect to the payment of any Tax-Related Items which the Company determines must be withheld with respect to such Shares.

As a condition to the grant and vesting of the Restricted Stock Units and as set forth in Section 9 of the Plan, Participant hereby agrees to make adequate provision for the satisfaction of (and will indemnify the Company and any Parent or Subsidiary for) any Tax-Related Items. In this regard, Participant authorizes the Company and/or the Employer or their respective agents, at their discretion, to satisfy the obligations with regard to all Tax-Related Items by one or a combination of the following: (i) by receipt of a cash payment from Participant; (ii) by withholding from Participant's wages or other cash compensation paid to Participant by the Company or the Employer; (iii) withholding Shares that otherwise would be issued to Participant upon payment of the vested Restricted Stock Units; (iv) by withholding from proceeds of the sale of Shares acquired upon payment of the vested Restricted Stock Units through a voluntary sale or a mandatory sale arranged by the Company (on Participant's behalf pursuant to this authorization), or (v) by any other arrangement approved by the Committee. Notwithstanding the foregoing, if Participant is subject to Section 16 of the Exchange Act, Participant's obligations with respect to all Tax-Related Items shall be satisfied by the Company withholding Shares that otherwise would be issued to Participant upon payment of the vested Restricted Stock Units. Any Shares withheld pursuant to this Section 6 shall be valued based on the Fair Market Value as of the date the withholding obligations are satisfied. Furthermore, Participant agrees to pay the Company or any Parent, Subsidiary, or Employer any Tax-Related Items that cannot be satisfied by the foregoing methods.

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

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

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

9. **Grant is Not Transferable.** Except to the limited extent provided in Section 5, this grant and the rights and privileges conferred hereby may not be transferred, assigned, pledged or hypothecated in any way (whether by operation of Applicable Laws or otherwise) and may not be subject to sale under execution, attachment or similar process. Upon any attempt to transfer, assign, pledge, hypothecate or otherwise dispose of this grant, or any right or privilege conferred hereby, or upon any attempted sale under any execution, attachment or similar process, this grant and the rights and privileges conferred hereby immediately will become null and void.

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

listing, registration, qualification, compliance, consent or approval will have been completed, effected or obtained free of any conditions not acceptable to the Company. Where the Company determines that the delivery of any Shares will violate any state, federal or foreign securities or exchange laws or other Applicable Laws, the Company will defer delivery until the earliest date at which the Company reasonably anticipates that the delivery of Shares will no longer cause such violation. The Company will make all reasonable efforts to meet the requirements of any Applicable Laws or securities exchange and to obtain any such consent or approval of any such governmental authority or securities exchange. The Company shall not be obligated to issue any Shares pursuant to the Restricted Stock Units at any time if the issuance of Shares violates or is not in compliance with any Applicable Laws.

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

11. **Lock-Up Agreement.** In connection with any public offering of the Company's securities, Participant hereby agrees not to offer, pledge, sell, contract to sell, make any short sale of, loan, grant any option for the purchase of, or otherwise dispose of any securities of the Company however and whenever acquired (other than those included in the registration) without the prior written consent of the Company and the managing underwriters for such offering for such period of time (not to exceed 180 days) from the effective date of such offering as may be requested by the Company or such managing underwriters and to execute an agreement reflecting the foregoing as may be requested by the underwriters at the time of the public offering. Notwithstanding the foregoing, if during the last 17 days of the restricted period, the Company issues an earnings release or material news or a material event relating to the Company occurs, or prior to the expiration of the restricted period the Company announces that it will release earnings results during the 16-day period beginning on the last day of the restricted period, then, upon the request of the managing underwriter, to the extent required by any FINRA rules, the restrictions imposed by this subsection shall continue to apply until the end of the third trading day following the expiration of the 15-day period beginning on the issuance of the earnings release or the occurrence of the material news or material event. In no event will the restricted period extend beyond 216 days after the effective date of the offering. In order to enforce the restriction set forth above, the Company may impose stop-transfer instructions with respect to the Shares acquired under this Award Agreement until the end of the applicable restriction period. The Company's underwriters shall be beneficiaries of the agreement set forth in this Section.

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

12. **Limitations on Transfer.** Participant acknowledges and agrees that the Shares purchased under this Award Agreement are subject to (i) the terms and conditions that apply to the Company's Common Stock, as set forth in the Company's Bylaws as in effect at the time of any proposed transfer (the "Bylaw Provisions"), and (ii) any other limitation or restriction on transfer created by Applicable Laws. Participant shall not assign, encumber or dispose of any interest in the Shares except to the extent permitted by, and in compliance with the Bylaw Provisions and Applicable Laws.

13. **Investment and Taxation Representations.** In connection with the receipt of the Restricted Stock Units and the Shares upon payment of the Restricted Stock Units, Participant represents to the Company the following:

(a) Participant is aware of the Company's business affairs and financial condition and has acquired sufficient information about the Company to reach an informed and knowledgeable decision to acquire the Shares issued pursuant to this Award Agreement. Participant is or will be acquiring the Shares for investment for Participant's own account only and not with a view to, or for resale in connection with, any "distribution" thereof within the meaning of the Securities Act of 1933, as amended (the "Securities Act") or under any applicable provision of state law. Participant does not have any present intention to transfer the Shares issued pursuant to this Award Agreement to any other person or entity.

(b) Participant understands that the Shares issued pursuant to this Award Agreement have not been registered under the Securities Act by reason of a specific exemption therefrom, which exemption depends upon, among other things, the bona fide nature of Participant's investment intent as expressed herein.

(c) Participant further acknowledges and understands that the securities must be held indefinitely unless they are subsequently registered under the Securities Act or an exemption from such registration is available. Participant further acknowledges and understands that the Company is under no obligation to register the securities.

(d) Participant is familiar with the provisions of Rule 144, promulgated under the Securities Act, which, in substance, permits limited public resale of "restricted securities" acquired, directly or indirectly, from the issuer of the securities (or from an affiliate of such issuer), in a non-public offering subject to the satisfaction of certain conditions. Participant understands that the Company provides no assurances as to whether he or she will be able to resell any or all of the Shares pursuant to Rule 144, which rule requires, among other things, that the Company be subject to the reporting requirements of the Exchange Act, that resales of securities take place only after the holder of the Shares has held the Shares for certain specified time periods, and under certain circumstances, that resales of securities be limited in volume and take place only pursuant to brokered transactions. Notwithstanding this Section 13(d), Participant acknowledges and agrees to the restrictions set forth in Section 13(e) below.

(e) Participant further understands that in the event all of the applicable requirements of Rule 144 are not satisfied, registration under the Securities Act, compliance with Regulation A, or some other registration exemption will be required; and that, notwithstanding the fact that Rule 144 is not exclusive, the Staff of the Securities and Exchange Commission has expressed its opinion that persons proposing to sell private placement securities other than in a registered offering and otherwise than pursuant to Rule 144 will have a substantial burden of proof in establishing that an exemption from registration is available for such offers or sales, and that such persons and their respective brokers who participate in such transactions do so at their own risk.

(f) Participant represents that Participant is not subject to any of the "Bad Actor" disqualifications described in Rule 506(d)(1)(i) to (viii) under the Securities Act. Participant also agrees to notify the Company if Participant becomes subject to such disqualifications after the date hereof.

(g) Participant understands that Participant may suffer adverse tax consequences as a result of Participant's receipt of the Restricted Stock Units, the vesting and/or payment of the Restricted Stock Units, the issuance of Shares allocated to the Restricted Stock Units and/or the disposition of such Shares. Participant represents that Participant has consulted any tax consultants Participant deems advisable in connection with the receipt of the Restricted Stock Units, the vesting and/or payment of the Restricted Stock Units, the issuance of Shares allocated to the Restricted Stock Units and/or the disposition of such Shares and that Participant is not relying on the Company for any tax advice.

14. **Restrictive Legends and Stop-Transfer Orders.**

(a) **Legends.** Any stock certificate or, in the case of uncertificated securities, any notice of issuance, for the Shares shall bear the following legends (as well as any legends required by the Company or applicable state and federal corporate and securities laws):

(i) "THE SECURITIES REFERENCED HEREIN HAVE NOT BEEN REGISTERED UNDER THE SECURITIES ACT OF 1933, AND HAVE BEEN ACQUIRED FOR INVESTMENT AND NOT WITH A VIEW TO, OR IN CONNECTION WITH, THE SALE OR DISTRIBUTION THEREOF. NO SUCH SALE OR DISTRIBUTION MAY BE EFFECTED WITHOUT AN EFFECTIVE REGISTRATION STATEMENT RELATED THERETO OR AN OPINION OF COUNSEL IN A FORM SATISFACTORY TO THE COMPANY THAT SUCH REGISTRATION IS NOT REQUIRED UNDER THE SECURITIES ACT OF 1933."

(b) **Stop-Transfer Notices.** Participant agrees that, in order to ensure compliance with the restrictions referred to herein, the Company may issue appropriate "stop transfer" instructions to its transfer agent, if any, and that, if the Company transfers its own securities, it may make appropriate notations to the same effect in its own records.

(c) **Required Notices.** Participant acknowledges that the Shares are issued and shall be held subject to all the provisions of this Section 14, the Certificate of Incorporation and the Bylaws of the Company and any amendments thereto, copies of which are on file at the principal office of the Company. A statement of all of the rights, preferences, privileges and restrictions granted to or imposed upon the respective classes and/or series of shares of stock of the Company and upon the holders thereof may be obtained by any stockholder upon request and without charge, at the principal office of the Company, and the Company will furnish any stockholder, upon request and without charge, a copy of such statement. Participant acknowledges that the provisions of this Section 14 shall constitute the notices required by Sections 151(f) and 202(a) of the Delaware General Corporation Law and the Participant hereby expressly waives the requirement of Section 151(f) of the Delaware General Corporation Law that it receive the written notice provided for in Sections 151(f) and 202(a) of the Delaware General Corporation Law within a reasonable time after the issuance of the Shares.

15. **Waiver of Statutory Information Rights.** Participant acknowledges and understands that, but for the waiver made herein, Participant would be entitled, upon written demand under oath stating the purpose thereof, to inspect for any proper purpose, and to make copies and extracts from, the Company's stock ledger, a list of its stockholders, and its other books and records, and the books and records of subsidiaries of the Company, if any, under the circumstances and in the manner provided in Section 220 of the Delaware General Corporation Law (any and all such rights, and any and all such other rights of Participant as may be provided for in Section 220, the "Inspection Rights"). In light of the foregoing, until the first sale of Common Stock of the Company to the general public pursuant to a registration statement filed with and declared effective by the Securities and Exchange Commission under the Securities Act of 1933, as amended, Participant hereby unconditionally and irrevocably waives the Inspection Rights, whether such Inspection Rights would be exercised or pursued directly or indirectly pursuant to Section 220 or otherwise, and covenants and agrees never to directly or indirectly commence, voluntarily aid in any way, prosecute, assign, transfer, or cause to be commenced any claim, action, cause of action, or other proceeding to pursue or exercise the Inspection Rights. The foregoing waiver applies to the Inspection Rights of Participant in Participant's capacity as a stockholder and shall not affect any rights of a director, in his or her capacity as such, under Section 220. The foregoing waiver shall not apply to any contractual inspection rights of Participant under any written agreement with the Company.

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

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

18. **Electronic Delivery and Acceptance; Translation.** The Company may, in its sole discretion, decide to deliver any documents related to Participant's current or future participation in the Plan, this Award, the Shares subject to this Award, any other securities of the Company or any other Company-related documents, by electronic means. By accepting this Award, whether electronically or otherwise, Participant hereby (i) consents to receive such documents by electronic means, (ii) consents to the use of electronic signatures, and (iii) agrees to participate in the Plan and/or receive any such documents through an on-line or electronic system established and maintained by the Company or a third party designated by the Company, including but not limited to the use of electronic signatures or click-through electronic acceptance of terms and conditions. If Participant has received this Award Agreement, including appendices, or any other document related to the Plan translated into a language other than English, and the meaning of the translated version is different than the English version, the English version will control.

19. **Data Privacy.** ***Participant hereby explicitly and unambiguously consents to the collection, use and transfer, in electronic or other form, of Participant's Personal Data (as described below) by and among, as applicable, the Company, any Parent, Subsidiary, or Affiliate, or third parties as may be selected by the Company for the exclusive purpose of implementing, administering and managing Participant's participation in the Plan. Participant understands that refusal or withdrawal of consent will affect Participant's ability to participate in the Plan; without providing consent, Participant will not be able to participate in the Plan or realize benefits (if any) from the Restricted Stock Unit.***

Participant understands that the Company and any Parent, Subsidiary, Affiliate, or designated third parties may hold personal information about Participant, including, but not limited to, Participant's name, home address and telephone number, date of birth, social insurance number or other identification number, salary, nationality, job title, any shares of stock or directorships held in the Company or any Parent, Subsidiary, or Affiliate, details of all Restricted Stock Units or any other entitlement to Shares awarded, canceled, exercised, vested, unvested or outstanding in Participant's favor ("Personal Data"). Participant understands that Personal Data may be transferred to any Parent, Subsidiary, Affiliate, or third parties assisting in the implementation, administration and management of the Plan, that these recipients may be located in the United States, Participant's country (if different than the United States), or elsewhere, and that the recipient's country may have different data privacy laws and protections than Participant's country. In particular, the Company may transfer Personal Data to the broker or stock plan administrator assisting with the Plan, to its legal counsel and tax/accounting advisor, and to the affiliate or entity that is Participant's Employer and its payroll provider.

Participant should also refer to any data privacy policy implemented by the Company (which will be available to Participant separately and may be updated from time to time) for more information regarding the collection, use, storage, and transfer of Participant's Personal Data.

20. **Foreign Exchange Fluctuations and Restrictions.** Participant understands and agrees that the future value of the underlying Shares is unknown and cannot be predicted with certainty and may decrease. Participant also understands that the Company, and any Parent, Subsidiary and Affiliate, are not responsible for any foreign exchange fluctuation between local currency and the United States Dollar or the selection by the Company, or any Parent, Subsidiary or Affiliate, in its sole discretion of an applicable foreign currency exchange rate that may affect the value of the Restricted Stock Units or Shares received (or the calculation of income or Tax-Related Items thereunder). Participant understands and agrees that any cross-border remittance made to transfer proceeds received upon the sale of Shares must be made through a locally authorized financial institution or registered foreign exchange agency and may require the Participant to provide such entity with certain information regarding the transaction.

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

22. **Miscellaneous.**

(a) **Governing Law.** The validity, interpretation, construction and performance of this Award Agreement, and all acts and transactions pursuant hereto and the rights and obligations of the parties hereto shall be governed, construed and interpreted in accordance with the laws of the state of California, without giving effect to principles of conflicts of law. For purposes of litigating any dispute that may arise directly or indirectly from this Award Agreement, the parties hereby submit and consent to the exclusive jurisdiction of the state of California and agree that any such litigation shall be conducted only in the courts of California or the federal courts of the United States located in California and no other courts.

(b) **Entire Agreement.** This Award Agreement sets forth the entire agreement and understanding of the parties relating to the subject matter herein and supersedes all prior or contemporaneous discussions, understandings and agreements, whether oral or written, between them relating to the subject matter hereof.

(c) **Amendments and Waivers.** No modification of or amendment to this Award Agreement, nor any waiver of any rights under this Award Agreement, shall be effective unless in writing signed by the parties to this Award Agreement. No delay or failure to require performance of any provision of this Award Agreement shall constitute a waiver of that provision as to that or any other instance. Notwithstanding anything to the contrary in the Plan or this Award Agreement, the Company reserves the right to revise this Award Agreement as it deems necessary or advisable, in its sole discretion and without the consent of Participant, to comply with Code Section 409A or to otherwise avoid imposition of any additional tax or income recognition under Code Section 409A in connection to this Award of Restricted Stock Units.

(d) **Successors and Assigns.** Except as otherwise provided in this Award Agreement, this Award Agreement, and the rights and obligations of the parties hereunder, will be binding upon and inure to the benefit of their respective successors, assigns, heirs, executors, administrators and legal representatives. The Company may assign any of its rights and obligations under this Award Agreement. Except to the limited extent provided in Section 5, no other party to this Award Agreement may assign, whether voluntarily or by operation of law, any of its rights and obligations under this Award Agreement, except with the prior written consent of the Company.

(e) **Notices.** Any notice, demand or request required or permitted to be given under this Award Agreement shall be in writing and shall be deemed sufficient when delivered personally or by overnight courier or sent by email, or 48 hours after being deposited in the U.S. mail as certified or registered mail with postage prepaid, addressed to the party to be notified at the most recent address for such party set forth in the Company's books and records.

(f) **Severability.** If one or more provisions of this Award Agreement are held to be unenforceable under Applicable Law, the parties agree to renegotiate such provision in good faith. In the event that the parties cannot reach a mutually agreeable and enforceable replacement for such provision, then (i) such provision shall be excluded from this Award Agreement, (ii) the balance of the Award Agreement shall be interpreted as if such provision were so excluded and (iii) the balance of the Award Agreement shall be enforceable in accordance with its terms.

(g) **Construction.** This Award Agreement is the result of negotiations between and has been reviewed by each of the parties hereto and their respective counsel, if any; accordingly, this Award Agreement shall be deemed to be the product of all of the parties hereto, and no ambiguity shall be construed in favor of or against any one of the parties hereto.

(h) **Counterparts.** This Award Agreement may be accepted in any number of counterparts, each of which when so accepted and delivered shall be deemed an original, and all of which together shall constitute one and the same agreement. Execution of a facsimile or scanned copy will have the same force and effect as execution of an original, and a facsimile or scanned signature will be deemed an original and valid signature.

***

Country-Specific Addendum

This Addendum includes additional country-specific notices, disclaimers, and/or terms and conditions that apply to individuals who are working or residing in the countries listed below, if any, and that may be material to Participant's participation in the Plan. Such notices, disclaimers, and/or terms and conditions may also apply, as from the date of grant, if Participant moves to or otherwise is or becomes subject to the Applicable Laws or company policies of any country listed below. However, because foreign exchange regulations and other local laws are subject to frequent change, Participant is advised to seek advice from his or her own personal legal and tax advisor prior to accepting the Restricted Stock Units or holding or selling Shares acquired under the Plan. The Company is not providing any tax, legal or financial advice, nor is the Company making any recommendations regarding Participant's acceptance of the Restricted Stock Units or participation in the Plan. Unless otherwise noted below, capitalized terms shall have the same meaning assigned to them under the Plan, the Notice of Restricted Stock Unit Grant and the Award Agreement. This Addendum forms part of the Award Agreement and should be read in conjunction with the Award Agreement and the Plan.

Securities Law Notice: Unless otherwise noted, and except to the extent Company securities are listed on ASX Limited, neither the Company nor the Shares are registered with any local stock exchange or under the control of any local securities regulator outside the United States. The Award Agreement (of which this Addendum is a part), the Notice of Restricted Stock Unit Grant, the Plan, and any other communications or materials that you may receive regarding participation in the Plan do not constitute advertising or an offering of securities outside the United States, and the issuance of securities described in any Plan-related documents is not intended for public offering or circulation in your jurisdiction.

LIFE360, INC.

AMENDED AND RESTATED 2011 STOCK PLAN

NOTICE OF STOCK OPTION GRANT

[SEE CARTA FOR NAME OF OPTIONEE]

You have been granted an option to purchase Common Stock of Life360, Inc., a Delaware corporation (the "Company"), as follows:

Date of Grant:	See Carta
Exercise Price Per Share:	See Carta
Total Number of Shares:	See Carta
Total Exercise Price:	See Carta
Type of Option:	See Carta*
	*If this Option was granted by the Company as an Incentive Stock Option, this Option shall be treated as an Incentive Stock Option to the maximum extent permitted by applicable law (as reflected in Carta from time to time).
Expiration Date:	See Carta
Vesting Commencement Date:	See Carta.
Vesting/Exercise Schedule:	So long as your Continuous Service Status does not terminate (and provided that no vesting shall occur following the Termination Date (as defined in Section 5 of the Stock Option Agreement) unless otherwise determined by the Company in its sole discretion), the Shares underlying this Option shall vest and become exercisable in accordance with the schedule set forth in Carta.
Termination Period:	You may exercise this Option for 6 months after the Termination Date except as set out in Section 5 of the Stock Option Agreement (but in no event later than the Expiration Date). You are responsible for keeping track of these exercise periods following the Termination Date. The Company will not provide further notice of such periods.
Transferability:	You may not transfer this Option except as set forth in Section 6 of the Stock Option Agreement (subject to compliance with Applicable Laws).

By accepting or exercising this Option, you agree that this Option is granted under and governed by the terms and conditions of this Notice and the Plan and Stock Option Agreement (which includes the Country-Specific Addendum, as applicable), both of which are attached to and made a part of this Notice.

In addition, you agree and acknowledge that your rights to any Shares underlying this Option will vest only as you provide services to the Company over time, that the grant of this Option is not as consideration for services you rendered to the Company prior to your date of hire, and that nothing in this Notice or the attached documents confers upon you any right to continue your employment or consulting relationship with the Company for any period of time, nor does it interfere in any way with your right or the Company's right to terminate that relationship at any time, for any reason, with or without cause, subject to Applicable Laws. Also, to the extent applicable, the Exercise Price Per Share has been set in good faith compliance with the applicable guidance issued by the IRS under Section 409A of the Code. However, there is no guarantee that the IRS will agree with this value, and by accepting this Option, you agree and acknowledge that the Company, its Board, officers, employees, agents and stockholders shall not be held liable for any applicable costs, taxes, or penalties associated with this Option if, in fact, the IRS or any other person (including, without limitation, a successor corporation or an acquirer in a Change of Control) were to determine that this Option constitutes deferred compensation under Section 409A of the Code. You should consult with your own tax advisor concerning the tax consequences of such a determination by the IRS. For purposes of this paragraph, the term "Company" will be interpreted to include any Parent, Subsidiary or Affiliate.

THE COMPANY:

LIFE360, INC.

By: ______________________________
(Signature)

Name: ______________________________
Title: ______________________________

LIFE360, INC.

AMENDED AND RESTATED 2011 STOCK PLAN

STOCK OPTION AGREEMENT

1. **Grant of Option.** Life360, Inc., a Delaware corporation (the "Company"), hereby grants to the person ("Optionee") named in the Notice of Stock Option Grant (the "Notice"), an option (the "Option") to purchase the total number of shares of Common Stock (the "Shares") set forth in the Notice, at the exercise price per Share set forth in the Notice (the "Exercise Price") subject to the terms, definitions and provisions of the Life360, Inc. Amended and Restated 2011 Stock Plan (the "Plan") adopted by the Company, which is incorporated in this Stock Option Agreement (this "Agreement") by reference. Unless otherwise defined in this Agreement, the terms used in this Agreement or the Notice shall have the meanings defined in the Plan.

2. **Designation of Option.** This Option is intended to be an Incentive Stock Option as defined in Section 422 of the Code only to the extent so designated in the Notice, and to the extent it is not so designated or to the extent this Option does not qualify as an Incentive Stock Option, it is intended to be a Nonstatutory Stock Option.

Notwithstanding the above, if designated as an Incentive Stock Option, in the event that the Shares subject to this Option (and all other incentive stock options granted to Optionee by the Company or any Parent or Subsidiary, including under other plans) that first become exercisable in any calendar year have an aggregate fair market value (determined for each Share as of the date of grant of the option covering such Share) in excess of USD$100,000, the Shares in excess of USD$100,000 shall be treated as subject to a nonstatutory stock option, in accordance with Section 5(c) of the Plan.

3. **Exercise of Option.** This Option shall be exercisable during its term in accordance with the Vesting/Exercise Schedule set out in the Notice, with the provisions of Section 7(c) of the Plan and as follows:

(a) **Right to Exercise.**

(i) This Option may not be exercised for a fraction of a share.

(ii) In the event of Optionee's death, Disability or other termination of Continuous Service Status, the exercisability of this Option is governed by Section 5 below, subject to the limitations contained in this Section 3.

(iii) In no event may this Option be exercised after the Expiration Date set forth in the Notice.

(b) **Method of Exercise.**

(i) This Option shall be exercisable by execution and delivery of the Exercise Agreement attached hereto as Exhibit A or of any other form of written notice approved for such purpose by the Company which shall state Optionee's election to exercise this Option, the number of Shares in respect of which this Option is being exercised, and such other representations and agreements as to the holder's investment intent with respect to such Shares as may be required by the Company pursuant to the provisions of the Plan. Such written notice shall be signed and/or accepted by Optionee and shall be delivered to the Company by such means as are determined by the Company in its discretion to constitute adequate delivery. The written notice shall be accompanied by payment of the aggregate Exercise Price for the purchased Shares.

(ii) As a condition to the grant, vesting and exercise of this Option and as further set forth in Section 9 of the Plan, Optionee hereby agrees to make adequate provision for the satisfaction of (and will indemnify the Company and any Subsidiary or Affiliate for) any applicable taxes or tax withholdings, social contributions, required deductions, or other payments, if any ("Tax-Related Items"), which arise upon the grant, vesting or exercise of this Option, ownership or disposition of Shares, receipt of dividends, if any, or otherwise in connection with this Option or the Shares, whether by withholding, direct payment to the Company, or otherwise as determined by the Company in its sole discretion. Regardless of any action the Company or any Subsidiary or Affiliate takes with respect to any or all applicable Tax-Related Items, Optionee acknowledges and agrees that the ultimate liability for all Tax-Related Items is and remains Optionee's responsibility and may exceed any amount actually withheld by the Company or any Subsidiary or Affiliate. Optionee further acknowledges and agrees that Optionee is solely responsible for filing all relevant documentation that may be required in relation to this Option or any Tax-Related Items (other than filings or documentation that is the specific obligation of the Company or any Subsidiary or Affiliate pursuant to Applicable Law), such as but not limited to personal income tax returns or reporting statements in relation to the grant, vesting or exercise of this Option, the holding of Shares or any bank or brokerage account, the subsequent sale of Shares, and the receipt of any dividends. Optionee further acknowledges that the Company makes no representations or undertakings regarding the treatment of any Tax-Related Items and does not commit to and is under no obligation to structure the terms or any aspect of the Option to reduce or eliminate Optionee's liability for Tax-Related Items or achieve any particular tax result. Optionee also understands that Applicable Laws may require varying Share or option valuation methods for purposes of calculating Tax-Related Items, and the Company assumes no responsibility or liability in relation to any such valuation or for any calculation or reporting of income or Tax-Related Items that may be required of Optionee under Applicable Laws. Further, if Optionee has become subject to Tax-Related Items in more than one jurisdiction, Optionee acknowledges that the Company or any Subsidiary or Affiliate may be required to withhold or account for Tax-Related Items in more than one jurisdiction.

(iii) The Company is not obligated, and will have no liability for failure, to issue or deliver any Shares upon exercise of this Option unless such issuance or delivery would comply with the Applicable Laws, with such compliance determined by the Company in consultation with its legal counsel. Furthermore, Optionee understands that the

Applicable Laws of the country in which Optionee is residing or working at the time of grant, vesting, and/or exercise of this Option (including any rules or regulations governing securities, foreign exchange, tax, labor or other matters) may restrict or prevent exercise of this Option. This Option may not be exercised until such time as the Plan has been approved by the holders of capital stock of the Company, or if the issuance of such Shares upon such exercise or the method of payment of consideration for such Shares would constitute a violation of any Applicable Laws, including any applicable U.S. federal or state securities laws or any other law or regulation, including any rule under Part 221 of Title 12 of the Code of Federal Regulations as promulgated by the Federal Reserve Board. As a condition to the exercise of this Option, the Company may require Optionee to make any representation and warranty to the Company as may be required by the Applicable Laws. Assuming such compliance, for income tax purposes the Shares shall be considered transferred to Optionee on the date on which this Option is exercised with respect to such Shares, subject to Applicable Laws.

(iv) Subject to compliance with Applicable Laws, this Option shall be deemed to be exercised effective upon acceptance by the Company of the appropriate written notice of exercise accompanied by the Exercise Price and the satisfaction of any applicable obligations described in Section 3(b)(ii) above. The Company may limit, in its sole and absolute discretion, the time or times when the exercise of options, including this Option, will be accepted by the Company and effective, provided any such exercises shall be accepted and effective no less frequently than at least once during each calendar quarter of the year.

4. **Method of Payment.** Unless otherwise specified by the Company in its sole discretion to comply with Applicable Laws or facilitate the administration of the Plan, payment of the Exercise Price shall be by cash or check or by Cashless Exercise pursuant to which the Optionee delivers an irrevocable direction to a securities broker (on a form prescribed by the Company and according to a procedure established by the Company).

Optionee understands and agrees that, if required by the Company or Applicable Laws, any cross-border cash remittance made to exercise this Option or transfer proceeds received upon the sale of Shares must be made through a locally authorized financial institution or registered foreign exchange agency and may require Optionee to provide to such entity certain information regarding the transaction. Moreover, Optionee understands and agrees that the future value of the underlying Shares is unknown and cannot be predicted with certainty and may decrease in value, even below the Exercise Price. Optionee understands that neither the Company nor any Subsidiary or Affiliate is responsible for any foreign exchange fluctuation between local currency and the United States Dollar or the selection by the Company or any Subsidiary or Affiliate in its sole discretion of an applicable foreign currency exchange rate that may affect the value of the Option (or the calculation of income or Tax-Related Items thereunder).

5. **Termination of Relationship.** Following the date of termination of Optionee's Continuous Service Status for any reason (the "Termination Date"), Optionee may exercise this Option only as set forth in the Notice and this Section 5. If Optionee does not exercise this Option within the Termination Period set forth in the Notice or the termination periods set forth below, this Option shall terminate in its entirety. In no event may any Option be exercised after the Expiration Date of this Option as set forth in the Notice. For the avoidance of doubt and for purposes of this Option only, termination of Continuous Service Status and the Termination Date

will be deemed to occur as of the date Optionee is no longer actively providing services as an Employee or Consultant (except, in certain circumstances, to the extent Optionee is on a Company-approved leave of absence and subject to any Company policy or Applicable Laws regarding such leaves) and will not be extended by any notice period or "garden leave" that may be required contractually or under Applicable Laws, unless otherwise determined by the Company in its sole discretion.

(a) **General Termination.** In the event of termination of Optionee's Continuous Service Status other than as a result of Optionee's Disability or death or Optionee's termination for Cause, Optionee may, to the extent Optionee is vested in the Optioned Stock, exercise this Option during the Termination Period set forth in the Notice.

(b) **Termination upon Disability of Optionee.** In the event of termination of Optionee's Continuous Service Status as a result of Optionee's Disability, Optionee may, but only within 12 months following the Termination Date, exercise this Option to the extent Optionee is vested in the Optioned Stock.

(c) **Death of Optionee.** In the event of termination of Optionee's Continuous Service Status as a result of Optionee's death, or in the event of Optionee's death within 3 months following Optionee's Termination Date, this Option may be exercised at any time within 12 months following the Termination Date, or if later, 12 months following the date of death by any beneficiaries designated in accordance with Section 15 of the Plan or, if there are no such beneficiaries, by the Optionee's estate, or by a person who acquired the right to exercise the Option by bequest or inheritance, but only to the extent Optionee is vested in the Optioned Stock.

(d) **Termination for Cause.** In the event of termination of Optionee's Continuous Service Status for Cause, this Option (including any vested portion thereof) shall immediately terminate in its entirety upon first notification to Optionee of such termination for Cause. If Optionee's Continuous Service Status is suspended pending an investigation of whether Optionee's Continuous Service Status will be terminated for Cause, all Optionee's rights under this Option, including the right to exercise this Option, shall be suspended during the investigation period.

6. **Non-Transferability of Option.** This Option may not be transferred in any manner otherwise than by will or by the laws of descent or distribution and may be exercised during the lifetime of Optionee only by him or her. The terms of this Option shall be binding upon the executors, administrators, heirs, successors and assigns of Optionee.

7. **Lock-Up Agreement.** If so requested by the Company or the underwriters in connection with the initial public offering of the Company's securities registered under the Securities Act of 1933, as amended, Optionee shall not sell, make any short sale of, loan, grant any option for the purchase of, or otherwise dispose of any securities of the Company however or whenever acquired (except for those being registered) without the prior written consent of the Company or such underwriters, as the case may be, for 180 days from the effective date of the registration statement, plus such additional period, to the extent required by FINRA rules, up to a maximum of 216 days from the effective date of the registration statement, and Optionee shall execute an agreement reflecting the foregoing as may be requested by the underwriters at the time of such offering.

8. **Effect of Agreement.** Optionee acknowledges receipt of a copy of the Plan and represents that he or she is familiar with the terms and provisions thereof (and has had an opportunity to consult counsel regarding the Option terms), and hereby accepts this Option and agrees to be bound by its contractual terms as set forth herein and in the Plan. Optionee hereby agrees to accept as binding, conclusive and final all decisions and interpretations of the Administrator regarding any questions relating to this Option. In the event of a conflict between the terms and provisions of the Plan and the terms and provisions of the Notice and this Agreement, the Plan terms and provisions shall prevail.

9. **Imposition of Other Requirements.** The Company reserves the right, without Optionee's consent, to cancel or forfeit outstanding grants or impose other requirements on Optionee's participation in the Plan, on this Option and the Shares subject to this Option and on any other Award or Shares acquired under the Plan, to the extent the Company determines it is necessary or advisable in order to comply with Applicable Laws or facilitate the administration of the Plan. Optionee agrees to sign any additional agreements or undertakings that may be necessary to accomplish the foregoing. Furthermore, Optionee acknowledges that the Applicable Laws of the country in which Optionee is residing or working at the time of grant, holding, vesting, and exercise of the Option or the holding or sale of Shares received pursuant to the Option (including any rules or regulations governing securities, foreign exchange, tax, labor, or other matters) may subject Optionee to additional procedural or regulatory requirements that Optionee is and will be solely responsible for and must fulfill. If applicable, such requirements may be outlined in but are not limited to the Country-Specific Addendum (the "Addendum") attached hereto, which forms part of this Agreement. Notwithstanding any provision herein, Optionee's participation in the Plan shall be subject to any applicable special terms and conditions or disclosures as set forth in the Addendum. The Optionee also understands and agrees that if the Optionee works, resides, moves to, or otherwise is or becomes subject to Applicable Laws or Company policies of another jurisdiction at any time, certain country-specific notices, disclaimers and/or terms and conditions may apply to him as from the date of grant, unless otherwise determined by the Company in its sole discretion.

10. **Electronic Delivery and Translation.** The Company may, in its sole discretion, decide to deliver any documents related to Optionee's current or future participation in the Plan, this Option, the Shares subject to this Option, any other Company Securities or any other Company-related documents, by electronic means. By accepting this Option, whether electronically or otherwise, Optionee hereby (i) consents to receive such documents by electronic means, (ii) consents to the use of electronic signatures, and (iii) if applicable, agrees to participate in the Plan and/or receive any such documents through an on-line or electronic system established and maintained by the Company or a third party designated by the Company, including but not limited to the use of electronic signatures or click-through electronic acceptance of terms and conditions. To the extent Optionee has been provided with a copy of this Agreement, the Plan, or any other documents relating to this Option in a language other than English, the English language documents will prevail in case of any ambiguities or divergences as a result of translation.

11. **No Acquired Rights or Employment Rights**. In accepting the Option, Optionee acknowledges that the Plan is established voluntarily by the Company, is discretionary in nature, and may be modified, amended, suspended or terminated by the Company at any time. The grant of the Option is voluntary and occasional and does not create any contractual or other right to receive future grants of Options, other Awards or benefits in lieu of Options, even if Options have been granted repeatedly in the past, and all decisions with respect to future grants of Options or other Awards, if any, will be at the sole discretion of the Company. In addition, Optionee's participation in the Plan is voluntary, and the Option and the Shares subject to the Option are extraordinary items that do not constitute regular compensation for services rendered to the Company or any Subsidiary or Affiliate and are outside the scope of Optionee's employment contract, if any. The Option and the Shares subject to the Option are not intended to replace any pension rights or compensation and are not part of normal or expected salary or compensation for any purpose, including but not limited to calculating severance payments, if any, upon termination.

Nothing contained in this Agreement is intended to constitute or create a contract of employment, nor shall it constitute or create the right to remain associated with or in the employ of the Company or any Subsidiary or Affiliate for any particular period of time. This Agreement shall not interfere in any way with the right of the Company or any Subsidiary or Affiliate to terminate Optionee's employment or service at any time, subject to Applicable Laws.

12. **Data Privacy**. ***Optionee hereby explicitly and unambiguously consents to the collection, use and transfer, whether in electronic or other form, of Optionee's personal data (as described below) by and among, as applicable, the Company and any Subsidiary or Affiliate or third parties as may be selected by the Company for the exclusive purpose of implementing, administering, and managing Optionee's participation in the Plan. Optionee understands that refusal or withdrawal of consent may affect Optionee's ability to participate in the Plan or to realize benefits from the Option***.

Optionee understands that the Company and any Subsidiary or Affiliate may hold certain personal information about Optionee, including, but not limited to, Optionee's name, home address and telephone number, date of birth, social insurance number or other identification number, salary, nationality, job title, any shares of stock or directorships held in the Company or any Subsidiary or Affiliate, details of all Options or any other entitlement to Shares awarded, canceled, exercised, vested, unvested or outstanding in Optionee's favor ("Personal Data"). Optionee understands that Personal Data may be transferred to any Subsidiary or Affiliate or third parties assisting in the implementation, administration and management of the Plan, that these recipients may be located in the United States, Optionee's country, or elsewhere, and that the recipient's country may have different data privacy laws and protections than Optionee's country.

13. **Miscellaneous.**

(a) **Governing Law.** The validity, interpretation, construction and performance of this Agreement, and all acts and transactions pursuant hereto and the rights and obligations of the parties hereto shall be governed, construed and interpreted in accordance with the laws of the state of California, without giving effect to principles of

conflicts of law. For purposes of litigating any dispute that may arise directly or indirectly from this Agreement, the parties hereby submit and consent to the exclusive jurisdiction of the state of California and agree that any such litigation shall be conducted only in the courts of California or the federal courts of the United States located in California and no other courts.

(b) **Entire Agreement.** This Agreement sets forth the entire agreement and understanding of the parties relating to the subject matter herein and supersedes all prior or contemporaneous discussions, understandings and agreements, whether oral or written, between them relating to the subject matter hereof.

(c) **Amendments and Waivers.** No modification of or amendment to this Agreement, nor any waiver of any rights under this Agreement, shall be effective unless in writing signed by the parties to this Agreement. No delay or failure to require performance of any provision of this Agreement shall constitute a waiver of that provision as to that or any other instance.

(d) **Successors and Assigns.** Except as otherwise provided in this Agreement, this Agreement, and the rights and obligations of the parties hereunder, will be binding upon and inure to the benefit of their respective successors, assigns, heirs, executors, administrators and legal representatives. The Company may assign any of its rights and obligations under this Agreement. No other party to this Agreement may assign, whether voluntarily or by operation of law, any of its rights and obligations under this Agreement, except with the prior written consent of the Company.

(e) **Notices.** Any notice, demand or request required or permitted to be given under this Agreement shall be in writing and shall be deemed sufficient when delivered personally or by overnight courier or sent by email, or 48 hours after being deposited in the U.S. mail as certified or registered mail with postage prepaid, addressed to the party to be notified at the most recent address for such party set forth in the Company’s books and records.

(f) **Severability.** If one or more provisions of this Agreement are held to be unenforceable under Applicable Law, the parties agree to renegotiate such provision in good faith. In the event that the parties cannot reach a mutually agreeable and enforceable replacement for such provision, then (i) such provision shall be excluded from this Agreement, (ii) the balance of the Agreement shall be interpreted as if such provision were so excluded and (iii) the balance of the Agreement shall be enforceable in accordance with its terms.

(g) **Construction.** This Agreement is the result of negotiations between and has been reviewed by each of the parties hereto and their respective counsel, if any; accordingly, this Agreement shall be deemed to be the product of all of the parties hereto, and no ambiguity shall be construed in favor of or against any one of the parties hereto.

(h) **Counterparts.** This Agreement may be executed and/or accepted in any number of counterparts, each of which when so executed or accepted and delivered shall be deemed an original, and all of which together shall constitute one and the same agreement. Execution of a facsimile or scanned copy will have the same force and effect as execution of an original, and a facsimile or scanned signature will be deemed an original and valid signature.

Country-Specific Addendum

This Addendum includes additional country-specific notices, disclaimers, and/or terms and conditions that apply to individuals who are working or residing in the countries listed below and that may be material to Optionee's participation in the Plan. Such notices, disclaimers, and/or terms and conditions may also apply, as from the date of grant, if the Optionee moves to or otherwise is or becomes subject to the Applicable Laws or Company policies of the country listed. However, because foreign exchange regulations and other local laws are subject to frequent change, Optionee is advised to seek advice from his or her own personal legal and tax advisor prior to accepting or exercising an Option or holding or selling Shares acquired under the Plan. The Company is not providing any tax, legal or financial advice, nor is the Company making any recommendations regarding Optionee's acceptance of the Option or participation in the Plan. Unless otherwise noted below, capitalized terms shall have the same meaning assigned to them under the Plan, the Notice of Stock Option Grant and the Stock Option Agreement. This Addendum forms part of the Stock Option Agreement and should be read in conjunction with the Stock Option Agreement and the Plan.

Securities Law Notice: Unless otherwise noted and, except to the extent Company securities are listed on ASX Limited, neither the Company nor the Shares are registered with any local stock exchange or under the control of any local securities regulator outside the United States. The Stock Option Agreement (of which this Addendum is a part), the Notice of Stock Option Grant, the Plan, and any other communications or materials that you may receive regarding participation in the Plan do not constitute advertising or an offering of securities outside the United States, and the issuance of securities described in any Plan-related documents is not intended for public offering or circulation in your jurisdiction.

Exhibit 10.5

Life360 Compensation Plan
for Board Directors and
Company Leadership
January 2020

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Compensation Philosophy

At Life360 our goal is to have a top performer in every role, and we compensate accordingly. We would much rather pay towards the top of the market for an outlier versus below market for someone average.

The following points outline our overall view on how we put this into practice:

- "A" players will be paid in the top 50th percentile of market, "B" players get a generous severance package. Keeping a high excellence bar is of extreme importance for the company, and in general we prefer to hire and retain people for unique strengths versus broader lack of weaknesses.
- For all positions, both individual contributor and executive, we benchmark ourselves to late-stage private growth companies. Individual contributor and manager level compensation is benchmarked using the assistance of 3rd party consultant and the OptionDriver dataset. Executive compensation relies on a wider range of data to determine market rates. If we use a retained search firm to make a hire, we use the information gathered in the search our primary guide for compensation. For hires who have been longer-tenured at the company, there is no single benchmark, and we use our network and market surveys to determine an appropriate range.
- We also use the 2019 Venture Capital Executive Compensation Survey as an extra check and balance to confirm our benchmarks are in-line with the market. While this is not the primary determinant in compensation, if there is a wide disparity between what we pay an executive and the data contained in the survey, we treat it as a signal to dig more.
- Because we set compensation based on market rates, we do not have a policy of automatic annual raises. If the market is flat, comp could be flat, but it could also increase dramatically in line with the broader changes in industry.
- We review compensation twice per year and will proactively adjust compensation to encourage a culture where performance is more important than negotiation skills. Market adjustments can happen at both review cycles, while performance based adjustments are done annually. A good measure of our success here is how we handle team members who get higher offers elsewhere—if we are true to this philosophy, we should rarely give large counter offers to encourage someone to stay.
- We are supportive of employees putting more skin in the game by taking extra equity over cash, and our aim is to offer a higher expected value return for employees who take more risk. We also understand that different individuals have different needs, circumstances and risk profiles, so we present this as completely optional.
- As our company matures and compensation packages rise we seek to put more of total compensation "at risk" based on individual and company performance. The more senior one is in the company, the higher percent of total compensation is based on company and individual performance.

- We re-evaluate leadership compensation twice per year, once in February and once in July. July adjustments are generally made to bring team members to current market rates, whereas February adjustments are both performance and market driven.

2019 Annual Leadership Retention and Performance Stock Bonus Plan

This is a program from 2019—there has not been a discussion about its continuance going forward, and is in this 2020 document for reference purposes only.

In addition to the executive-specific compensation schemes listed below, the company also is establishing a pool of shares to be issued to members of the company's leadership team. The participants of this pool, and the allocation of the shares within, will be determined by the Compensation Committee in direct consultation for the CEO. The goal of the pool is to both reward the leadership for high performance while encouraging long-term retention.

For 2019, the pool will be 1.75%. The maximum allocation to Chris Hulls (in addition to individual grants) will be .5% and the maximum allocation to Alex Haro (in addition to individual grants) will be .25%. The shares will be awarded based on CY19 performance at year end and issued in February 2020 as part of the company's Annual Meeting. The shares will vest monthly over a 2 year period starting in February 2020, so vesting will end in February 2022. Vesting will accelerate upon acquisition of the company if the leaders job or compensation would materially change, but not in the event of termination in other circumstances.

A new pool will be created on an annual basis, the size of which will be determined by the Board of Directors. If there are not enough shares available in the option pool to fund the plan, the decision whether or not to continue the plan will be up to the shareholders.

For 2019, the amount of the pool to be paid out will be based 50% on share price performance (relative to the NASDAQ index) and 50% based on reaching revenue targets. The philosophy behind the relative vs absolute target is based on wanting to ensure that if the executive team performs but the market slumps, they are still rewarded. Similarly, we do not want to reward executives if the company share price rises due to the macro environment vs company execution.

For 2019, the Annualized Monthly Revenue (AMR) target is $71.5 million, which is based upon our run rate as of December 2019. If the target is achieved, 34% of the pool will become payable. If the target is exceeded by 10%, an additional 33% will become payable. If the target is exceeded by 20%, the final 33% will become payable.

For the share performance payout, 34% of the pool will become payable if the share price matches the performance of the NASDAQ index. An additional 33% will become payable if the share price beats the index by 15%, and the remaining 33% will become payable if the share price beats the index by 30%. Although this will be a 2019 pool, the date at which the share price target will be measured will be the close of one full day of trading post the company's annual report which will be released in February.

General Bonus Plan Structure

The following pages outline bonus plans for all executive VP and higher. The general format consists of a target bonus payout and a range of bonus payouts (from 0% to 200% of target) depending on performance. The size of these payouts vary by executive based on how far his/her base salary is from market-based total cash comp for their role. For example, if the executive has a salary close to market rate, their plan will be small, whereas if their salary is undermarket, the target bonus will be higher. In general, future raises will be skewed towards bonuses instead of base salary. Over time, the ratio of base salary to bonus will converge for all leaders of similar seniority.

50% of the target payout is determined based on measurable performance on KPI's. These KPI's will include both personal and company targets. While KPI's are quantitative, they will be viewed holistically and subjectively by the CEO with oversight from the Board of Directors. If a goal is missed for a good reason (e.g. lower subscriber count but higher revenue) the executive could receive full credit for that KPI. Similarly, if the goal is hit but for whatever reason does not reflect the long-term intent of the KPI full credit may not be given (e.g. low quality international users as the reason MAU target is achieved).

The other 50% of the target payout is based on a range of qualitative measures which are articulated for each executive. The qualitative measures may include individual behaviors or activities that the CEO wishes to encourage or discourage, directional changes in the company's culture or practices, or other such activities or results. The qualitative bonus will also be determined based on a holistic and subjective assessment of performance on these measures.

Prior to Life360's IPO, employees could elect to receive all or part of their bonus in equity. This has now ended and all bonuses will be paid in cash to avoid accounting and regulatory complexity.

Bonus payouts may be suspended or eliminated if the Board of Directors determines that the company's financial condition would be materially harmed by the bonus payouts. The Remuneration Committee will assess performance under the plan and recommend a plan payout level to the full Board. Individual payout level will vary with individual performance. Bonus payments will be made bi-annually as part of the company's regularly scheduled performance reviews.

Chris Hulls - CEO

Market Data:

Filters: 1) Title 2) Location 3) Industry - consumer & enterprise 4) Development stage - shipping product 5) Funding rounds - post series c, post series d, 5+ rounds of funding 6) Capital raised - >50 million up to 250 million 7) Revenue - >50 million up to 200 million 8) Headcount - 51 - >200

Count	Percentile*	Base Salary	Target Bonus or Commission	Total Target Pay	% Fully Diluted Shares
	25%	$325,000	$ 113,438	$420,000	2.90%
17	**50%**	$350,000	$ 164,430	$500,000	3.79%
	75%	$375,000	$ 200,000	$550,500	4.30%

Current Compensation

Base Salary: $360,000
Bonus: $100,000
Target annual payout: $100k
Payout range: $0-200k
Equity Summary

Option Summary

	Number	Number Vested	Grant Date	Strike Price	Exercise Cost
ES-0436	208,987	121,909	10/24/17	$ 2.15	$ 449,322
ES -552	10	10	10/30/2018	$ 9.55	$ 96
ES-0482	1,269,386	476,019	7/16/2018	$ 2.53	$3,211,547
Total	**1,478,383**	**597,938**	**Weighted Average**	**$ 2.48**	**$3,660,964**
			Spread (ITM)	**$ 4.25**	

Issued Shares/RSU Summary

	Number	Number Vested	Grant Date
Issued Shares	2,886,552	2,886,552	
ICCA Labs	29,960	29,960	
Total	**2,916,512**	**2,916,512**	

Summary

	Count	Exercised Cash Value	Ownership
Total Options	1,478,383	$ 6,284,858	2.54%
Total RSUs	2,916,512	$ 19,620,834	5.01%
Total	**4,394,895**	**$ 25,905,692**	**7.55%**
Percent Vested	**79.97%**		

Compensation Commentary and Status Relative to Market

Proposed Comp Plan Changes

Quantitative (goals for entire vs half year)

Qualitative

David Rice - COO

Market Data:

Filters: 1) Title 2) Location 3) Industry - consumer & enterprise 4) Development stage - shipping product 5) Funding rounds - post series c, post series d, 5+ rounds of funding 6) Capital raised - >50 million up to 250 million 7) Revenue - >50 million up to 200 million 8) Headcount - 51 - >200

Count	Percentile*	Base Salary	Target Bonus or Commission	Total Target Pay	% Fully Diluted Shares
	25%	$243,750	$ 0	$262,500	0.92%
8	**50%**	$275,000	$ 50,000	$312,500	1.41%
	75%	$306,250	$ 142,500	$459,375	1.67%

Current Compensation

Base Salary: $350,000
Bonus: $100,00
Target annual payout: $100,000
Payout range: 0-$200,000

Equity Summary

Option Summary

	Number	Number Vested	Grant Date	Strike Price	Exercise Cost
ES-0366	100,000	83,333	9/20/16	$ 2.15	$ 215,000
ES-603	10	10	10/30/18	$ 9.55	$ 96
ES-0428	125,392	73,145	10/24/17	$ 2.53	$ 317,242
Total	**225,402**	**156,488**	**Weighted Average**	**$ 2.36**	**$ 532,337**
			Spread (ITM)	$ 4.37	

Issued Shares/RSU Summary

	Number	Number Vested	Grant Date
Issued Shares	417,570	417,570	
Total	**417,570**	**417,570**	

Summary

	Count	Exercised Cash Value	Ownership
Total Options	225,402	$ 984,055	0.39%
Total RSUs	417,570	$ 2,809,202	0.72%
Total	642,972	$ 3,793,257	1.10%
Percent Vested	**89.28%**		

Compensation Commentary and Status Relative to Market

David's comp is above the 50th percentile and appropriate for his level of seniority and contribution at the company. Any raise this cycle will be modest.

Proposed Comp Plan

Salary:

Bonus:

Target annual payout:

Payout range:

Cash proportion:

Quantitative

Qualitative

Samir Kapoor - CTO

Market Data:

Filters: 1) Title 2) Location 3) Industry - consumer & enterprise 4) Development stage - shipping product 5) Funding rounds - post series c, post series d, 5+ rounds of funding 6) Capital raised - >50 million up to 250 million 7) Revenue - >50 million up to 200 million 8) Headcount - 51 - >200

Count	Percentile*	Base Salary	Target Bonus or Commission	Total Target Pay	% Fully Diluted Shares
	25%	$240,000	$ 12,500	$262,500	0.54%
11	**50%**	$250,000	$ 50,000	$300,000	1.25%
	75%	$325,000	$ 62,500	$392,500	1.70%

Current Compensation

Base Salary: $300,000
Bonus: $50,00

Equity Summary

Option Summary

	Number	Number Vested	Grant Date	Strike Price	Exercise Cost
ES-0752	178,775	0	9/15/19	$ 7.02	$1,255,001
ES-0761	71,225	0	10/7/19	$ 7.07	$ 503,561
Total	**250,000**	**0**	**Weighted Average**	**$ 7.03**	**$1,758,561**
			Spread (ITM)	$ 0.00	

RSU Summary

	Number	Number Vested	Grant Date
ES-0768	40,000	0	10/7/19
Total	**40,000**	**0**	

Summary

	Count	Exercised Cash Value	Ownership
Total Options	250,000	$ 0	0.43%
Total RSUs	40,000	$ 269,100	0.07%
Total	290,000	$ 269,100	0.50%
Percent Vested	**0.00%**		

Monica Walls - VP People & Talent

Market Data:

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Filters: 1) Title 2) Location 3) Industry - consumer & enterprise 4) Development stage - shipping product 5) Funding rounds - post series c, post series d, 5+ rounds of funding 6) Capital raised - >50 million up to 250 million 7) Revenue - >50 million up to 200 million 8) Headcount - 51 - >200

Count	Percentile*	Base Salary	Target Bonus or Commission	Total Target Pay	% Fully Diluted Shares
	25%	$250,000	$ 12,375	$251,250	0.12%
6	**50%**	$250,000	$ 62,250	$290,000	0.28%
	75%	$253,750	$ 77,813	$337,188	0.40%

Current Compensation

Base Salary: $210,000
Bonus: $40,000
Payout Range: $0 - $80,000

Equity Summary

Option Summary

	Number	Number Vested	Grant Date	Strike Price	Exercise Cost
ES-0481	45,000	17,812	1/20/2015	$ 2.53	$ 113,850
ES-633	10	10	10/30/2018	$ 9.55	$ 96
Total	**45,010**	**17,812**	**Weighted Average**	**$ 2.53**	**$ 113,946**
			Spread (ITM)	**$ 4.20**	

RSU Summary

	Number	Number Vested	Grant Date
ES-0709	40,000	9,166	7/23/2019
Total	**40,000**	**9,166**	

Summary

	Count	Exercised Cash Value	Ownership
Total Options	45,010	$ 188,859	0.08%
Total RSUs	40,000	$ 269,100	0.07%
Total	**85,010**	**$ 457,959**	**0.15%**
Percent Vested	**31.74%**		

Compensation Commentary and Status Relative to Market

Chris will have a conversation with Mark Goines about Monica's comp to keep it arm's length.

Proposed Comp Plan

Quantitative (goals for entire vs half year)

Qualitative

Ariana Hellebuyck - VP Marketing

Market Data:

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Filters: 1) Title 2) Location 3) Industry - consumer & enterprise 4) Development stage - shipping product 5) Funding rounds - post series c, post series d, 5+ rounds of funding 6) Capital raised - >50 million up to 250 million 7) Revenue - >50 million up to 200 million 8) Headcount - 51 - >200

Count	Percentile*	Base Salary	Target Bonus or Commission	Total Target Pay	% Fully Diluted Shares
	25%	$200,000	$ 37,202	$217,868	0.07%
22	**50%**	$231,000	$ 43,500	$267,500	0.09%
	75%	$248,375	$ 56,000	$300,000	0.19%

Current Compensation

Base Salary: $240,000
Bonus: $40,000

Equity Summary

Option Summary

	Number	Number Vested	Grant Date	Strike Price	Exercise Cost
ES-0445	212,500	106,250	1/24/18	$ 2.15	$ 456,875
ES-541	10	10	10/30/18	$ 9.55	$ 96
Total	**212,510**	**106,260**	**Weighted Average**	**$ 2.15**	**$ 456,971**
			Spread (ITM)	$ 4.58	

RSU Summary

	Number	Number Vested	Grant Date
Total	**0**	**0**	

Summary

	Count	Exercised Cash Value	Ownership
Total Options	212,510	$ 972,691	0.37%
Total RSUs	0	$ 0	0.00%
Total	212,510	$ 972,691	0.37%
Percent Vested	**50.00%**		

Compensation Commentary and Status Relative to Market

Ariana's compensation, both cash and equity, feels appropriately benchmarked given her relative seniority and size of the marketing function, which remains small. Should she expand the scope of her role, a raise would likely be warranted, but not at this point in time. She was recently added to the bonus plan and received a raise in 2019 as well.

Quantitative

Qualitative

Steven Yarger - VP Service & Support

Market Data:

Filters: 1) Title 2) Location 3) Industry - consumer & enterprise 4) Development stage - shipping product 5) Funding rounds - post series c, post series d, 5+ rounds of funding 6) Capital raised - >50 million up to 250 million 7) Revenue - >50 million up to 200 million 8) Headcount - 51 - >200

Count	Percentile*	Base Salary	Target Bonus or Commission	Total Target Pay	% Fully Diluted Shares
	25%	$215,000	$ 27,563	$261,313	0.13%
8	**50%**	$245,000	$ 72,500	$337,500	0.33%
	75%	$260,875	$ 122,500	$370,875	0.46%

Current Compensation

Base Salary: $180,000
Bonus: $30,000

Equity Summary

Option Summary

	Number	Number Vested	Grant Date	Strike Price	Exercise Cost
ES-0668	100,000	0	3/14/19	$ 6.28	$ 628,000
Total	**100,000**	**0**	**Weighted Average**	**$ 6.28**	**$ 628,000**
			Spread (ITM)	$ 0.45	

RSU Summary

	Number	Number Vested	Grant Date
ES-0841	10,000	0	10/7/19
Total	**10,000**	**0**	

Summary

	Count	Exercised Cash Value	Ownership
Total Options	100,000	$ 44,750	0.17%
Total RSUs	10,000	$ 67,275	0.02%
Total	110,000	$ 112,025	0.19%
Percent Vested	**0.00%**		

Compensation Commentary and Status Relative to Market

Steven has relatively low cash comp but self-selected to receive this package in exchange for higher equity. He is arguably under-market, but he is early in his tenure and his impact has not yet significantly been felt, so changes to compensation will be modest this review cycle.

Quantitative

Qualitative

Jon Troutman - VP of Design

Market Data:

Filters: 1) Title 2) Location 3) Industry - consumer & enterprise 4) Development stage - shipping product 5) Funding rounds - post series c, post series d, 5+ rounds of funding 6) Capital raised - >50 million up to 250 million 7) Revenue - >50 million up to 200 million 8) Headcount - 51 - >200

Count	Percentile*	Base Salary	Target Bonus or Commission	Total Target Pay	% Fully Diluted Shares
	25%	$238,750	$ 0	$251,250	0.16%
10	**50%**	$263,112	$ 0	$283,712	0.20%
	75%	$298,588	$ 42,500	$317,100	0.37%

Current Compensation

Base Salary: $250,000
Bonus: $200,000 (incentive not performance) to be paid September 2020

Equity Summary

Option Summary

	Number	Number Vested	Grant Date	Strike Price	Exercise Cost
ES-0628 - cancelled 01/06	0	0	10/30/18	$ 9.55	$ 0
ES-0696	151,117	50,372	7/25/19	$ 7.43	$1,122,799
Total	**151,117**	**50,372**	**Weighted Average**	**$ 7.43**	**$1,122,799**
			Spread (ITM)	**$ 0.00**	

RSU Summary

	Number	Number Vested	Grant Date
Total	**0**	**0**	

Summary

	Count	Exercised Cash Value	Ownership
Total Options	151,117	$ 0	0.26%
Total RSUs	0	$ 0	0.00%
Total	**151,117**	**$ 0**	**0.26%**
Percent Vested	**33.33%**		

Compensation Commentary and Status Relative to Market

John is significantly above market due to his guaranteed bonus that was part of his signing package. Once this bonus is paid at the end of 2020, his comp will re-leveled for future years.

Quantitative

Qualitative

Exhibit 10.6

EMPLOYMENT AGREEMENT

This **EMPLOYMENT AGREEMENT** (the "Agreement") is entered into _______________, 2019 and made effective as of _______________, 2019 (the "Effective Date"), by and between Life360, Inc., a corporation organized under the laws of the State of Delaware (the "Company"), and Christopher Hulls ("Executive") (the Company and Executive are sometimes collectively referred to herein as the "Parties" and individually as a "Party"), all with reference to the following:

WHEREAS, the Executive is currently employed by the Company as its Chief Executive Officer;

WHEREAS, the Company and Executive believe that it is in the best interest of each to define the terms and conditions of Executive's employment with the Company; and

WHEREAS, the Company desires to continue to obtain the services of Executive, and Executive desires to provide services to the Company, in accordance with the terms, conditions and provisions contained in this Agreement.

NOW THEREFORE, in consideration of the covenants and mutual agreements set forth herein and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, and in reliance upon the representations, covenants and mutual agreements contained herein, the Company and Executive agree to adopt his Agreement, as follows:

1. Defined Terms. Capitalized terms not otherwise defined shall have the meanings set forth in Exhibit A.

2. Term. This is an "At Will" employment agreement. Nothing in the Company's policies, actions, or this document shall be construed to alter the "At Will" nature of Executive's status with Company, and Executive understands that Employer may terminate his/her employment at any time for any reason or for no reason, provided it is not terminated in violation of state or federal law. Similarly, the Executive may terminate his/her employment at any time and for any or for no reason. The Agreement's Term begins on the Effective Date and ends on either (i) the date Executive voluntarily terminates his/her employment or (ii) the date the Company terminates the Executive's employment.

3. Position and Duties.

(a) Position. During the Term, Executive shall serve as the Company's Chief Executive Officer. Executive shall report directly to the Company's Board of Directors (the "Board"). In such capacity, Executive shall have the duties, functions, responsibilities, and authority customarily appertaining to that position and shall have such other duties, functions, responsibilities, and authority consistent with such position as are from time to time delegated to him by the Board.

(b) Duties. Executive shall have supervision, control over, and responsibility for the day-to-day business and affairs of the Company and shall have such other powers and duties as may from time to time be prescribed by the Board, provided that such supervision, control over, responsibilities and duties are consistent with Executive's position or other positions that he may hold from time to time. Executive shall devote substantially all of his business time and attention to the performance of Executive's duties hereunder and to the Company's affairs and shall not engage in any other business, profession or occupation for compensation or otherwise that would conflict or interfere with the rendition of such services, either directly or indirectly; provided, that nothing herein shall preclude Executive from (i) serving on the board of directors of two (2) for-profit companies that do not compete with the Company in the judgment of the Board; (ii) serving on civic or charitable boards or committees; and/or (iii) managing personal investments, so long as all such activities described in clauses (i) through (iii) above do not unreasonably interfere with the Executive's performance of his duties to the Company as provided in this Agreement and, in the case of the activities described in clauses (i) and (ii), are disclosed to the Board.

(c) Principal Place of Employment. Executive's initial principal place of employment during the Term shall be 539 Bryant, Suite 402, San Francisco, CA 94107, or as shall be designated by the Board, subject to the terms and conditions of this Agreement. The Parties acknowledge that Executive may be required to travel in connection with the performance of his duties hereunder.

(d) Corporate Policies. During the Term, Executive shall be subject to all of the Company's corporate governance, ethics, and executive compensation and other policies as in effect from time to time.

(e) Compensation, Benefits, Other Items Applicable to Executive. During the Term, Executive shall be entitled to the compensation and benefits described in Sections 4 and 5 of this Agreement, in addition to any other compensation agreed to between Executive and the Company.

4. Compensation.

(a) Base Salary. During the Term, Executive shall receive an annual base salary (the "Base Salary") of three hundred thousand dollars ($300,000), payable in regular installments in accordance with the Company's usual payroll practices. Executive's Base Salary is subject to annual review and may, in the Board's discretion, be increased or decreased. As so adjusted, the term "Base Salary" shall refer to the adjusted amount.

5. Employee and Fringe Benefits; Expense Reimbursements.

(a) Employee Benefits. During the Term, Executive and his eligible dependents (if any) shall be able to participate in employee benefit plans and perquisite and fringe benefit programs on a basis no less favorable than the basis on which such benefits and perquisites are provided by the Company from time to time to other similarly situated senior executive employees, subject in each case to the terms and conditions of the plan or program in question, including any eligibility requirements set forth therein, and the determination of any person or committee administering the plan or program. Notwithstanding the foregoing or any other statement to the contrary, the Company reserves the right to modify or terminate benefits from time to time as it deems necessary or appropriate.

(b) Paid Time Off. Executive shall be entitled to paid vacation each year in accordance with the Company's then-current vacation policy for other similarly situated senior executive employees. The rules relating to other absences from regular duties for holidays, sick or disability leave, leave of absence without pay, or for other reasons, shall be the same as those provided to the Company's other similarly situated senior executive employees.

(c) Expense Reimbursement. Executive shall be entitled to receive prompt reimbursement for all travel and business expenses reasonably incurred and accounted for by Executive (in accordance with the policies and procedures established from time to time by the Company for Executive or as otherwise provided for in the Company's approved travel budget) in performing services hereunder. Any reimbursement that Executive is entitled to receive shall (i) be paid as soon as practicable and in any event no later than the last day of Executive's tax year following the tax year in which the expense was incurred, (ii) not be affected by any other expenses that are eligible for reimbursement in any tax year and (ii) not be subject to liquidation or exchange for another benefit.

6. Termination of Employment. Except for the provisions intended to survive for other periods of time as specified in Section 15(m) below, this Agreement and Executive's employment shall terminate (i) at any time upon mutual written agreement of the Parties; (ii) by the Company, immediately and without prior notice, for Cause as provided in Section 6(a); (iii) immediately upon Executive's death or Disability as provided in Section 6(b); or (iv) by the Company for any reason other than Cause with advance written notice of at least six (6) months' of any such termination; or (v) by Executive for any reason other than due to Executive's death or Disability with advance written notice as provided in Section 6(a). The date on which Executive's employment ends under this Section 6 shall be referred to herein as his "Termination Date."

(a) Termination for Cause; Voluntary Termination. At any time during the Term, (i) the Company may immediately terminate Executive's employment for Cause, and (ii) Executive may terminate his employment "voluntarily" (that is, other than by death or Disability); provided, that Executive will be required to give the Board at least six (6) months' advance written notice of any such termination; provided, however, that the Board may waive all or any part of the foregoing notice requirement in its sole discretion, in which case Executive's voluntary termination will be effective upon the date specified by the Board. Upon the termination of Executive's employment by the Company for Cause or by Executive's voluntary termination, Executive shall receive the Accrued Obligations. All other benefits, if any, due to Executive following Executive's termination of employment pursuant to this Section 6(a) shall be determined in accordance with the plans, policies and practices of the Company as then in effect, including but not necessarily limited to the Executive Incentive Plan. Executive shall not earn or accrue any additional compensation or other benefits under this Agreement following the Termination Date. Notwithstanding anything in this Section 6 to the contrary, in the event Executive is terminated for Cause, the Company will provide notice to the Executive outlining the reason(s) underlying the termination within one business day of such termination; for the avoidance of doubt, the foregoing notice provision is not a condition precedent to a termination for Cause.

(b) Termination Due to Death or Disability.

(i) Death. Executive's employment with the Company shall terminate upon Executive's death. Upon the termination of the Term and Executive's employment as a result of this Section 6(b)(i), Executive's estate shall receive the Accrued Obligations within fifteen (15) days following the Termination Date. All payments or benefits, if any, due to Executive's estate following Executive's termination due to death shall be determined in accordance with the plans, policies and practices of the Company as then in effect. Executive's estate shall not earn or accrue any additional compensation or other benefits under this Agreement following the Termination Date.

(ii) Disability. The Company may terminate Executive's employment if he becomes unable to perform the essential functions of his position as a result of his Disability. Upon any termination of the Term and Executive's employment pursuant to this Section 6(b)(ii), Executive shall receive the Accrued Obligations. All other benefits, if any, due to Executive following Executive's termination of employment pursuant to this Section 6(b)(ii) shall be determined in accordance with the plans, policies and practices of the Company as then in effect. Executive shall not earn or accrue any additional or other benefits under this Agreement following the Termination Date.

(c) Notice of Termination. Any purported termination of Executive's employment by the Company or by Executive shall be communicated by written notice of termination to the other party in accordance with this Section 6. Such notice shall indicate the specific termination provision in this Agreement relied upon and shall, to the extent applicable, set forth in reasonable detail the facts and circumstances claimed to provide a basis for termination of Executive's employment under the provision so indicated.

7. Reserved.

8. Non-Disclosure of Intellectual Property, Trade Secrets, and Confidential Information. Executive acknowledges and agrees that the Confidential Information and Invention Assignment Agreement entered into by Executive and dated ________________, 2019 (the "Confidentiality Agreement") shall remain in full force and effect.

9. Non-Disparagement.

(a) To the maximum extent permitted by applicable law, Executive agrees that he will not make or cause to be made any oral or written statements that are derogatory, defamatory, or disparaging concerning the Company, its policies or programs, or its past or present officers, directors, employees, agents, or business associates, including but not limited to its past or present suppliers or vendors, or take any actions that are harmful to the business affairs of the Company or its employees. This provision is a material and substantial term of this Agreement.

(b) Company agrees that it will not publish any official statement of the Company that is derogatory, defamatory, or disparaging concerning Executive, and will instruct the members of the Board and the Company's executives to refrain from making any derogatory, defamatory, or disparaging public statements concerning Executive.

10. Severability. If any provision, subsection, or sentence of this Agreement shall be held to be invalid, illegal or unenforceable in any respect by a court of competent jurisdiction, such invalidity, illegality or unenforceability shall not affect the other provisions of this Agreement, and this Agreement shall be construed as if such invalid, illegal or unenforceable provision, subsection, or sentence had not been contained herein.

11. Compliance With Confidentiality and Non-Disclosure Obligations. Executive represents and warrants that he is in compliance with the Confidentiality Agreement as of the Effective Date.

12. Specific Performance. Executive acknowledges and agrees that the Company's remedies at law for a breach or threatened breach of Section 9(a) (the "Covenant") would be inadequate and the Company would suffer irreparable damages as a result of such breach or threatened breach. In recognition of this fact, Executive agrees that, in the event of a breach of the Covenant, in addition to any remedies at law, the Company, without posting any bond, to the maximum extent permitted by applicable law, shall be entitled to cease making any payments or providing any benefit otherwise required by this Agreement and, in the case of either a breach or a threatened breach of the Covenant seek equitable relief before a court of competent jurisdiction, in the form of specific performance, temporary restraining order, temporary or permanent injunction or any other equitable remedy that may then be available. Company acknowledges and agrees that the Executive's remedies at law for a breach or threatened breach of Section 9(b) would be inadequate and Executive would suffer irreparable damages as a result of such breach or threatened breach. Accordingly, Company agrees that Executive shall be entitled to, in addition to any legal remedies available, seek equitable relief before a court of competent jurisdiction, in the form of specific performance, temporary restraining order, temporary or permanent injunction or any other equitable remedy that may then be available without posting bond or proving actual damages.

13. Conflicts of Interest. Executive agrees that for the duration of this Agreement and Executive's employment with the Company, he will not engage, either directly or indirectly, in any activity (a "Conflict of Interest") which might adversely affect Company or its affiliates, including ownership of a material interest in any supplier, contractor, distributor, subcontractor, customer or other entity with which Company does business or accepting any payment, service, loan, gift, trip, entertainment, or other favor from a supplier, contractor, distributor, subcontractor, customer or other entity with which Company does business, and that Executive will promptly inform the Chair of the Board as to each offer received by Executive to engage in any such activity. Executive further agrees to disclose to Chair of the Board any other facts of which Executive becomes aware which might involve or give rise to a Conflict of Interest or potential Conflict of Interest.

14. Reserved.

15. Miscellaneous.

(a) Executive’s Representations. Executive hereby represents and warrants to the Company that (i) Executive has read this Agreement in its entirety, fully understands the terms of this Agreement, has had the opportunity to consult with counsel prior to executing this Agreement and is signing the Agreement voluntarily and with full knowledge of its significance; (ii) the execution, delivery and performance of this Agreement by Executive does not and shall not conflict with, breach, violate or cause a default under any contract, agreement, instrument, order, judgment or decree to which Executive is a party or by which he is bound; (iii) Executive is not a party to or bound by an employment agreement, non-compete agreement or confidentiality agreement with any other person or entity that would interfere with the performance of his duties hereunder; and (iv) Executive shall not use any confidential information or trade secrets of any person or party other than the Company in connection with the performance of his duties hereunder, except with valid written consent of such other person or party. **Executive has carefully read and considered all provisions of these Agreements and acknowledges that this is an important legal document that sets forth restrictions on Executive’s conduct as a condition of employment with the Company.**

(b) Waiver. No provision of this Agreement may be modified, waived or discharged unless such waiver, modification or discharge is agreed to in a writing signed by Executive and an officer of the Company (other than Executive) duly authorized by the Board to execute such amendment, waiver or discharge. No waiver by either Party of any breach of the other Party of, or compliance with, any condition or provision of this Agreement shall be deemed a waiver of similar or dissimilar provisions or conditions at the same or at any prior or subsequent time.

(c) Successors and Assigns.

(i) This Agreement is personal to Executive and shall not be assignable by Executive but shall inure to the benefit of and be enforceable by Executive’s heirs and legal representatives.

(ii) This Agreement shall inure to the benefit of and be binding upon the Company and its successors and, other than as set forth in Section 15(d)(iii) below, shall not be assignable by the Company without the prior written consent of Executive (which shall not be unreasonably withheld).

(iii) The Agreement shall be assignable by the Company to any successor (whether direct or indirect, by purchase, merger, consolidation or otherwise) to all or substantially all of the business and/or assets of the Company; provided, that the Company shall require such successor 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 had taken place. As used in this Agreement, “Company” shall mean the Company as defined in this Agreement and any successor to its business and/or assets which assumes and agrees to perform this Agreement by operation of law or otherwise.

(d) Notice. For the purpose of this Agreement, notices and all other communications provided for in this Agreement shall be in writing and shall be deemed to have been duly given if delivered personally, if delivered by overnight courier service, or if mailed by registered mail, return receipt requested, postage prepaid, addressed to the respective addresses or sent via email to the respective email addresses, as the case may be, as set forth below, or to such other address as either party may have furnished to the other in writing in accordance herewith, except that notice of change of address shall be effective only upon receipt; provided, however, that (i) notices sent by personal delivery or overnight courier shall be deemed given when delivered; (ii) notices sent by email shall be deemed given at the time such email is sent; and (iii) notices sent by registered mail shall be deemed given two (2) days after the date of deposit in the mail.

If to Executive, to such address as shall most currently appear on the records of the Company.

If to the Company, to:

Life360, Inc.
539 Bryant, Suite 400
San Francisco, California 94107

Attention: Chairman of the Board

(e) GOVERNING LAW; CONSENT TO JURISDICTION; JURY TRIAL WAIVER. THIS AGREEMENT WILL BE GOVERNED BY AND CONSTRUED IN ACCORDANCE WITH THE LAWS OF THE STATE OF CALIFORNIA, WITHOUT GIVING EFFECT TO ANY CHOICE OF LAW OR CONFLICTING PROVISION OR RULE (WHETHER OF THE STATE OF DELAWARE OR ANY OTHER JURISDICTION) THAT WOULD CAUSE THE LAWS OF ANY JURISDICTION OTHER THAN THE STATE OF CALIFORNIA TO BE APPLIED. IN FURTHERANCE OF THE FOREGOING, THE LAW OF THE STATE OF CALIFORNIA (EXCEPT TO THE EXTENT SUPERSEDED BY THE LAWS OF THE UNITED STATES) WILL CONTROL THE INTERPRETATION AND CONSTRUCTION OF THIS AGREEMENT. ANY ACTION TO ENFORCE THIS AGREEMENT MUST BE BROUGHT IN, AND THE PARTIES HEREBY CONSENT TO JURISDICTION IN SAN FRANCISCO COUNTY, CALIFORNIA. EACH PARTY HEREBY WAIVES THE RIGHTS TO CLAIM THAT ANY SUCH COURT PROCEEDING IS AN INCONVENIENT FORUM FOR THE RESOLUTION OF ANY SUCH ACTION. EACH PARTY TO THIS AGREEMENT WAIVES ALL RIGHT TO TRIAL BY JURY IN ANY ACTION, PROCEEDING, CLAIM OR COUNTERCLAIM.

(f) Compliance with Section 409A. The intent of the Parties is that payments and benefits under this Agreement comply with, or be exempt from, Section 409A and, accordingly, to the maximum extent permitted, this Agreement shall be interpreted in accordance therewith. In no event whatsoever shall the Company be liable for interest and additional tax that may be imposed on Executive by Section 409A or any damages for failing to comply with Section 409A.

(g) Severability of Invalid or Unenforceable Provisions. The invalidity or unenforceability of any provision or provisions of this Agreement shall not affect the validity or enforceability of any other provision of this Agreement, which shall remain in full force and effect.

(h) Advice of Counsel and Construction. Each Party acknowledges that such Party had the opportunity to be represented by counsel in the negotiation and execution of this Agreement. Accordingly, the rule of construction of contract language against the drafting party is hereby waived by each Party.

(i) Entire Agreement. This Agreement, all Exhibits attached hereto, and the Confidentiality Agreement, constitute the entire agreement between the Parties as of the Effective Date and supersedes all previous agreements and understandings between the Parties with respect to the subject matter hereof.

(j) Withholding Taxes. The Company shall be entitled to withhold from any payment due to Executive hereunder any amounts required to be withheld by applicable laws or regulations.

(k) Section Headings. The headings of the Sections hereof are provided for convenience only and are not to serve as a basis for interpretation or construction, and shall not constitute a part, of this Agreement.

(l) Cooperation. During the Term and at any time thereafter, Executive agrees to cooperate, at Company's expense, (i) with the Company in the defense of any legal matter involving any matter that arose during Executive's employment with the Company; and (ii) with all government authorities on matters pertaining to any investigation, litigation or administrative proceeding pertaining to the Company. The Company will reimburse Executive for any reasonable travel and out of pocket expenses incurred by Executive in providing such cooperation.

(m) Survival. Sections 6 through 12, inclusive, and Sections 15(b)-(o), inclusive, shall survive and continue in full force in accordance with their terms notwithstanding any termination of the Term or of Executive's employment with the Company.

(n) Counterparts. This Agreement may be executed in one or more counterparts, each of which shall be deemed to be an original but all of which together will constitute one and the same instrument.

(o) Recoupment/Clawback. Notwithstanding any other provisions in this Agreement to the contrary, any incentive-based compensation, or any other compensation, paid to Executive pursuant to this Agreement or any other agreement or arrangement with the Company or any of its affiliates, which may be subject to recovery under any law, government regulation, company policy or stock exchange listing requirement, will be subject to such deductions and clawback as may be required to be made pursuant to such law, government regulation, company policy or stock exchange listing requirement to the extent reasonably required by any such law, government regulation, company policy or stock exchange listing requirement, as determined by the Board in its sole and absolute discretion. For purposes of this

Section 15(o), a “company policy” means any written company policy adopted by the Company that is made available to the Company’s executive officers through electronic or any other means.

[Remainder of page intentionally left blank – signatures appear on the following page]

The Parties have executed this Agreement as of the date first above written.

COMPANY

Life360, Inc.

By: /s/ John Coghlan
Name: John Coghlan
Title: Chairman of the Board of Directors

EXECUTIVE

/s/ Christopher Hulls
Christopher Hulls

EXHIBIT A

DEFINED TERMS

1. "Accrued Obligations" shall mean, at any point in time and except as expressly provided herein, any amounts to which the Executive is entitled to payment but have not yet been paid to Executive including, but not limited to, each of the following (but only to the extent such amounts are vested, earned or accrued, and due and payable at the time of payment): Base Salary and any other wages, payments, retention bonuses, entitlements or benefits vested, earned or accrued, and due and payable, but unpaid under applicable benefit and compensation plans, programs and other arrangements with the Company.

2. "Affiliate" of a Person shall mean any other Person that directly or indirectly controls, is controlled by, or is under common control with, such Person.

3. "Board" shall mean the Company's board of directors.

4. "Cause" shall mean the occurrence of one or more of the following: (i) Executive's malfeasance, willful, or gross misconduct, or willful dishonesty that materially harms the Company or its stockholders; (ii) Executive's conviction of a crime that is materially detrimental to the Company or its stockholders; (iii) Executive's conviction of, or entry of a plea *nolo contendere* to a crime that materially damages the Company's financial condition or reputation or to a crime involving fraud; (iv) Executive's material violation of the Company's Code of Ethics, including breach of duty of loyalty in connection with the Company's business; (v) Executive's willful failure to perform duties under this Agreement, after notice by the Board and an opportunity to cure; (vi) Executive's failure to reasonably cooperate with, or Executive's impedance or interference with, an investigation authorized by the Board; (vii) Executive's failure to follow a legal and proper Board directive, after notice by the Board and a 30 (thirty) day opportunity to cure; or (viii) Executive's willful misconduct or gross negligence pursuant to the Sarbanes-Oxley Act, if and to the extent such conduct triggers a restatement of the Company's financial results.

5. "Code" shall mean the Internal Revenue Code of 1986, as amended.

6. "Disability" means Executive has been 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 (12) months. Whether Executive is Disabled shall be determined by a qualified medical provider selected by the Company. Alternatively, Executive will be deemed Disabled if determined to be totally disabled by the Social Security Administration. Termination of employment resulting from Disability may only be effected after at least thirty (30) days' written notice by the Company to Executive of Company's intention to terminate Executive's employment due to Disability. In the event that Executive resumes the performance of substantially all of his or her duties hereunder before his or her termination becomes effective, the notice of intent to terminate based on Disability will automatically be deemed to have been revoked. In conjunction with determining Disability for purposes of this Agreement, Executive hereby (i) consents to any such examinations, to be performed by a qualified medical provider selected by the Company and approved by the Executive (which approval shall not be

unreasonably withheld), which are relevant to a determination of whether Executive has incurred a Disability; and (ii) agrees to furnish to the qualified medical provider selected by the Company such medical information as may be reasonably requested.

7. "Section 409A" shall mean Code section 409A together with all regulation and regulatory guidance promulgated thereunder, as amended from time to time.

October 29, 2015

Dear David:

Life360, Inc. (the "Company") is pleased to offer you employment with the Company on the terms described below.

1. **Position**. You will start in a full-time position as a **Chief Product Officer** and you will initially report to Chris Hulls. By signing this letter, you confirm with the Company that you are under no contractual or other legal obligations that would prohibit you from performing your duties with the Company. Subject to the fulfillment of any conditions imposed by this letter agreement, you will commence this new position with the Company on **Monday, November 2, 2015**.

2. **Base Salary**. You will be paid a starting salary at the rate of **$200,000** for the first year of your employment. On your first year Anniversary, your annual base salary will be **$350,000** which will be paid in accordance with the Company's standard payroll policies and subject to all applicable withholdings and other required deductions.

3. **Stock Option**. It will be recommended to the board of directors that you will be granted an incentive stock option (the "Option") entitling you to purchase **461,238 shares** of common stock at the fair market price of the stock at the time of the grant. The Option shall vest pursuant to a 48 month vesting schedule, which provides that 1/4th of the shares subject to the Option shall become vested after 12 months of full time employment, and 1/48th of the shares subject to the Option shall vest for each month of your full time employment thereafter. The Option's exercise price per share will be equal to the fair market value per share of the Company's common stock on the Option grant date, as determined by the Board in good faith.

4. **Acceleration**. In the event the Company is acquired within the first 18 months from your start date, and you are involuntarily terminated or constructively terminated (defined below) in the first 12 months from the Acquisition date, 100% of any remaining shares will immediately become vested. In the event the Company is acquired after 18 months from your start date and you are involuntarily terminated or constructively terminated, 100% of any remaining shares will immediately become vested.

Constructive termination is defined as:

i. Optionee's involuntary dismissal or discharge by the Corporation for reasons other than misconduct.

ii. Optionee’s voluntary resignation following: a) a change in his/her position with the Corporation (or parent corporation employing optionee) which materially reduces his/her responsibilities or duties, or the level of management to which he/she reports b) reduction in the optionee’s level of compensation (including base salary, fringe benefits and target bonus) other then across-the-board reduction of compensation by the entire company, c) relocation of optionee’s employment more than 50 miles, provided and only if such change, reduction or relocation is effected by the Corporation without the optionee’s consent.

5. **Severance**. In case you are involuntarily terminated or constructively terminated (defined above) you will be entitled to 2 weeks of your then base salary for every month of service with the restriction that the severance period is not to exceed 6 months.

6. **Employee Benefits**. As a regular employee of the Company, you will be eligible to participate in the employee benefit plans and programs, if any, currently and hereafter maintained by the Company and generally available to similarly situated employees of the Company, subject in each case to the terms and conditions of the plan in question, including any eligibility requirements set forth therein, and the determination of any person or committee administering the plan. Notwithstanding the foregoing, the Company reserves the right to modify job titles and salaries and to modify or terminate benefits from time to time as it deems necessary or appropriate.

7. **Confidential Information and Invention Assignment Agreement**. Like all Company employees, you will be required, as a condition of your employment with the Company, to sign the Company’s enclosed standard Confidential Information and Invention Assignment Agreement.

8. **Employment Relationship**. Employment with the Company is for no specific period of time. Your employment with the Company will be “at will,” meaning that either you or the Company may terminate your employment at any time and for any reason, with or without cause or notice. Any contrary representations which may have been made to you are superseded by this offer. This is the full and complete agreement between you and the Company on this term. Although your job duties, title, compensation and benefits, as well as the Company’s personnel policies and procedures, may change from time to time, the “at will” nature of your employment may only be changed in an express written agreement signed by you and the Company’s Chief Executive Officer.

9. **Outside Activities**. While you render services to the Company, you agree that you will not engage in any other employment, consulting or other business activity without the written consent of the Company. In addition, while you render services to the Company, you will not assist any person or entity in competing with the Company, in preparing to compete with the Company or in hiring any employees or consultants of the Company.

10. **Withholding and Required Deductions**. All forms of compensation referred to in this letter are subject to all withholding and any other deductions required by applicable law.

11. **Miscellaneous**.

(a) **Governing Law**. The validity, interpretation, construction and performance of this letter, and all acts and transactions pursuant hereto and the rights and obligations of the parties hereto shall be governed, construed and interpreted in accordance with the laws of state of California, without giving effect to principles of conflicts of law.

(b) **Entire Agreement**. This letter sets forth the entire agreement and understanding of the parties relating to the subject matter herein and supersedes all prior or contemporaneous discussions, understandings and agreements, whether oral or written, between them relating to the subject matter hereof.

(c) **Counterparts**. This letter may be executed in any number of counterparts, each of which when so executed and delivered shall be deemed an original, and all of which together shall constitute one and the same agreement. Execution of a facsimile or scanned image will have the same force and effect as execution of an original, and a facsimile or scanned image signature will be deemed an original and valid signature.

(d) **Electronic Delivery**. The Company may, in its sole discretion, decide to deliver any documents or notices related to this Agreement, the Plan, the Option or any other securities of the Company or any of its affiliates or any other matter, including documents and/or notices required to be delivered to you by applicable securities law or any other law or the Company's Certificate of Incorporation or Bylaws by email or any other electronic means. You hereby consent to (i) conduct business electronically (ii) receive such documents and notices by such electronic delivery and (iii) sign documents electronically and agree to participate in any Company activity, the Plan or any benefit program through an on-line or electronic system established and maintained by the Company or a third party designated by the Company.

[*Signature Page Follows*]

If you wish to accept this offer, please sign and date both the enclosed duplicate original of this letter and the enclosed Confidential Information and Invention Assignment Agreement and return them to me. As required by law, your employment with the Company is also contingent upon your providing legal proof of your identity and authorization to work in the United States. In addition, the Company reserves the right to conduct background investigations and/or reference checks on all of its potential employees. Your job offer, therefore, is contingent upon a clearance of such a background investigation and/or reference check, if any.

We look forward to your favorable reply and to working with you at Life360!

Very truly yours,

LIFE360, INC.

/s/ Chris Hulls
Chris Hulls

CEO

ACCEPTED AND AGREED

David Rice

/s/ David Rice
(Signature)

10/31/2015 | 1:56 AM PT
Date

Mailing Address

Exhibit 10.8

CONFIDENTIAL
FINAL

EMPLOYMENT AGREEMENT

This **EMPLOYMENT AGREEMENT** (the "Agreement") by and between and Tile, Inc., a Delaware corporation, or the surviving entity with respect thereto (the "Company") pursuant to that certain Agreement and Plan of Merger by and between the Company, Life360, Inc. ("Parent") and certain other parties, dated on or about November 22, 2021 (the "Merger Agreement," the transaction contemplated thereby, the "Merger," and the consummation date thereof, the "Effective Date"), and Charles Prober ("Executive") (the Company and Executive is sometimes collectively referred to herein as the "Parties" and individually as a "Party") sets forth the terms and conditions that shall govern Executive's employment with the Company. If the Effective Date does not occur for any reason, then this Agreement shall be null and void *ab initio* and of no further force or effect.

1. Defined Terms. Capitalized terms not otherwise defined shall have the meanings set forth in Exhibit A.

2. Term. Executive will commence full-time employment with the Company effective as of the Effective Date. This is an "At Will" employment agreement. Nothing in the Company's policies, actions, or this document shall be construed to alter the "At Will" nature of Executive's status with Company, and Executive understands that Employer may terminate Executive's employment as provided herein for any reason or for no reason, provided it is not terminated in violation of local, state or federal law. Similarly, the Executive may terminate Executive's employment as provided herein for any or for no reason. The term of this Agreement (the "Term") begins on the Effective Date and ends on either (i) the date Executive voluntarily terminates Executive's employment or (ii) the date the Company terminates Executive's employment.

3. Position and Duties.

(a) Position. During the Term, Executive shall serve as the Company's CEO (Tile). Executive shall report directly to the Board of the Company. In such capacity, Executive shall have the duties, functions, responsibilities, and authority customarily appertaining to that position and shall have such other duties, functions, responsibilities, and authority consistent with such position as are from time to time delegated to Executive by the Company.

(b) Duties. Executive shall have such powers and duties as may from time to time be prescribed by the Company, provided that such supervision, control over, responsibilities and duties are consistent with Executive's position or other positions that Executive may hold from time to time. Executive shall devote substantially all of Executive's business time and attention to the performance of Executive's duties hereunder and to the Company's affairs provided, that nothing herein shall preclude Executive from (i) serving on the board of directors of four (4) for- profit or non-profit companies that do not compete with the Company in the judgment of the Board; (ii) serving on civic or charitable boards or committees; and/or (iii) managing personal investments, so long as all such activities described in clauses (i) through (iii) above do not unreasonably interfere with Executive's performance of Executive's duties to the Company as provided in this Agreement or create a potential business or fiduciary conflict and, in the case of the activities described in clauses (i) and (ii), are disclosed to the Board.

(c) Principal Place of Employment. Executive's initial principal place of employment during the Term shall be 1900 S Norfolk St # 310, San Mateo, CA 94403, or as shall be designated by the Company, subject to the terms and conditions of this Agreement. The Parties acknowledge that Executive may be required to travel in connection with the performance of Executive's duties hereunder.

(d) Corporate Policies. During the Term, Executive shall be subject to all of the Company's corporate governance, ethics, and executive compensation and other policies as in effect from time to time.

(e) Compensation, Benefits, Other Items Applicable to Executive. During the Term, Executive shall be entitled to the compensation and benefits described in Sections 4, 5 and 6 of this Agreement, in addition to any other compensation agreed to between Executive and the Company.

4. Compensation.

(a) Base Salary. During the Term, Executive shall receive an annual base salary (the "Base Salary") of $400,000, payable in regular installments in accordance with the Company's usual payroll practices. Executive's Base Salary is subject to annual review and may, in the Board's discretion, be increased. As so adjusted, the term "Base Salary" shall refer to the adjusted amount.

(b) Annual Performance Bonus. During the period beginning on the Effective Date and ending on March 31, 2022 Executive shall remain on the current Company bonus plan and shall be eligible for a bonus of $225,000.00 (representing the unpaid portion of executives FY22 bonus) (the "Tile Bonus") payable in May of 2022. The Tile Bonus shall be guaranteed provided that either (a) Executive remains employed by the Company through March 31, 2022 or (b) Executive's employment is terminated by the Company without Cause or Executive terminates employment for Good Reason. During the Term and following March 31, 2022, Executive shall also be eligible to earn a performance bonus of up to 75% at target (the "Target Bonus Amount") each year during the Term based (i) 50% upon certain individual qualitative performance and (ii) 50% upon certain quantitative Company performance goals, in each case (the "Annual Performance Bonus"). For superior performance, the Annual Performance Bonus may pay out above the Target Bonus Amount, up to a maximum of 200% of the Target Bonus Amount. The Board will determine whether Executive have earned such Annual Performance Bonus in its sole and absolute discretion, which determination will be final and binding. The Annual Performance Bonus will be paid, if at all, divided into two payments following completion of the Company's semi-annual review process but no later than August 31 and February 28 of each year, provided Executive will not be eligible to earn any such bonus unless Executive is employed by the Company on the date when such bonus is paid. For calendar year 2022 the first portion of the performance bonus shall be pro-rated from April 1, 2022 through the end of the first bonus period.

(c) Retention Equity Award. Subject to the approval of the Board, Executive will receive a retention RSU equity award (the "Retention Equity Award") to be set forth on an RSU grant agreement issued pursuant to, and subject to the terms of, Parent's Amended and Restated 2011 Stock Plan or any successor thereto (the "Grant Agreement") attached hereto as Exhibit B. The value of the Retention Equity Award will be $15,000,000.00. Subject to the terms of the Grant Agreement, (i) fifty percent (50%) of the Retention Equity Award will vest on the first anniversary of the Effective Date, and (ii) the remaining fifty percent (50%) of the Retention Equity Award will vest on the second anniversary of the Effective Date. In addition, no portion of the Retention Equity Award will vest unless the Business Performance Requirements are met. No Retention Equity Award shall vest unless Executive remains employed as of each applicable vesting date (except as otherwise set forth in Section 6).

5. Employee and Fringe Benefits; Expense Reimbursements.

(a) Employee Benefits. During the Term, Executive and Executive's eligible dependents (if any) shall be able to participate in employee benefit plans and perquisite and fringe benefit programs on a basis no less favorable than the basis on which such benefits and perquisites are provided by the Company from time to time to other similarly situated senior executive employees, subject in each case to the terms and conditions of the plan or program in question, including any eligibility requirements set forth therein, and the determination of any person or committee administering the plan or program. Notwithstanding the foregoing or any other statement to the contrary, the Company reserves the right to modify or terminate benefits from time to time as it deems necessary or appropriate.

(b) Paid Time Off. Executive shall be entitled to paid vacation each year in accordance with the Company's then-current vacation policy for other similarly situated senior executive employees. The rules relating to other absences from regular duties for holidays, sick or disability leave, leave of absence without pay, or for other reasons, shall be the same as those provided to the Company's other similarly situated senior executive employees.

(c) Expense Reimbursement. Executive shall be entitled to receive prompt reimbursement for all travel and business expenses reasonably incurred and accounted for by Executive (in accordance with the policies and procedures established from time to time by the Company for Executive or as otherwise provided for in the Company's approved travel budget) in performing services hereunder. Any reimbursement that Executive is entitled to receive shall (i) be paid as soon as practicable and in any event no later than the last day of Executive's tax year following the tax year in which the expense was incurred, (ii) not be affected by any other expenses that are eligible for reimbursement in any tax year and (ii) not be subject to liquidation or exchange for another benefit.

6. Termination Benefits. Except as expressly provided in this Section 6, upon the termination of Executive's employment, Executive shall only be entitled to the Accrued Obligations.

(a) Termination without Cause; Voluntary Resignation for Good Reason. If the Company (or any parent, subsidiary or successor of the Company, to the extent Executive is an employee thereof) terminates Executive's employment for a reason other than (x) Cause, (y) Executive becoming disabled or (z) Executive's death at any time, or Executive resigns for Good Reason at any time, then, subject to Section 7, the Company will pay Executive the following benefits: (i) all Accrued Obligations, (ii) a lump sum cash amount equal to 12 months of Executive's base salary as then in effect, payable on the 61st day following the date of termination, (iii) a lump sum cash amount equal to Executive's Target Bonus Amount as then in effect, payable on the 61st day following the date of termination, (iv) if Executive timely elect to receive continued healthcare coverage pursuant to the provisions of COBRA, the Company will directly pay the premiums required to continue his current Company provided health coverage for, or reimburse, him and his covered dependents through the earlier of (A) the first anniversary of the date of termination; and (B) the date Executive and his covered dependents, if any, become eligible for healthcare under another employer's plans; (v) 100% of any then outstanding equity awards shall become 100% vested, and (vi) the Retention Equity Award, to the extent then unvested, shall accelerate and become vested.

(b) Termination Due to Death, Disability, Voluntary Resignation without Good Reason, or Cause. If Executive's employment with the Company is terminated due to (i) Executive becoming Disabled or Executive's death, (ii) Executive's voluntary resignation without Good Reason, or (iii) the Company's termination of Executive's employment with the Company for Cause, then Executive or Executive's estate (as the case may be) will receive the Accrued Obligations, but will not be entitled to any other compensation or benefits from the Company except to the extent required by law. All Accrued Obligations shall in all cases be paid within thirty (30) days of Executive's termination of employment (or such earlier date as required by applicable law).

(c) Timing of Payments. Subject to any specific timing provisions in this Section 6, or the provisions of Section 7, payment of the severance and benefits hereunder shall be made or commence to be made as soon as practicable following Executive's termination of employment.

(d) Exclusive Remedy. In the event of a termination of Executive's employment with the Company (or any parent, subsidiary or successor of the Company), the provisions of this Section 6 are intended to be and are exclusive and in lieu of any other rights or remedies to which Executive may otherwise be entitled, whether at law, tort or contract, in equity, or under this Agreement (other than the payment of accrued but unpaid wages, as required by law, and any unreimbursed reimbursable expenses). Executive will be entitled to no other severance, benefits, compensation or other payments or rights upon a termination of employment other than those benefits expressly set forth in this Section 6 or pursuant to written equity award agreements with the Company.

(e) No Duty to Mitigate. Executive will not be required to mitigate the amount of any payment contemplated by this Agreement, nor will any earnings that Executive may receive from any other source reduce any such payment.

(f) Notice of Termination. Any purported termination of Executive's employment by the Company or by Executive shall be communicated by written notice of termination to the other party in accordance with this Section 6. Such notice shall indicate the specific termination provision in this Agreement relied upon and shall, to the extent applicable, set forth in reasonable detail the facts and circumstances claimed to provide a basis for termination of Executive's employment under the provision so indicated.

7. Conditions to Receipt of Severance.

(a) Release of Claims Agreement. The receipt of any severance payments or benefits pursuant to this Agreement is subject to Executive signing and not revoking a separation agreement and release of claims in a form attached as Exhibit C (the "Release"), which must become effective no later than the sixtieth (60th) day following Executive's termination of employment (the "Release Deadline"), and if not, Executive will forfeit any right to severance payments or benefits under this Agreement. To become effective, the Release must be executed by Executive and any revocation periods (as required by statute, regulation, or otherwise) must have expired without Executive having revoked the Release. In addition, in no event will severance payments or benefits be paid or provided until the Release actually becomes effective.

(b) Compliance with Restrictive Covenants. Executive's receipt of any payments or benefits under Section 6 will be subject to Executive continuing to comply with the terms of all applicable restrictive covenants.

(c) Section 409A.

(i) Notwithstanding anything to the contrary in this Agreement, no severance pay or benefits to be paid or provided to Executive, if any, pursuant to this Agreement that, when considered together with any other severance payments or separation benefits, are considered deferred compensation not exempt under Section (such payments, collectively, the "Deferred Payments") will be paid or otherwise provided until Executive has a "separation from service" within the meaning of Section 409A. And for purposes of this Agreement, any reference to "termination of employment," "termination" or any similar term shall be construed to mean a "separation from service" within the meaning of Section 409A. Similarly, no severance payable to Executive, if any, pursuant to this Agreement that otherwise would be exempt from Section 409A pursuant to Treasury Regulation Section 1.409A-1(b)(9) will be payable until Executive has a "separation from service" within the meaning of Section 409A.

(ii) Notwithstanding anything to the contrary in this Agreement, if Executive is a "specified employee" within the meaning of Section 409A at the time of Executive's termination of employment (other than due to death), then the Deferred Payments, if any, that are payable within the first six (6) months following Executive's separation from service, will become payable on the first payroll date that occurs on or after the date six (6) months and one (1) day following the date of Executive's separation from service. All subsequent Deferred Payments, if any, will be payable in accordance with the payment schedule applicable to each payment or benefit. Notwithstanding anything herein to the contrary, if Executive dies following Executive's separation from service, but prior to the six (6) month anniversary of the separation from service, then any payments delayed in accordance with this paragraph will be payable in a lump sum as soon as administratively practicable after the date of Executive's death and all other Deferred Payments will be payable in accordance with the payment schedule applicable to each payment or benefit. Each payment, installment and benefit payable under this Agreement is intended to constitute a separate payment for purposes of Section 1.409A-2(b)(2) of the Treasury Regulations.

(iii) Without limitation, any amount paid under this Agreement that satisfies the requirements of the "short-term deferral" rule set forth in Section 1.409A-1(b)(4) of the Treasury Regulations is not intended to constitute Deferred Payments for purposes of clause (i) above.

(iv) Without limitation, any amount paid under this Agreement that qualifies as a payment made as a result of an involuntary separation from service pursuant to Section 1.409A-1(b)(9)(iii) of the Treasury Regulations that does not exceed the Section 409A Limit is not intended to constitute Deferred Payments for purposes of clause (i) above. Any payment intended to qualify under this exemption must be made within the allowable time period specified in Section 1.409A-1(b)(9)(iii) of the Treasury Regulations.

(v) To the extent that reimbursements or in-kind benefits under this Agreement constitute non-exempt "nonqualified deferred compensation" for purposes of Section 409A, (1) all reimbursements hereunder shall be made on or prior to the last day of the calendar year following the calendar year in which the expense was incurred by Executive, (2) any right to reimbursement or in-kind benefits shall not be subject to liquidation or exchange for another benefit, and (3) the amount of expenses eligible for reimbursement or in-kind benefits provided in any calendar year shall not in any way affect the expenses eligible for reimbursement or in-kind benefits to be provided, in any other calendar year.

(vi) The payments and benefits provided under Section 6 are intended to be exempt from or comply with the requirements of Section 409A so that none of the severance payments and benefits to be provided hereunder will be subject to the additional tax imposed under Section 409A, and any ambiguities or ambiguous terms herein will be interpreted to be exempt or so comply. The Company and Executive agree to work together in good faith to consider amendments to this Agreement and to take such reasonable actions that are necessary, appropriate or desirable to avoid imposition of any additional tax or income recognition prior to actual payment to Executive under Section 409A.

8. Non-Disparagement. To the maximum extent permitted by applicable law, Executive agrees that Executive will not make or cause to be made any oral or written statements that are derogatory, defamatory, or disparaging concerning the Company, its policies or programs, or its past or present officers, directors, employees, agents, or business associates, including but not limited to its past or present suppliers or vendors, or take any actions that are harmful to the business affairs of the Company or its employees. This provision is a material and substantial term of this Agreement. The Company agrees that upon Executive's separation from service for any reason, it will instruct the members of the Board and the Company's executives to refrain from making any derogatory, defamatory, or disparaging public statements concerning Executive.

9. Severability. If any provision, subsection, or sentence of this Agreement shall be held to be invalid, illegal or unenforceable in any respect by a court of competent jurisdiction, such invalidity, illegality or unenforceability shall not affect the other provisions of this Agreement, and this Agreement shall be construed as if such invalid, illegal or unenforceable provision, subsection, or sentence had not been contained herein.

10. Confidential Information and Invention Assignment Agreement. Like all Company employees, Executive will be required, as a condition of Executive's employment with the Company, to sign the Company's enclosed standard Confidential Information and Invention Assignment Agreement, a copy of which is attached hereto as Exhibit D.

11. Specific Performance. Executive acknowledges and agrees that the Company's remedies at law for a breach or threatened breach of Section 8 (the "Covenant") would be inadequate and the Company would suffer irreparable damages as a result of such breach or threatened breach. In recognition of this fact,

Executive agrees that, in the event of a breach of the Covenant, in addition to any remedies at law, the Company, without posting any bond, to the maximum extent permitted by applicable law, shall be entitled to cease making any payments or providing any benefit otherwise required by this Agreement and, in the case of either a breach or a threatened breach of the Covenant seek equitable relief before a court of competent jurisdiction, in the form of specific performance, temporary restraining order, temporary or permanent injunction or any other equitable remedy that may then be available without posting bond or proving actual damages.

12. Conflicts of Interest. Executive agrees that for the duration of this Agreement and Executive's employment with the Company, Executive will not engage, either directly or indirectly, in any activity (a "Conflict of Interest") which might adversely affect Company or its affiliates, including ownership of a material interest in any supplier, contractor, distributor, subcontractor, customer or other entity with which Company does business or accepting any payment, service, loan, gift, trip, entertainment, or other favor from a supplier, contractor, distributor, subcontractor, customer or other entity with which Company does business, and that Executive will promptly inform the Board as to each offer received by Executive to engage in any such activity. Executive further agrees to disclose to the Board any other facts of which Executive becomes aware which might involve or give rise to a Conflict of Interest or potential Conflict of Interest.

13. Miscellaneous.

(a) Executive's Representations. Executive hereby represents and warrants to the Company that (i) Executive has read this Agreement in its entirety, fully understands the terms of this Agreement, has had the opportunity to consult with counsel prior to executing this Agreement and is signing the Agreement voluntarily and with full knowledge of its significance; (ii) the execution, delivery and performance of this Agreement by Executive does not and shall not conflict with, breach, violate or cause a default under any contract, agreement, instrument, order, judgment or decree to which Executive is a party or by which Executive is bound; (iii) Executive is not a party to or bound by an employment agreement, non-compete agreement or confidentiality agreement with any other person or entity that would interfere with the performance of Executive's duties hereunder; and (iv) Executive shall not use any confidential information or trade secrets of any person or party other than the Company in connection with the performance of Executive's duties hereunder, except with valid written consent of such other person or party. **Executive has carefully read and considered all provisions of these Agreements and acknowledges that this is an important legal document that sets forth restrictions on Executive's conduct as a condition of employment with the Company.**

(b) Waiver. No provision of this Agreement may be modified, waived or discharged unless such waiver, modification or discharge is agreed to in a writing signed by Executive and an officer of the Company (other than Executive) duly authorized by the Board to execute such amendment, waiver or discharge. No waiver by either Party of any breach of the other Party of, or compliance with, any condition or provision of this Agreement shall be deemed a waiver of similar or dissimilar provisions or conditions at the same or at any prior or subsequent time.

(c) Successors and Assigns.

(i) This Agreement is personal to Executive and shall not be assignable by Executive but shall inure to the benefit of and be enforceable by Executive's heirs and legal representatives.

(ii) This Agreement shall inure to the benefit of and be binding upon the Company and its successors and, other than as set forth in Section 13(c)(iii) below, shall not be assignable by the Company without the prior written consent of Executive (which shall not be unreasonably withheld).

(iii) The Agreement shall be assignable by the Company to any affiliate or successor (whether direct or indirect, by purchase, merger, consolidation or otherwise) to all or substantially all of the business and/or assets of the Company; provided, that the Company shall require such successor 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 had taken place. As used in this Agreement, "Company" shall mean the Company as defined in this Agreement and any successor to its business and/or assets which assumes and agrees to perform this Agreement by operation of law or otherwise.

(d) Notice. For the purpose of this Agreement, notices and all other communications provided for in this Agreement shall be in writing and shall be deemed to have been duly given if delivered personally, if delivered by overnight courier service, or if mailed by registered mail, return receipt requested, postage prepaid, addressed to the respective addresses or sent via email to the respective email addresses, as the case may be, as set forth below, or to such other address as either party may have furnished to the other in writing in accordance herewith, except that notice of change of address shall be effective only upon receipt; provided, however, that (i) notices sent by personal delivery or overnight courier shall be deemed given when delivered; (ii) notices sent by email shall be deemed given at the time such email is sent; and (iii) notices sent by registered mail shall be deemed given two (2) days after the date of deposit in the mail.

If to Executive, to such address as shall most currently appear on the records of the Company.

If to the Company, to:

Life360, Inc.
539 Bryant, Suite 400
San Francisco, California 94107 Attention: Chief Executive Officer

(e) GOVERNING LAW; CONSENT TO JURISDICTION; JURY TRIAL WAIVER. THIS AGREEMENT WILL BE GOVERNED BY AND CONSTRUED IN ACCORDANCE WITH THE LAWS OF THE STATE OF CALIFORNIA, WITHOUT GIVING EFFECT TO ANY CHOICE OF LAW OR CONFLICTING PROVISION OR RULE (WHETHER OF THE STATE OF DELAWARE OR ANY OTHER JURISDICTION) THAT WOULD CAUSE THE LAWS OF ANY JURISDICTION OTHER THAN THE STATE OF CALIFORNIA TO BE APPLIED. IN FURTHERANCE OF THE FOREGOING, THE LAW OF THE STATE OF CALIFORNIA (EXCEPT TO THE EXTENT SUPERSEDED BY THE LAWS OF THE UNITED STATES) WILL CONTROL THE INTERPRETATION AND CONSTRUCTION OF THIS AGREEMENT. ANY ACTION TO ENFORCE THIS AGREEMENT MUST BE BROUGHT IN, AND THE PARTIES HEREBY CONSENT TO JURISDICTION IN SAN FRANCISCO COUNTY, CALIFORNIA. EACH PARTY HEREBY WAIVES THE RIGHTS TO CLAIM THAT ANY SUCH COURT PROCEEDING IS AN INCONVENIENT FORUM FOR THE RESOLUTION OF ANY SUCH ACTION. EACH PARTY TO THIS AGREEMENT WAIVES ALL RIGHT TO TRIAL BY JURY IN ANY ACTION, PROCEEDING, CLAIM OR COUNTERCLAIM.

(f) Severability of Invalid or Unenforceable Provisions. The invalidity or unenforceability of any provision or provisions of this Agreement shall not affect the validity or enforceability of any other provision of this Agreement, which shall remain in full force and effect.

(g) Advice of Counsel and Construction. Each Party acknowledges that such Party had the opportunity to be represented by counsel in the negotiation and execution of this Agreement. Accordingly, the rule of construction of contract language against the drafting party is hereby waived by each Party.

(h) Entire Agreement. This Agreement, all Exhibits attached hereto, and the Confidentiality Agreement, constitute the entire agreement between the Parties as of the Effective Date and supersedes all previous agreements and understandings between the Parties with respect to the subject matter hereof, including.

(i) Withholding Taxes. The Company shall be entitled to withhold from any payment due to Executive hereunder any amounts required to be withheld by applicable laws or regulations.

(j) Section Headings. The headings of the Sections hereof are provided for convenience only and are not to serve as a basis for interpretation or construction, and shall not constitute a part, of this Agreement.

(k) Cooperation. During the Term and at any time thereafter, Executive agrees to cooperate, at Company's expense, (i) with the Company in the defense of any legal matter involving any matter that arose during Executive's employment with the Company; and (ii) with all government authorities on matters pertaining to any investigation, litigation or administrative proceeding pertaining to the Company. The Company will reimburse Executive for any reasonable travel and out of pocket expenses incurred by Executive in providing such cooperation. Executive shall also be entitled, with respect to any such cooperation occurring after the Term, to a consulting fee at a rate equal to Executive's Base Salary as in effect on the last day of the Term divided by 2,000, in an amount agreed upon in advance between the parties.

(l) Survival. Sections 7 through 12, inclusive, and Sections 13(b)-(n), inclusive, shall survive and continue in full force in accordance with their terms notwithstanding any termination of the Term or of Executive's employment with the Company.

(m) Counterparts. This Agreement may be executed in one or more counterparts, each of which shall be deemed to be an original but all of which together will constitute one and the same instrument.

(n) Recoupment/Clawback. Notwithstanding any other provisions in this Agreement to the contrary, any incentive-based compensation, or any other compensation, paid to Executive pursuant to this Agreement or any other agreement or arrangement with the Company or any of its affiliates, which may be subject to recovery under any law, government regulation, company policy related to sexual harassment, sexual assault or fraternization, or stock exchange listing requirement, will be subject to such deductions and clawback as may be required to be made thereby, or stock exchange listing requirement to the extent reasonably required thereby.

[*Remainder of page intentionally blank*]

The Parties have executed this Employment Agreement as of the date first above written.

COMPANY:

Life360, Inc.

/s/ Chris Hulls

By: Chris Hulls

Title: Chief Executive Officer

EXECUTIVE:

Charles Prober

/s/ Charles Prober

Date: 11/22/2021

Exhibit 10.9

CONFIDENTIAL

FIRST AMENDMENT TO EMPLOYMENT AGREEMENT

This First Amendment to Employment Agreement (this "Amendment"), delivered April 7, 2022, confirms the following understandings and agreements between Life360, Inc. (the "Company") and Charles J. Prober ("Executive"). In consideration of the promises set forth herein, Executive and the Company agree as follows:

RECITALS

WHEREAS, Executive and the Company previously entered into an Employment Agreement that became effective on the closing of that certain business combination between the Company and Tile, Inc. (the "Employment Agreement").

NOW, THEREFORE, in consideration of the promises and mutual covenants contained herein, and intending to be legally bound hereby, the parties agree that the Employment Agreement is amended as follows:

AMENDMENT

1. Section 4(c) of the Employment Agreement is hereby amended to remove the following sentence therefrom:

   "In addition, no portion of the Retention Equity Award will vest unless the Business Performance Requirements are met."

2. Section 4(c) of the Employment Agreement is hereby amended to replace the second sentence with the following:

   "The Retention Equity Award will consist of 427,573 RSU's with a value of $12,000,006 (the "Original Retention Equity Award") plus an additional 187,286 RSU's (the "Top Up Retention Equity Award")."

3. Clause (v) of Section 6(a) of the Employment Agreement is hereby amended by replacing it in its entirety with the following new Clause (v):

   "for all equity or equity-based award(s) granted to Executive from time to time, including the Top Up Retention Equity Award, and with the exception only of the Original Retention Equity Award and any equity that was revested by Executive in connection with the Merger Agreement (both addressed in Section 6(a)(vi) herein), if such separation occurs within twelve (12) months after a Change of Control of Parent (as defined in Parent's Amended and Restated 2011 Stock Plan or any successor thereto), then 100% of any then outstanding equity awards shall become 100% vested (provided, however, that if such vesting would violate any regulatory provisions, including, without limitation, any regulations with respect to the Australian Securities Exchange, then such vesting shall not occur and the Executive and Parent shall, in good faith, consider alternative arrangements designed to provide similar economic value to the Executive)."

4. <u>The final clause (vi) of Section 6(a) of the Employment Agreement is hereby amended by replacing it in its entirety with the following new clause:</u>

> "the Original Retention Equity Award and any equity that was revested by Executive in connection with the Merger Agreement (but not, for avoidance of doubt, any other equity or equity-based award granted to Executive from time to time, including but not limited to the Top Up Retention Equity Award), to the extent then unvested, shall accelerate and become 100% vested."

5. <u>No other modification</u>. Except as provided herein, the provisions of the Employment Agreement shall remain in full force and effect following the adoption of this Amendment, and this Amendment shall not constitute a modification or waiver of any provision of the Employment Agreement except as provided herein.

6. <u>Governing Law; Jurisdiction</u>. Section 13(e) (*Governing Law; Consent to Jurisdiction; Jury Trial Waiver*) of the Employment Agreement shall apply to this Amendment as if fully set forth herein.

*   *   *

IN WITNESS WHEREOF, the parties hereto have executed this Amendment as of the date set forth below.

LIFE360, INC.

By: /s/ Chris Hulls
Chris Hulls
CEO

EXECUTIVE

/s/ Charles J. Prober
Dated: 4/11/2022 | 8:02 AM PDT

September 5, 2019

Dear Samir:

Life360, Inc. (the "Company") is pleased to offer you employment with the Company on the terms described below.

(a) **Position.** You will start in a full-time position as a Chief Technology Officer and you will initially report to Christopher Hulls. By signing this letter, you confirm with the Company that you are under no contractual or other legal obligations that would prohibit you from performing your duties with the Company. Subject to the fulfillment of any conditions imposed by this letter agreement, you will commence this new position with the Company on September 30, 2019.

(b) **Base Salary.** You will be paid a starting salary at the rate of $300,000 per year, which will be paid in accordance with the Company's standard payroll policies.

Compensation will be reviewed on an annual basis. Salary increases will be given commensurate with individual and company performance, and generally be targeted to market rate.

(c) **Performance Bonus.** You will be eligible to earn an annual bonus of up to $50,000, 50% of which may be earned and paid semi-annually during the Company's semi-annual review process. Your performance bonus will be 50% based on quantitative company performance, and 50% based on qualitative individual performance on objectives established during your employment.

(d) **Incentive Bonus**. Subject to your continued employment through the second annual anniversary of your employment start date with the Company, you will earn and be paid a one-time bonus of $50,000, which bonus shall be paid within the first month of your second year anniversary of your start date.

(e) **Equity**.

(i) Stock Option. It will be recommended to the Company's board of directors (the "Board") that you will be granted an incentive stock option entitling you to purchase 250,000 shares of the Company's common stock (the "Option"). The Option shall vest pursuant to a 48 month vesting schedule which will provide that 1/4th of the shares subject to the Option shall become vested after you complete 12 months of full time employment with the Company, and 1/48th of the shares subject to the Option shall vest upon completion of each month of your full time employment with the Company thereafter. The Option's exercise price per share will be equal to the fair market value per share of the Company's common stock on the Option grant date, as determined by the Board in good faith. You will have the ability to exercise options (whole or partial) at any time prior to vesting. The Option shall be exercisable in full or in part, at any time, by promissory note. Specific loan terms and associated details (principal, interest, 83b filing, security, etc.) will be determined in consultation with legal counsel at the time loan is created.

(ii) First RSU Award. It will be recommended to the Board that you will also be granted a restricted stock unit award (the "RSUs" and, this award, the "First RSU")) covering units that represent 40,000 shares of the Company's common stock. Each RSU will entitle you to 1 share of the Company's common stock after the RSU vests and settles. The First RSUs will vest pursuant to a 48-month vesting schedule which will provide that 1/4th of the shares subject to the First RSU award will vest after you complete 12 months of full time employment with the Company, and 1/48th of the shares subject to the First RSU award will vest upon completion of each month of full-time employment with the Company thereafter. RSUs will settle (i.e., vested shares subject to the RSUs will be issued to you) as soon as practicable following the vesting date and, in any event, will be done at least quarterly.

(iii) Second RSU Award. It will be recommended to the Board that you will also be granted an additional RSU award covering units that represent 25,000 shares of the Company's common stock if either: a) the Company does not hit a closing price with at least $580 million of market cap once within the first 12 months of employment with the Company, or b) the Company fails to outperform either the NASDAQ or the closest ASX tech index by 33% over the 12-month period from the date this letter agreement is signed by you. The RSU award shall vest pursuant to a 36 month vesting schedule which will provide that 1/4th of the shares subject to the RSU award shall become fully vested on your first day of full time employment with the Company, and 1/36th of the shares subject to the RSU award shall vest upon completion of each month of your full time employment with the Company thereafter.

(iv) Annual RSU Awards. It will be recommended to the Board that you will also be granted fully vested RSU awards with at $25,000 value (each, an "Annual RSU Award") as of the date of grant at the first annual anniversary of your start date with the Company and each of the three annual anniversaries thereafter. The total shares subject to each Annual RSU Award shall be determined by dividing the dollar value of the Annual

RSU Award by the Average Closing Price (as defined below) and rounding up to the nearest whole number of shares. For purposes of this letter agreement, the "Average Closing Price" shall be calculated based on the average of the closing prices of the Company's CHESS Depositary Interest as reported on the ASX Limited for the period of 10 consecutive trading days ending on (and including) the last trading day prior to the date of grant, adjusted as necessary to reflect the ration of the Company's CHESS Depositary Interests to the Company's common stock.

(v) Change of Control. Notwithstanding anything stated herein, subject to the ASX listing rules, if a Change of Control (as defined in the Company's Amended and Restated 2011 Stock Plan (the "Plan")) occurs and, upon or following such Change of Control, your employment with the Company is terminated by the Company other than for Cause (as defined in the Plan) or is terminated by you for Good Reason (as defined below), then effective as of such termination, 50% of the shares subject to the Option that are unvested as of such termination will become vested (not to exceed 100% of the shares subject to the Option). Further, if in connection with a Change of Control the Company's successor does not agree to assume the Option or to substitute an equivalent award or right for the Option, then, contingent upon, the consummation of such Change of Control, 50% of the shares subject to the Option that are unvested as of such Change of Control will become vested (not to exceed 100% of the shares subject to the Option); provided such vesting acceleration will be forfeited if (A) you voluntarily resign without Good Reason, or (B) the vesting acceleration set forth in the foregoing sentence is triggered. For purposes of this letter agreement, resignation for "Good Reason" will mean a termination by you of your employment with the Company within 90 days after the occurrence of any of the following actions taken by the Company (or its successor entity) without your written consent, after the Company's cure period, as described below, has expired: (i) the Company (or its successor entity) requires you to relocate to a facility or location that increases your one-way commute by more than 20 miles from the location at which you were working immediately prior to the required relocation, or (ii) a material reduction in your job responsibilities, provided, that neither a mere change in title alone nor reassignment to a position with substantially similar job responsibilities of a subsidiary, division or a business integrated within the business of an acquirer (or the Company, if the Company is the surviving entity in a Change of Control) will be deemed to be a material reduction in your job responsibilities. You will not be considered to have terminated for Good Reason unless you first provide the Company with written notice of the acts or omissions constituting the grounds for Good Reason within 30 days after the existence of the grounds for Good Reason and provide the Company with a reasonable cure period of not less than 30 days following the date of such notice.

(f) **Employee Benefits**. As a regular employee of the Company, you will be eligible to participate in the employee benefit plans and programs, if any, currently and hereafter maintained by the Company and generally available to similarly situated employees of the Company, subject in each case to the terms and conditions of the plan in question, including any eligibility requirements set forth therein, and the determination of any person or committee administering the plan. Notwithstanding the foregoing, the Company reserves the right to modify job titles and salaries and to modify or terminate benefits from time to time as it deems necessary or appropriate.

(g) **"Quality of Life" Benefit Allowance.** As a regular employee of the Company, you will receive a monthly benefit allowance of $200 that will be paid on the first pay day of each month while you are employed by the Company.

(h) **Confidential Information and Invention Assignment Agreement.** Like all Company employees, you will be required, as a condition of your employment with the Company, to sign the Company's enclosed standard Confidential Information and Invention Assignment Agreement.

(i) **Employment Relationship.** Employment with the Company is for no specific period of time. Your employment with the Company will be "at will," meaning that either you or the Company may terminate your employment at any time and for any reason, with or without cause or notice. Any contrary representations which may have been made to you are superseded by this offer. This is the full and complete agreement between you and the Company on this term. Although your job duties, title, compensation and benefits, as well as the Company's personnel policies and procedures, may change from time to time, the "at will" nature of your employment may only be changed in an express written agreement signed by you and the Company's Chief Executive Officer.

(j) **Outside Activities.** While you render services to the Company, you agree that you will not engage in any other employment, consulting or other business activity without the written consent of the Company. In addition, while you render services to the Company, you will not assist any person or entity in competing with the Company, in preparing to compete with the Company or in hiring any employees or consultants of the Company.

(k) **Taxes, Withholding and Required Deductions**. All forms of compensation referred to in this letter are subject to tax and all withholding and any other deductions required by applicable law.

(l) **Miscellaneous.**

(a) **Governing Law.** The validity, interpretation, construction and performance of this letter, and all acts and transactions pursuant hereto and the rights and obligations of the parties hereto shall be governed, construed and interpreted in accordance with the laws of state of California, without giving effect to principles of conflicts of law.

(b) **Entire Agreement.** This letter sets forth the entire agreement and understanding of the parties relating to the subject matter herein and supersedes all prior or contemporaneous discussions, understandings and agreements, whether oral or written, between them relating to the subject matter hereof.

(c) **<u>Counterparts</u>.** This letter may be executed in any number of counterparts, each of which when so executed and delivered shall be deemed an original, and all of which together shall constitute one and the same agreement. Execution of a facsimile or scanned image will have the same force and effect as execution of an original, and a facsimile or scanned image signature will be deemed an original and valid signature.

(d) **<u>Electronic Delivery</u>.** The Company may, in its sole discretion, decide to deliver any documents or notices related to this letter agreement, the Plan, the Equity or any other securities of the Company or any of its affiliates or any other matter, including documents and/or notices required to be delivered to you by applicable securities law or any other law or the Company's Certificate of Incorporation or Bylaws by email or any other electronic means. You hereby consent to (i) conduct business electronically (ii) receive such documents and notices by such electronic delivery and (iii) sign documents electronically and agree to participate in any Company activity, the Plan or any benefit program through an on-line or electronic system established and maintained by the Company or a third party designated by the Company.

[Signature Page Follows]

If you wish to accept this offer, please sign and date both the enclosed duplicate original of this letter and the enclosed Confidential Information and Invention Assignment Agreement and return them to me. As required by law, your employment with the Company is also contingent upon your providing legal proof of your identity and authorization to work in the United States. In addition, the Company reserves the right to conduct background investigations and/or reference checks on all of its potential employees. Your job offer, therefore, is contingent upon a clearance of such a background investigation and/or reference check, if any. This offer, if not accepted, will expire at the close of business on September 8, 2019.

We look forward to your favorable reply and to working with you at Life360!

Very truly yours,

LIFE360, INC.

/s/ Monica E. Walls

Monica E. Walls, VP of People and Talent

ACCEPTED AND AGREED:

Samir Kapoor

/s/ Samir Kapoor

(Signature)

9/5/2019 | 8:25 PM PDT

Date

Anticipated Start Date: September 30, 2019

Exhibit 10.11

LIFE360, INC.

________________, 2016

Christopher Hulls
[Address]
[Address]

Dear Christopher:

Life360, Inc. (the "Company") is delighted to offer you the opportunity to earn a retention bonus. Specifically, provided that you remain in continuous employment with the Company until December 31, 2022 (the "Retention Date"), you will earn and receive $304,000.00 (the "Retention Bonus"), subject to all applicable withholdings and other required deductions. The Retention Bonus, if earned, will be paid to you within thirty (30) calendar days following the Retention Date, provided any such Retention Bonus will first be applied to reduce any amount you previously borrowed from the Company or any other debt you have with the Company, and any interest that has accrued thereon, in each case, that is outstanding as of the payment date, whether or not any such amount is then due and payable.

Notwithstanding the foregoing, if, prior to the Retention Date, (A) you experience an "involuntary separation from service" as defined in Treasury Regulation 1.409A-1(n) by the Company for any reason other than Cause, death or disability and you comply with the Conditions (as defined below), or (B) the Company consummates a Change of Control (as defined in the Company's 2011 Stock Plan, provided any such Change of Control also constitutes a "change in control event" as defined in Treasury Regulation Section 1.409A-3(i)(5)(i)), the Company will pay you the Retention Bonus, less all applicable withholdings and other required deductions, within 10 business days following the Deadline Date (as defined below) or upon the consummation of the Change of Control, as applicable.

For purposes of this letter agreement, "Cause" shall mean: (1) any material breach by you of any material written agreement between you and the Company and your failure to cure such breach within thirty (30) days after receiving written notice thereof; (2) any failure by you to comply with the Company's material written policies or rules as they may be in effect from time to time; (3) neglect or persistent unsatisfactory performance of your duties and your failure to cure such condition within thirty (30) days after receiving written notice thereof; (4) your repeated failure to follow reasonable and lawful instructions from the Company's Board of Directors or Chief Executive Officer and your failure to cure such condition within thirty (30) days after receiving written notice thereof; (5) your conviction of, or plea of guilty or nolo contendere to, any crime that results in, or is reasonably expected to result in, material harm to the business or reputation of the Company; (6) your commission of or participation in an act of fraud against the Company; (7) your intentional material damage to the Company's business, property or reputation; or (8) your unauthorized use or disclosure of any proprietary information or trade secrets of the Company or any other party to whom you owe an obligation of nondisclosure as a result of your relationship with the Company. For purposes of this definition, the term "Company" will be interpreted to include any subsidiary, parent, affiliate, or any successor thereto, if appropriate.

For purposes of this letter agreement, "Conditions" shall mean (i) you have executed (and do not revoke) a full and complete general release of all claims that you may have against the Company or persons affiliated with the Company in a form provided by the Company without alteration and such release has become effective no later than the thirtieth (30th) day after your separation from service (the "Deadline Date") and (ii) you have returned all Company property in your possession within ten (10) days following your separation from service.

For purposes of Internal Revenue Code Section 409A, the regulations and other guidance there under and any state law of similar effect (collectively "Section 409A"), any payment that is made pursuant to this letter agreement is hereby designated as a separate payment. The parties intend that any payment made or to be made under this letter agreement comply with, or is exempt from, the requirements of Section 409A so that no payment will be subject to the adverse tax penalties imposed under Section 409A, and any ambiguities herein will be interpreted to so comply or be so exempt. Specifically, any payment made in connection with your involuntary separation from service under this letter agreement and paid on or before the fifteenth (15th day of the third (3rd) month following the end of your first tax year in which your involuntary separation from service occurs or, if later, the fifteenth (15th day of the third (3rd) month following the end of the Company's first tax year in which your involuntary separation from service occurs, shall be exempt from Section 409A to the maximum extent permitted pursuant to Treasury Regulation Section 1.409A-1(b)(4) and any other payment made in connection with your involuntary separation from service under this letter agreement shall be exempt from Section 409A to the maximum extent permitted pursuant to Treasury Regulation Section 1.409A-1(b)(9)(iii) (to the extent it is exempt pursuant to such section it will in any event be paid no later than the last day of your 2nd taxable year following the taxable year in which your involuntary separation from service occurs). Notwithstanding the foregoing, if any payment made in connection with your involuntary separation from service does not qualify for any reason to be exempt from Section 409A pursuant to Treasury Regulation Section 1.409A-1(b)(4), Treasury Regulation Section 1.409A-1(b)(9)(iii), or any other applicable exemption and you are, at the time of your involuntary separation from service, a "specified employee," as defined in Treasury Regulation Section 1.409A-1(i) (i.e., you are a "key employee" of a publicly traded company), each such payment will not be made until the first regularly scheduled payroll date of the 7th month after your involuntary separation from service and, on such date (or, if earlier, the date of your death).

Your employment with the Company remains "at will," meaning that either you or the Company may terminate your employment at any time and for any reason, with or without cause or notice.

This letter agreement supersedes and replaces any prior understandings or agreements, whether oral, written or implied, between you and the Company regarding the matters described in this letter agreement. This letter agreement may be modified only in a written document signed by you and the Company's Chief Executive Officer, as authorized by the Company's Board of Directors.

If you wish to accept this offer, please sign and date this letter agreement and return it to me within seven (7) calendar days after the date of this letter agreement. This letter agreement may be executed in counterparts, each of which will be considered an original, but all of which together will constitute one agreement. Execution of a facsimile, electronic or PDF copy will have the same force and effect as execution of an original, and a facsimile, electronic or PDF signature will be deemed an original and valid signature.

Very truly yours,

LIFE360, INC.

By: /s/ Chris Hulls

Name: Chris Hulls

Title: Chief Executive Officer

ACCEPTED AND AGREED:

CHRISTOPHER HULLS

/s/ Christopher Hulls
(Signature)

____
Date

Exhibit 10.12

LIFE360, INC.

________________, 2016

David Rice
[Address]
[Address]

Dear David:

Life360, Inc. (the "Company") is delighted to offer you the opportunity to earn a retention bonus. Specifically, provided that you remain in continuous employment with the Company until December 31, 2022 (the "Retention Date"), you will earn and receive $100,000.00 (the "Retention Bonus"), subject to all applicable withholdings and other required deductions. The Retention Bonus, if earned, will be paid to you within thirty (30) calendar days following the Retention Date, provided any such Retention Bonus will first be applied to reduce any amount you previously borrowed from the Company or any other debt you have with the Company, and any interest that has accrued thereon, in each case, that is outstanding as of the payment date, whether or not any such amount is then due and payable.

Notwithstanding the foregoing, if, prior to the Retention Date, (A) you experience an "involuntary separation from service" as defined in Treasury Regulation 1.409A-1(n) by the Company for any reason other than Cause, death or disability and you comply with the Conditions (as defined below), or (B) the Company consummates a Change of Control (as defined in the Company's 2011 Stock Plan, provided any such Change of Control also constitutes a "change in control event" as defined in Treasury Regulation Section 1.409A-3(i)(5)(i)), the Company will pay you the Retention Bonus, less all applicable withholdings and other required deductions, within 10 business days following the Deadline Date (as defined below) or upon the consummation of the Change of Control, as applicable.

For purposes of this letter agreement, "Cause" shall mean: (1) any material breach by you of any material written agreement between you and the Company and your failure to cure such breach within thirty (30) days after receiving written notice thereof; (2) any failure by you to comply with the Company's material written policies or rules as they may be in effect from time to time; (3) neglect or persistent unsatisfactory performance of your duties and your failure to cure such condition within thirty (30) days after receiving written notice thereof; (4) your repeated failure to follow reasonable and lawful instructions from the Company's Board of Directors or Chief Executive Officer and your failure to cure such condition within thirty (30) days after receiving written notice thereof; (5) your conviction of, or plea of guilty or nolo contendere to, any crime that results in, or is reasonably expected to result in, material harm to the business or reputation of the Company; (6) your commission of or participation in an act of fraud against the Company; (7) your intentional material damage to the Company's business, property or reputation; or (8) your unauthorized use or disclosure of any proprietary information or trade secrets of the Company or any other party to whom you owe an obligation of nondisclosure as a result of your relationship with the Company. For purposes of this definition, the term "Company" will be interpreted to include any subsidiary, parent, affiliate, or any successor thereto, if appropriate.

For purposes of this letter agreement, "Conditions" shall mean (i) you have executed (and do not revoke) a full and complete general release of all claims that you may have against the Company or persons affiliated with the Company in a form provided by the Company without alteration and such release has become effective no later than the thirtieth (30th) day after your separation from service (the "Deadline Date") and (ii) you have returned all Company property in your possession within ten (10) days following your separation from service.

For purposes of Internal Revenue Code Section 409A, the regulations and other guidance there under and any state law of similar effect (collectively "Section 409A"), any payment that is made pursuant to this letter agreement is hereby designated as a separate payment. The parties intend that any payment made or to be made under this letter agreement comply with, or is exempt from, the requirements of Section 409A so that no payment will be subject to the adverse tax penalties imposed under Section 409A, and any ambiguities herein will be interpreted to so comply or be so exempt. Specifically, any payment made in connection with your involuntary separation from service under this letter agreement and paid on or before the fifteenth (15th) day of the third (3rd) month following the end of your first tax year in which your involuntary separation from service occurs or, if later, the fifteenth (15th) day of the third (3rd) month following the end of the Company's first tax year in which your involuntary separation from service occurs, shall be exempt from Section 409A to the maximum extent permitted pursuant to Treasury Regulation Section 1.409A-1(b)(4) and any other payment made in connection with your involuntary separation from service under this letter agreement shall be exempt from Section 409A to the maximum extent permitted pursuant to Treasury Regulation Section 1.409A-1(b)(9)(iii) (to the extent it is exempt pursuant to such section it will in any event be paid no later than the last day of your 2nd taxable year following the taxable year in which your involuntary separation from service occurs). Notwithstanding the foregoing, if any payment made in connection with your involuntary separation from service does not qualify for any reason to be exempt from Section 409A pursuant to Treasury Regulation Section 1.409A-1(b)(4), Treasury Regulation Section 1.409A-1(b)(9)(iii), or any other applicable exemption and you are, at the time of your involuntary separation from service, a "specified employee," as defined in Treasury Regulation Section 1.409A-1(i) (i.e., you are a "key employee" of a publicly traded company), each such payment will not be made until the first regularly scheduled payroll date of the 7th month after your involuntary separation from service and, on such date (or, if earlier, the date of your death).

Your employment with the Company remains "at will," meaning that either you or the Company may terminate your employment at any time and for any reason, with or without cause or notice.

This letter agreement supersedes and replaces any prior understandings or agreements, whether oral, written or implied, between you and the Company regarding the matters described in this letter agreement. This letter agreement may be modified only in a written document signed by you and the Company's Chief Executive Officer.

If you wish to accept this offer, please sign and date this letter agreement and return it to me within seven (7) calendar days after the date of this letter agreement. This letter agreement may be executed in counterparts, each of which will be considered an original, but all of which together will constitute one agreement. Execution of a facsimile, electronic or PDF copy will have the same force and effect as execution of an original, and a facsimile, electronic or PDF signature will be deemed an original and valid signature.

Very truly yours,
LIFE360, INC.

By: /s/ Chris Hulls

Name: Chris Hulls

Title: Chief Executive Officer

ACCEPTED AND AGREED:

DAVID RICE

/s/ David Rice
(Signature)

Date

Exhibit 10.15

CERTAIN IDENTIFIED INFORMATION HAS BEEN EXCLUDED FROM THE EXHIBIT BECAUSE IT IS BOTH NOT MATERIAL AND IS THE TYPE THAT THE REGISTRANT TREATS AS PRIVATE OR CONFIDENTIAL. SUCH EXCLUDED INFORMATION HAS BEEN MARKED WITH "[***]."

WARRANTY PROGRAM AGREEMENT

by and between

COVER GENIUS WARRANTY SERVICES, LLC

and

TILE, INC.

Dated as of June 26, 2020

WARRANTY PROGRAM AGREEMENT

This WARRANTY PROGRAM AGREEMENT (this "Agreement"), effective as of June 26, 2020 (the "Effective Date"), is entered into by and between Cover Genius Warranty Services, LLC ("Cover Genius"), a Delaware limited liability company with its principal office located at 27 E 28th St., New York, NY 10016, and Tile, Inc. ("Company"), a Delaware corporation with its office located at 1900 S. Norfolk Street, Suite 310, San Mateo California 94403. Cover Genius and Company may each be referred to individually as a "Party" and together as the "Parties". This Agreement is contingent on: (a) the Parties executing a separate Data Protection Agreement; (b) Cover Genius' Issuer issuing a mutually acceptable Contractual Liability Insurance Policy to Company; and (c) Cover Genius' Issuer and Company entering into a mutually acceptable OEM Warranty Provider Agreement. Mutual acceptability of the Contractual Liability Insurance Policy and OEM Warranty Provider Agreement will be evidenced by the execution of the OEM Warranty Provider Agreement by Company and Issuer.

RECITALS

WHEREAS, the Company is an original equipment manufacturer and/or distributor of electronic finding devices, which seeks to offer certain OEM Warranties and service contracts for its products to its Customers;

WHEREAS, Cover Genius is in the business of selling, marketing and administering OEM Warranties and service contracts on behalf of original equipment manufacturers; and

WHEREAS, Company desires for Cover Genius to administer its OEM Warranties and service contracts, and for Cover Genius to source products relating thereto on its behalf, and Cover Genius desires to so administer the OEM Warranties and service contracts, and to source such products on behalf of Company, subject to the terms and conditions of this Agreement.

NOW, THEREFORE, in consideration of the mutual covenants and agreements set forth herein, and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the Parties, intending to be legally bound, covenant and agree as follows:

ARTICLE I
DEFINITIONS

In addition to any terms that may be defined elsewhere in this Agreement, the following terms shall have the respective meanings set forth below:

"Affiliate" means, with respect to any specified Person, any other Person that directly, or indirectly through one or more intermediaries, controls, is controlled by, or is under common control with, such specified Person. For purposes of this definition, "control" (including the terms "controlled by" and "under common control with") with respect to the relationship between or among two (2) or more Persons, means the possession, directly or indirectly, of the power to direct or cause the direction of the management and policies of a Person whether through the ownership of voting securities, by contract or otherwise.

"Annual Subscribers" means purchasers of Covered Products who make payments on an annual basis.

"Applicable Law" means any federal, state or local statute, law, ordinance, rule, regulation, order, writ, injunction, judgment, decree, directive, principle of common law or written interpretation of any of the foregoing by a Governmental Authority applicable to a Person or any such Person's Affiliates, properties, assets or Representatives.

"Business Day" means any day other than a Saturday, a Sunday or a day on which banks in New York, New York are authorized or obligated by Applicable Law to close for regular banking business.

"Confidential Information" means any documents, communications, drafts and other materials of any kind disclosed to a Party (the "Recipient") by or on behalf of another Party (the "Discloser") which is not generally known to the public at the time the disclosure is made, whether delivered orally, in writing, electronically, or observed by the Recipient, including any material prepared by the Recipient based on or derived from the Confidential Information. For the avoidance of doubt, the services provided by Cover Genius through the XCover Platform and all related Feedback, all pricing information related to the Covered Products, the terms of this Agreement, information relating to customers and prospects, mailing lists, suppliers and sources of supply and/or materials, business practices, financial information of any kind whatsoever, pricing and quotations, databases, employee information, trade secrets and other confidential knowledge used or developed by any of the Discloser's employees are all Confidential Information for purposes of this Agreement.

"Covered Products" means those OEM Warranties and service contracts identified on Exhibit A of this Agreement, as such exhibit may be amended from time to time by mutual written agreement of Cover Genius and Company.

"Customers" means the Company's Limited and Extended Warranty Holders and/or those who purchase Covered Products.

"Governmental Authority" means any federal, state, regional, local or foreign governmental or legislative authority, agency commission, regulatory body or stock exchange or listing authority, including any applicable department of insurance, agency, court or commission or other governmental authority or instrumentality, arbitral tribunal or industry self-regulatory organization.

"Government Official" means any officer or employee of a foreign Governmental Authority, public international organization, or department, agency or instrumentality of a foreign government.

"Intellectual Property" means all intellectual property and all rights, title and interest in such intellectual property, whether registered or unregistered, required for the exercise of such intellectual property (however arising) pursuant to the laws of any jurisdiction throughout the world, including any and all: (a) patents, patent applications and patent disclosures, together with all reissues, continuations, continuations-in-part, revisions, divisionals, utility models, certificates of invention, extensions, reviews and reexaminations in connection therewith and all

improvements thereon and extensions thereof; (b) copyrights and registrations and applications therefor, together with all translations, adaptations, derivations and combinations therefor, works of authorship, publications and website content; (c) proprietary information, trade secrets, business (including any pricing, actuarial or other analytical) models, and any related software; and (d) trademarks, trade names, service marks, service names, brands, trade dress and logos, slogans, domain names, and all other indicia of origin, source, sponsorship, endorsement or certification, and all applications, registrations, and renewals in connection therewith.

"Monthly Subscribers" means purchasers of Covered Products who make payments on a month to month basis.

"NPS" means Net Promoter Score, a measurement of Customer satisfaction between -100 and 100 based on responses lodged in a Customer satisfaction survey following the conclusion of a claim made under the Covered Products.

"OEM Warranties" means warranties made by an original equipment manufacturer and/or distributor regarding the fitness of its products.

"Output" means end user information and data provided via the XCover Platform.

"Person" means any individual, corporation, company, partnership (limited or general), joint venture, limited liability company, association, trust, government or any department or agency thereof, or any other entity.

"Representative" means directors, officers, partners, employees, agents, and other representatives, including, without limitation, financial advisors, legal counsel, accountants, actuaries, experts, and consultants.

ARTICLE II
OBLIGATIONS OF COMPANY

Section 2.01. OEM Warranties. In connection with the OEM Warranties, Company shall comply with the exclusivity provision provided in Section 12.03 of this Agreement.

Section 2.02. Marketing of Covered Products.

(a) Company shall use commercially reasonable efforts to market the Covered Products in regions where Company offers Covered Products to its Customers through those certain activities set forth in Exhibit A to this Agreement.

(b) Company shall exclusively use the marketing materials provided to it by Cover Genius to market the Covered Products. Company may request additional marketing materials from Cover Genius and/or submit marketing materials to Cover Genius which shall be subject to review by Cover Genius and require written approval from Cover Genius prior to use by Company. For the avoidance of doubt, Cover Genius may reject any request for or submission of additional marketing materials made by Company for regulatory purposes or in furtherance of compliance with Applicable Law at Cover Genius' sole discretion. Such written approval shall not be unreasonably withheld and where approvals do not require Cover Genius to consult any external

party, including but not limited to an Issuer as defined in Section 3.02 or Cover Genius' external counsel, such approvals (or rejections) shall be provided within three (3) Business Days. Where such external consultation is required, such approvals (or rejections) shall be provided within five (5) Business Days.

(c) Company shall market and refer Covered Products as instructed or approved by Cover Genius to Company in writing.

Section 2.03. Standards. Company shall use all reasonable endeavors, skill, care and diligence expected of a competent organization carrying out services of the kind Company shall provide under this Agreement, including, without limitation, complying with all Applicable Law relevant to Company's responsibilities as set forth herein including handling Customer payments with due care, and ensuring that its employees have all the necessary skills, competencies, experience, and equipment to properly and expeditiously perform their obligations.

ARTICLE III
OBLIGATIONS OF COVER GENIUS

Section 3.01. OEM Warranties. During the Term of this Agreement, Cover Genius shall source, negotiate, and obtain OEM Warranties or cause an Affiliate to source, negotiate, and obtain the OEM Warranties, on behalf of Company in all countries in which Company chooses to offer its products and services and/or Covered Products. Cover Genius will bear full responsibility and liability for all acts or omissions of its Affiliates and Issuers (defined below in Section 3.02).

Section 3.02. Distribution and Administration of the Covered Products.

(a) Cover Genius shall sell, solicit and negotiate, issue and deliver the Covered Products and be responsible for the administration of the Covered Products, including all activities that constitute the insurance business and require an insurance license (if any), other than any such activities that are undertaken by Cover Genius' insurance partner(s), for whom Cover Genius takes and bears full responsibility. Cover Genius shall further fulfill all of its obligations, responsibilities and requirements as set forth in this Agreement. For the avoidance of doubt, Company and Cover Genius acknowledge and agree that (a) Cover Genius takes and bears full responsibility for ensuring that the parties with which Cover Genius has contracted to issue the Covered Products (the "Issuers"), all Affiliates and other third parties comply with the terms of this Agreement and all Applicable Law including with respect to the issuance and administration of the Covered Products, (b) even though Cover Genius is not an Issuer, and instead is providing services to the Company and the Issuers with respect to the Covered Products, it bears full responsibility for its own performance as well as that of the Issuers, Affiliates and any other third party with which it contracts to fulfill its obligations herein. In performing its obligations hereunder, neither Cover Genius nor its Issuer(s), Affiliate(s) and/or insurance partner(s) shall attempt to upsell Customers and/or otherwise offer them additional products or services of any kind except for those expressly and directly offered by Company. Notwithstanding, Cover Genius, its Issuer(s), Affiliate(s) and/or insurance partner(s) may market to Customers whose information has been obtained from means not involving their responsibilities pursuant to this Agreement and so long as such marketing happens separate, apart from and outside the context of Covered Product claims administration and/or otherwise performing obligations under this Agreement.

(b) Company acknowledges and agrees that Cover Genius and the Issuers are under no obligation to issue and deliver a Covered Product to any particular Customer and reserves the right to refuse to do business with any particular Customer if the issuance and delivery of the Covered Product to that particular Customer is not compliant with Applicable Law (e.g. due to that Customer being on an applicable export sanctions list). For the avoidance of doubt, this section 3.02(b) does not enable Cover Genius to refuse to do business with all customers of certain territories, regions, jurisdictions or states, which is instead governed exclusively by section 5.01(b) herein.

Section 3.03. Pricing Review Period. [***] from the date of the first sale of a Covered Product, and continuing [***] thereafter, the Issuer(s) may independently initiate increased pricing for Covered Products. Upon such increased pricing notice from the Issuer, Cover Genius will give notice of the same to Company [***], and thereafter the Parties will negotiate in good faith over [***]. The [***] period may be extended by mutual agreement of the Parties in writing. If the Parties cannot come to an agreement [***], either Party shall have the ability to terminate this Agreement pursuant to Section 11.02(a) with six months' advance written notice. To the extent any Extended Warranty Covered Product price increase has already been instituted as of the date of the commencement of the good faith negotiation period or thereafter as provided in this Section, [***]. In the event that the Issuer(s) do not independently increase pricing for Covered Products, then [***]. For the avoidance of doubt, in no event will Company be responsible for fees associated with Limited Warranty Covered Products, and no price increase related to Limited Warranty Covered Products shall trigger fee sharing, good faith negotiations per this section or termination rights as set forth herein.

Section 3.04. Licensing & Compliance with Applicable Law. Cover Genius shall maintain all licenses required by Applicable Law to administer and deliver the Covered Products. Cover Genius will also be responsible for negotiating, issuing, administering and delivering the Covered Products globally in compliance with all Applicable Laws and this Agreement.

Section 3.05. Required Insurance. Cover Genius agrees that prior to performing its obligations under this Agreement it shall obtain and thereafter maintain in-force insurance that covers Cover Genius' activities, potential liabilities and indemnity obligations under this Agreement as well as those of Cover Genius' employees, agents, representatives and Affiliates [***]. [***] following the Effective Date, and for each twelve (12) month period thereafter, the Parties will review the sum of the fees remitted to Company by Customers for Covered Products sold in the previous [***] period and will agree to increase, or decrease as applicable, the liability [***]

In addition to the foregoing insurance, Cover Genius shall ensure that within three (3) Business Days after execution of this Agreement, and continuing throughout the duration of this Agreement, that its Issuer(s) and/or insurance partner(s) procure, pay all premiums with respect to and cause to be issued to Company a contractual liability insurance policy (the "CLIP") in the form attached as Exhibit B hereto, for the benefit of Tile and its respective officers, directors, employees, agents and representatives with the following adjustments:

Section III.C: ensure "not applicable" is shown.

Coverage under the CLIP will be for applicable liabilities incurred by Company under Covered Products.

Section 3.06. Cover Genius Platform. Cover Genius shall make available to Company, on a non-exclusive basis, its application program interface (the "XCover Platform") for purposes of the sale of Covered Products, subject to the following provisions.

(a) The Company will use the XCover Platform and Output only in compliance with (i) the rights granted hereunder; and (ii) all Applicable Law.

(b) Cover Genius may immediately suspend the accessibility of the XCover Platform by Company in the event that Company accesses the XCover Platform in an unauthorized manner and to Cover Genius' material financial detriment. Cover Genius will notify Company prior to any suspension and provide Company a thirty (30) day period to cure prior to suspension.

(c) The Parties shall cooperate and use commercially reasonable efforts to effect the integration of the XCover Platform into Company's website as soon as reasonably possible and ideally within four-to-six (4-6) weeks of the Effective Date.

Section 3.07. Customer Relations. Cover Genius shall be responsible for all customer service in connection with administration of the Covered Products. Cover Genius shall report to the Company not less than on a weekly basis customer satisfaction statistics, including but not limited to: [***] will report to Company each in process, approved and/or denied claim on an identifiable per-user [***] Cover Genius will, as part of its Customer claims process, establish a process for a Customer to appeal to Cover Genius any claim that has been denied in whole or in part [***]. [***] during the duration of this Agreement, Cover Genius will host a [***] business review and present to Company [***] Cover Genius will use good faith efforts to resolve customer experience and satisfaction issues identified by Company as a result of such [***] business reviews and otherwise throughout the duration of the Agreement. In addition, in the instance of a customer complaint or complaints to [***] enable Company to respond and/or resolve as appropriate.

ARTICLE IV
COMPENSATION

Section 4.01. Fees.

(a) In exchange for the performance by Cover Genius of its obligations under this Agreement, Company shall pay fees to Cover Genius in the following amounts after a Customer registers their first Extended Warranty Covered Product:

(i) For Annual Subscribers: (1) USD [***] per annum for Covered Products with a limit of USD 250; (2) USD [***] per annum for Covered Products with a limit of USD 500; (3) USD [***] per annum for Covered Products with a limit of USD 750; and (4) USD [***] per annum for Covered Products with a limit of USD 1,000. Should Annual Subscribers cancel early or otherwise be entitled to a refund in Company's sole discretion, Cover Genius will refund Company the corresponding pro rata amount of fees paid by Company to Cover Genius for those Customers. The limits stated above refer to the warranty limit for losses. The Parties will discuss and mutually agree in good faith on how and on what terms to offer Covered Products in the context of additional programs including the payment for Covered Products by parent accounts for use by sub-accounts.

(ii) For Monthly Subscribers: (1) USD [***] per month for Covered Products with a limit of USD 250; (2) USD [***] per month for Covered Products with a limit of USD 500; (3) USD [***] per month for Covered Products with a limit of USD 750; and (4) USD [***] per month for Covered Products with a limit of USD 1,000. The limits stated above refer to the warranty limit for losses.

(b) The fees set forth in Section 4.01(a), above, will be due and payable by Company to Cover Genius no later than: [***]. If the failure by Company to timely pay fees as specifically provided in Section 3.03 and Section 4.01(a) to Cover Genius results in the cancellation of a Covered Product, Company acknowledges and agrees that Cover Genius shall not be liable for, nor be under any obligation to administer or accept any claim under a Covered Product. [***] [***]

(c) Notwithstanding anything to the contrary contained herein, it is acknowledged and agreed by the Parties that no fees will be due from Company to Cover Genius in connection with [***] (ii) the provision by Company of the Group Limited Warranty Contract (as defined in Exhibit A) to Customers with the purchase by Customers of Company's product.

ARTICLE V
COMPLIANCE; RECORDS AND REPORTING

Section 5.01. Compliance with Applicable Law.

(a) The Parties shall comply with all Applicable Laws that apply with respect to their performance obligations under this Agreement. Cover Genius shall ensure and take full responsibility for the Issuers', Affiliate and other third parties' compliance with all Applicable Law and the terms of this Agreement, including but not limited to (i) the filing of such Covered Products with the applicable Governmental Authorities, (ii) to obtain the approval of any such Governmental Authorities with respect to any such filings; and (iii) prompt payment of valid claims in accordance with all requirements set forth herein. If the Issuer(s), Affiliates and/or or other third parties contracted by Covered Genius to fulfill its obligations herein have a degradation rating by A.M. Best, S&P, or Moody's below a B+, Cover Genius shall have the responsibility to stand up another Issuer in a commercially reasonable manner subject to all the terms, conditions and requirements herein.

(b) If any Governmental Authority objects to, investigates or inquires about the transactions contemplated by this Agreement or the Covered Products, Cover Genius shall undertake commercially reasonable efforts to respond to any such objections, investigations or inquiries and shall cure any purported defects in the Covered Products identified by any such Governmental Authority and to stand up an alternative program (if necessary) to provide equivalent services within the affected jurisdiction or territory. For the avoidance of doubt, should the Covered Products and related programs and/or systems be found by a Governmental Authority to be in non-compliance with Applicable Law, Cover Genius will bear all costs of: (i) bringing such Covered Products into compliance; (ii) reimbursements to applicable customers whose

Covered Products are discontinued, suspended or altered; (iii) standing up an alternative program where legally possible; and/or (iv) any other direct or indirect costs and damages to Company resulting from such non-compliance. Cover Genius will give prompt notice within two (2) Business Days of any Governmental Authority's finding that the Covered Products are in non-compliance to Company and shall work with Company in good faith to come to a mutually agreed-upon cure for such non-compliance and if necessary, to agree upon another equivalent Covered Product to be offered to Customers within the region or jurisdiction of non-compliance. For the avoidance of doubt, Cover Genius shall not cease the provision of Covered Products to Customers or change the Covered Products on a territory, region, state, jurisdictional or other basis except as mutually agreed upon with Company and as otherwise set forth in this section 5.01(b).

Section 5.02. Records.

(a) Each Party shall (i) keep full and accurate records in relation to the carrying out of its obligations under this Agreement as required herein and otherwise as required by the Applicable Law ("Records"); (ii) keep the Records up to date, in good condition and in a manner that makes them easily retrievable; (iii) take reasonable precautions to preserve the confidentiality and integrity of the Records, and to prevent any corruption or loss of the same; and (iv) retain the Records for the Term of this Agreement and thereafter for the period required by Applicable Law.

(b) Each Party or its duly authorized Representatives shall have the right to visit the offices of the other Party to inspect, examine, audit, and verify any of the Records (other than any attorney-client privileged documents) during regular business hours after giving (15) Business Days' prior notice. This right shall be exercisable in a commercially reasonable manner (i) during the Term of this Agreement, and (ii) after the expiration of this Agreement to the extent commercially reasonable or as required by the Applicable Law. All audit records and findings will be treated as the Confidential Information of the applicable Party.

Section 5.03. Reporting. During the Term of this Agreement, each party will report to the other as follows: (i) Company shall provide Cover Genius with a monthly accounting statement, to be provided not more than fifteen (15) business days after the close of each month, which sets forth the total fees received by Company in the preceding calendar month and amount of fees payable by Company to Cover Genius in connection with such transactions. Company shall also provide Cover Genius monthly reporting of new membership by type, total existing members, member renewals by type (either monthly or annual), and net membership revenue generated by each member in each country where Products are sold; and (ii) On the cadence set forth herein, Cover Genius shall provide Company with the Reports.

ARTICLE VI
INTELLECTUAL PROPERTY; CUSTOMER DATA OWNERSHIP

Section 6.01. Ownership of Intellectual Property.

(a) Each Party acknowledges and agrees that each Party is and shall remain for all purposes under this Agreement the sole and exclusive owner of all right, title and interest in and to its Intellectual Property.

(b) All rights in any Intellectual Property created by a Party during the carrying out of its obligations under or otherwise in connection with this Agreement shall vest in and remain with that Party at all times.

(c) A Party does not by virtue of this Agreement obtain any rights to use, or any other rights in or to, any Intellectual Property of the other Party. For the avoidance of doubt, all rights, title and interests in the Intellectual Property relating to the sale, solicitation, negotiation, and administration of the Covered Products by Cover Genius for purposes of the Agreement shall be owned exclusively by Cover Genius.

(d) With respect to the XCover Platform:

(i) Unless Cover Genius specifically agrees in writing, Company will not, and will use commercially reasonable efforts to ensure that a third party does not: (1) attempt to reverse engineer, decompile, disassemble, or otherwise attempt to discover the source code, source data, object code, or underlying structure, ideas, or algorithms of the XCover Platform; (2) modify, translate, or create derivative works based on the XCover Platform; (3) make the XCover Platform or Output available to, or use the XCover Platform or Output for the benefit of anyone other than the Company; (4) sell, resell, license, sublicense, distribute, rent or lease the XCover Platform or Output to any third party, or include any XCover Platform or Output in a service bureau, time-sharing, or equivalent offering; or (5) attempt to create a substitute or similar service through use of, or access to, the XCover Platform or Output.

(ii) Except for the rights expressly granted under Section 3.05, Cover Genius reserves and retains all right, title, and interest in and to the XCover Platform which includes but is not limited to the XCover Platform and any related Output, software, products, works, and other Intellectual Property created, used, or provided by Cover Genius for the purposes of this Agreement. To the extent the Company provides Cover Genius with any feedback relating to the XCover Platform (including, without limitation, feedback related to usability, performance, interactivity, bug reports and test results) ("Feedback"), Cover Genius will own all right, title and interest in and to such Feedback (and the Company hereby makes all assignments necessary to achieve such ownership).

(e) Unless otherwise provided in this Agreement, a Party shall not use the name, tradename, service marks, trademarks, trade dress, or logo of the other Party in publicity releases, advertising, or similar activities without the prior written consent of the other Party. Notwithstanding, on their website(s), each Party may reference the other Party using an approved corporate logo.

Section 6.02. Data Ownership.

(a) The information regarding the Customers purchasing a Covered Product ("Customer Data") [***]. Customer Data shall include, whether written, oral, or in electronic form: (i) any information from which an individual can be identified; (ii) any information concerning an individual that would be considered protected personal information within the meaning of Applicable Law; (iii) any information relating to the Customers received by the Parties

in connection with the performance of their obligations under this Agreement, including: (1) a Customer's name, address, e-mail address, IP address, telephone number and/or government issued identification number; (2) the fact that a Customer has a relationship with Company or its Affiliates; (3) a Customer's account information; (iv) any other information of or relating to a Customer that is protected from disclosure by Applicable Law processed in connection with this Agreement. To the extent that Company shares Customer Data with Cover Genius in connection with the Parties' Agreement, Cover Genius shall process, store, use and retain the information at all times consistently with the Parties' Data Protection Agreement.

ARTICLE VII
DATA PRIVACY; INFORMATION SECURITY; INFORMATION SHARING

Section 7.01. Data Privacy and Information Security.

(a) The Parties shall comply with the requirements for data privacy and information security set forth in the Parties' Data Processing Agreement in connection with all activities and business conducted under this Agreement. The provisions of the Parties' Data Processing Agreement are incorporated herein by reference and shall survive termination of this Agreement.

(b) Company shall provide Cover Genius with the information necessary to administer the Covered Products including, without limitation, a Customer identifier and information regarding Registered Items (as defined in Exhibit A) required to administer claims submitted by Customers

(c) Cover Genius shall share such information with the Issuers only as mutually agreed by the Parties and pursuant to the terms of each Customer's express consent. The Company and Cover Genius shall use and store all information shared between the Parties pursuant to this Agreement in accordance with all Applicable Law and consistently with the Parties' Data Protection Agreement, and Cover Genius shall take full responsibility for ensuring the Issuers to do the same.

ARTICLE VIII
CONFIDENTIALITY

Section 8.01. Use and Disclosure of Confidential Information of Another Party. The Recipient hereby acknowledges and agrees that it shall treat all Confidential Information as strictly confidential. The Recipient will not use or permit the use of Confidential Information except as authorized by this Agreement, or as otherwise previously approved by the Discloser in writing. The Recipient shall not disclose or permit the disclosure of Confidential Information, except as authorized by this Agreement. The Recipient shall be responsible for the use and disclosure of Confidential Information by its Representatives or the Representatives of any third party to whom it discloses the Confidential Information.

Section 8.02. Protection of Confidential Information. The Recipient shall exercise at least the same degree of care to preserve the confidentiality of Confidential Information that the Recipient exercises to protect its own confidential information of a similar level of sensitivity, but in no event less than a commercially reasonable degree of care. The Recipient shall not copy, release, disclose, or permit the copying, release, or disclosure of the Confidential Information, or

any portion thereof, for any purpose at any time, except to the extent specified herein. The Recipient will implement appropriate measures to (a) ensure the security and confidentiality of Confidential Information, (b) protect against any anticipated threats or hazards to the security or integrity of Confidential Information, and (c) protect against unauthorized access to or use of Confidential Information.

Section 8.03. Disclosure to Affiliates and Representatives. The Recipient may provide Confidential Information and copies thereof to any Representatives of the Recipient or any Affiliates of the Recipient or its Representatives who need to know such Confidential Information in order to perform their duties hereunder and who have a legal duty to maintain its confidentiality. The Recipient shall (a) inform each Representative, Affiliate or Representative of the Affiliate of the Recipient receiving the Confidential Information of the confidential nature of the Confidential Information and of this Agreement, (b) direct such Representative, Affiliate or Representative of the Affiliate of the Recipient to treat the Confidential Information confidentially, to not disclose it in any manner whatsoever in whole or in part, and to not use it other than to the extent necessary for the purposes described herein, and (c) be responsible for any improper disclosure or use of the Confidential Information by any Representative, Affiliate or Representative of the Affiliate.

Section 8.04. Exceptions. The Recipient’s obligations under this Article will not extend to Confidential Information that the Recipient establishes: (a) is publicly known at the time in question without a breach of this Agreement, provided that the Recipient’s obligations will apply with respect to the contents of any Discloser database or any protected personal information notwithstanding the fact that the database or protected personal information may include or consist of information that is publicly available; (b) is provided to the Recipient on a non-confidential basis by a third party that is not itself under any confidentiality obligation with respect to the information; or (c) is independently developed by the Recipient without use of or reference to the Confidential Information disclosed by the Discloser as shown by the contemporaneous written records of Recipient. Notwithstanding the fact that a portion of Confidential Information is or becomes non-confidential or otherwise not subject to the confidentiality obligations set forth in this Article, the Recipient’s obligations under this Agreement will continue to apply to all other Confidential Information.

Section 8.05. Return of Confidential Information. The Recipient will return (and, with respect to items that cannot be returned, destroy) all Confidential Information promptly upon written demand by the Discloser. Notwithstanding the foregoing, (a) if the Recipient is required by Applicable Law (including, without limitation, legally binding requirements imposed on the Recipient by a self-regulatory organization) to retain any document that includes Confidential Information, the Recipient will be permitted to retain such document to the extent necessary to comply with such law, and (b) nothing contained herein will require the Recipient to erase any information stored for archival or document retention policies on any backup tapes; provided, however, that in case of both (a) and (b) any such information will otherwise continue to be subject to this Article. Upon request, the Recipient will provide to Discloser an affidavit from one of the Recipient’s officers certifying to the Recipient’s compliance with the requirements of this Article.

Section 8.06. Required Disclosures.

(a) In the event the Recipient and/or any Representative of the Recipient is required by Applicable Law or legal process or as otherwise requested by any Governmental Authority to disclose any Confidential Information, the Recipient, to the extent practicable and permitted by Applicable Law, shall promptly notify the Discloser to permit the Discloser to seek a protective order or take other appropriate action. The Recipient also shall cooperate, as the Discloser reasonably requests and at the Discloser’s expense, in the Discloser’s efforts to obtain a protective order or other reasonable assurance that confidential treatment will be accorded to the Confidential Information. If, in the absence of a protective order, the Recipient is compelled as a matter of law to disclose the Confidential Information, the Recipient may disclose to the Party compelling disclosure only the part of the Confidential Information as is required by law to be disclosed (in which case, prior to such disclosure, the Recipient shall advise and consult with the Discloser, and its counsel, which may be internal, as to such disclosure and the nature and wording of such disclosure) and the Recipient shall use reasonable efforts, at the Discloser’s expense, to obtain confidential treatment with respect thereto.

(b) Notwithstanding anything contained herein to the contrary, the Recipient and/or any Representative of the Recipient may disclose Confidential Information furnished to it hereunder in the course of inspections, examinations or inquiries by federal or state regulatory agencies and self-regulatory organizations that have requested or required the inspection of records that contain such Confidential Information, without the requirement of notice to the Discloser, so long as such examinations or inquiries are not solely related to the Discloser.

Section 8.07. Remedies. A Recipient’s breach of this Article may cause substantial and irreparable harm to the Discloser for which an award of monetary damages alone may be inadequate. Accordingly, in the event of any such breach or threatened breach, the Discloser will be entitled to seek injunctive relief in addition to all other rights and remedies available to the Discloser at law and in equity including seeking equitable relief and specific performance. The Recipient hereby waives, and will cause its Representatives to waive, any requirements for the securing or posting of any bond in connection with such injunctive relief. All rights and remedies provided to the Discloser in this Agreement are cumulative and are in addition to, and not in lieu of, the Discloser’s rights and remedies at law and in equity.

ARTICLE IX
REPRESENTATIONS AND WARRANTIES

Section 9.01. Each Party to this Agreement hereby represents and warrants that (a) it has full power and authority to execute and deliver this Agreement and to perform its obligations under this Agreement without any further ratification or approval; (b) this Agreement constitutes the legal, valid and binding obligations of each Party and that each Party will fulfill all such obligations and responsibilities contained herein; (c) neither the execution and delivery of this Agreement nor the consummation of the transactions contemplated in this Agreement violate or conflict with any Applicable Law, obligation, contract, lease or license which could reasonably be expected to interfere with the consummation of the transactions contemplated in this Agreement; (d) it has the right, power and authority to grant the rights and licenses under this Agreement free and clear of any claims, liens and encumbrances; and (e) it complies with all federal, state, local and, if applicable, foreign laws, rules and regulations that are applicable to its obligations under this Agreement.

Section 9.02. In executing its duties under this Agreement, each Party covenants that it shall comply with all Applicable Law relevant to each Party's obligations under this Agreement, including those laws pertaining to corruption, including the US Foreign Corrupt Practices Act and, if applicable, the UK Bribery Act 2010. Each Party further covenants that it shall not pay, promise to pay, authorize a payment, give, promise to give, or authorize the giving of anything of value to any Government Official for purposes of: (a) influencing any act or decision of any Government Official in his or her official capacity; (b) inducing any Government Official to do or omit to do any act in violation of the lawful duty of the official; (c) securing any improper advantage; or (d) inducing any Government Official to use his or her influence with the government or instrumentality of any government to affect or influence any act or decision of the government or instrumentality with respect to any activities undertaken relating to this Agreement.

Section 9.03. Except as otherwise expressly provided in this Agreement, the representations and warranties made in this Agreement are continuous in nature and are deemed to have been given by the Parties at the execution of this Agreement and at each stage of performance of this Agreement.

ARTICLE X
INDEMNIFICATION; LIMITATION OF LIABILITY

Section 10.01. Cover Genius shall defend, indemnify and hold Company, Company's affiliates, and the officers, directors, employees, contractors, agents, and representatives of Company and its affiliates (collectively, "Company Indemnitees") harmless from and against any and all costs, claims, demands, losses, expenses and liabilities of any nature whatsoever, including reasonable attorneys' fees and court and expert costs (collectively, "Losses") incurred or suffered by Company Indemnitees arising out of, or in connection with, [***]

If Company's Losses arise out of the actions of Cover Genius' Issuer(s) or insurance partner(s), and Company is entitled to obtain equivalent indemnification directly from such parties as is set forth herein, then Cover Genius indemnification shall not be triggered. [***]

Section 10.02. Indemnity Procedure. Company Indemnitees, or any of them will give Cover Genius prompt, reasonable notice of any Losses. In the event of such a Loss, and to the extent consistent with the terms and conditions of Cover Genius' insurance policy (if any) which provides coverage to Company Indemnitees, the following indemnity procedure shall apply: At the discretion of Company Indemnitees, Company Indemnitees will either defend against or settle any Losses at the [***], or permit Cover Genius to defend against any Losses with legal counsel approved by Company Indemnitees. Company Indemnitees will provide Cover Genius with non-monetary assistance, information, and authority reasonably required for the defense and settlement of such Losses, all at the sole cost and expense of Cover Genius. If Company Indemnitees determine that separate counsel is appropriate, Company Indemnitees will be entitled to retain separate counsel [***]. Cover Genius may settle any Losses providing the settlement is a full and complete settlement of all Claims against the Company Indemnitees, and [***]

Section 10.03. Company will indemnify and hold Cover Genius, and Cover Genius' affiliates, and the officers, directors, employees, agents, and representatives of the Cover Genius and its affiliates (collectively, "Cover Genius Indemnitees") harmless from and against all Losses incurred or suffered by Cover Genius Indemnitees arising out of or in connection with [***]

ARTICLE XI
TERM; TERMINATION

Section 11.01. Term. This Agreement commences on the Effective Date and continues for a period of three (3) years from such date ("Initial Term"), and shall automatically renew for a twelve (12) month period ("Renewal Term"), unless terminated in accordance with Section 11.02 below (such period, the "Term").

Section 11.02. Termination.

(a) Either Party may terminate this Agreement after the end of the Initial Term or prior to the end of any Renewal Term for any reason or without cause by providing at least six (6) months prior written notice to the other Party. The effective date of such termination shall be specified in the written notice.

(b) In addition to the termination rights granted to either Party under Section 11.02(a), either Party shall have the right to terminate this Agreement if the other Party materially breaches this Agreement. Termination rights under this section shall only come into effect if the breaching Party fails to remedy that material breach within ten (10) Business Days of receipt of a written notice from the non-defaulting party setting out the nature of the breach in reasonable detail. Notwithstanding the foregoing, a material breach by Company in its use of marketing materials shall be deemed remedied by the cessation of use of the applicable materials within two (2) Business Days following Cover Genius' notice to the Company. In the event a breach is remedied under this provision, nothing herein limits either Party's indemnification obligation stemming from the breach.

(c) Termination under this Section 11.02(c) does not limit either Party from pursuing any other remedies available, including, but not limited to, injunctive relief.

Section 11.03. Consequences of Termination. Termination of this Agreement shall not affect a Party's accrued rights and obligations as at the termination date under this Agreement. In the event of any termination or expiration of this Agreement for any reason, Articles VIII, IX, X and XIII shall survive any expiration or termination of this Agreement for the period of time specified in those Articles or indefinitely if not specified therein or herein.

ARTICLE XII
MISCELLANEOUS PROVISIONS

Section 12.01. Cooperation. The Parties hereby agree to execute promptly any and all supplemental agreements and all other documents or to take any other actions of any nature or kind which a Party may reasonably require in order to implement the provisions or objectives of this Agreement or as may be necessary or desirable to carry out the terms, provisions, and purposes of this Agreement.

Section 12.02. Costs and Expenses. Each Party shall be responsible for all costs and expenses incurred by such Party in connection with this Agreement.

Section 12.03. Exclusivity. While Company markets and refers the Covered Products to Customers, and on a per-jurisdiction basis, Company shall not market, refer or offer a competing service or product to Customers. For instance, if Cover Genius is enjoined from offering Covered Products in a given jurisdiction, territory or region ("Jurisdiction") or cannot maintain its Covered Product offering in a given Jurisdiction or Jurisdictions consistent with this Agreement or otherwise agreed between the Parties, Company may stop offering Cover Genius' Covered Products in the given Jurisdiction(s) and refer or offer a competing service or product to Customers in the given Jurisdiction(s). For any new offering sought by Company (e.g. mobile phone replacement), Company will give Covered Genius the right of first refusal and a period of thirty (30) days to consider and negotiate an offer.

Section 12.04. Relationship of the Parties. Nothing contained herein shall create an employer/employee or relationship between the Parties or their respective employees. Except as expressly granted under this Agreement or otherwise by the other Party in writing, no Party shall have any authority, express or implied, to act as an agent of the other Party or its subsidiaries or Affiliates under this Agreement. It is not the intent of the Parties hereto to create, nor should this Agreement be construed to create, a partnership, joint venture or employment relationship between the Parties (including their respective Representatives). Company is solely an independent contractor and not a franchisee, employee, legal agent or mandatary of Cover Genius and has no authority: (i) to sell the Covered Products or services of Cover Genius except as specifically provided in this Agreement; (ii) to commit to terms of the Covered Products, including but not limited to setting or modifying any financial terms of such products; or (iii) to make representations, incur obligations or otherwise act on behalf of Cover Genius in any way beyond what is permitted in this Agreement.

Section 12.05. No Strict Construction Against the Drafter. The Parties have participated jointly in the negotiation and drafting of this Agreement. In the event that any ambiguity or question of intent or interpretation arises, this Agreement shall be construed as if drafted jointly by the Parties, and no presumption or burden of proof shall arise favoring or disfavoring either Party by virtue of the authorship of any provision of this Agreement.

Section 12.06. Severability.

(a) 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. If any provision of this Agreement, or the application thereof to any Person or any circumstance, is found by a court or other Governmental Authority of competent jurisdiction to be invalid or unenforceable, the remainder of this Agreement and the application of such provision to other Persons or circumstances shall not be affected by such invalidity or unenforceability, nor shall such invalidity or unenforceability affect the validity or enforceability of such provision, or the application thereof, in any other jurisdiction. If any provision of this Agreement is so broad as to be unenforceable, the provision shall be interpreted to be only so broad as would be enforceable.

Section 12.07. Joint Press Release. Company will participate with Cover Genius in issuing a joint press release regarding the relationship established through this Agreement. Each party shall agree on the form and content of such press release and will furnish its written acceptance of, or comments on, the proposed announcement within five (5) Business Days of receipt of such proposed announcement. Any other press announcement by either party regarding the subject matter of this Agreement will be subject to the other Party's approval, which shall not be withheld or delayed unreasonably.

Section 12.08. Headings. The headings contained in this Agreement are intended solely for convenience and will not affect the rights of the Parties to this Agreement.

Section 12.09. Assignment. This Agreement will be binding upon and inure to the benefit of the Parties hereto and their respective successors and permitted assigns. Notwithstanding the foregoing, and except as otherwise provided in this Agreement, neither Party may pledge, assign, transfer, subcontract or delegate, either in whole or in part, its rights and obligations under this Agreement without the prior written consent of the other Party except in the event of a corporate reorganization, merger, acquisition or sale of all or substantially all of its assets.

Section 12.10. Waivers and Amendments; Remedies. This Agreement may not be amended, superseded, canceled, renewed or extended, and the terms hereof may not be waived, except by a written instrument signed by both Parties or, in the case of a waiver, by the Party waiving compliance. No delay on the part of either Party in exercising any right, power or privilege hereunder shall operate as a waiver thereof, nor shall any waiver on the part of either Party of any right, power or privilege, nor any single or partial exercise of any such right, power or privilege, preclude any further exercise thereof or the exercise of any other such right, power or privilege. The rights and remedies herein provided are cumulative and are not exclusive of any rights or remedies that either Party may otherwise have at law or in equity.

Section 12.11. Interpretation.

(a) The Exhibits and Schedules to this Agreement that are specifically referred to herein are a part of this Agreement as if fully set forth herein. When reference is made in this Agreement to any Section, Exhibit or Schedule, such reference is to a Section, Exhibit or Schedule of this Agreement unless otherwise indicated. The table of contents and headings contained in this Agreement are for reference purposes only and will not in any way affect the meaning or interpretation of this Agreement.

(b) Whenever the words "include," "includes" or "including" are used in this Agreement, they shall be deemed to be followed by the words "without limitation." The words "hereof", "herein", "hereby" and other words of similar import refer to this Agreement as a whole unless otherwise indicated. Whenever the singular is used herein, the same shall include the plural, and whenever the plural is used herein, the same shall include the singular, where appropriate. "Writing", "written" and comparable terms refer to printing, typing and other means of reproducing words (including electronic media) in a visible form. References to any agreement or contract are to that agreement or contract as amended, modified or supplemented from time to time in accordance with the terms hereof and thereof. References to any Person include the successors and permitted assigns of that Person. References to "dollars" or "$" are to the lawful currency of

the United States. References to periods "from" or "through" any date mean, unless otherwise specified, from and including or through and including, respectively. Any reference to "days" means calendar days unless Business Days are expressly specified. If any action under this Agreement is required to be done or taken on a day that is not a Business Day, then such action shall be required to be done or taken not on such day but on the first succeeding Business Day thereafter.

Section 12.12. Notices. Any demand, notice or other communication to be given in connection with this Agreement must be given in writing and will be given by personal delivery or by facsimile or electronic transmission, addressed to the recipient as provided below or to such other street address, individual or electronic communication number or address as may be designated by written notice given by a Party to the other Party in any manner stated in this Section. Any demand, notice or other communication or facsimile, given by personal delivery will be conclusively deemed to have been given on the day of actual delivery thereof and, if given by electronic communication or facsimile, on the day of transmittal thereof if given during the normal business hours of the recipient and on the Business Day during which such normal business hours next occur if not given during such hours on any day.

To Cover Genius at:

27 E 28th St.
New York, NY 10016
[***]

with a copy, which shall not constitute notice, to

[***]

To Company at:
1900 S. Norfolk Street, Suite 310, San Mateo CA 94403
Telephone: [***]
Email: [***]
Attention: Legal Department

Section 12.13. Governing Law; Jurisdiction; Waiver of Jury Trial.

(a) This Agreement is construed and enforced in accordance with the laws of the State of California without regard to the conflicts of law provisions thereof, and the Parties agree that in any dispute exclusive jurisdiction and venue must be in the state and federal courts located in the federal Northern District of California. The Parties mutually acknowledge and agree that they will not raise, and hereby waive, any defenses based upon venue, inconvenience of forum or lack of personal jurisdiction in any action or suit brought in accordance with this provision. The Parties acknowledge and agree that this Agreement relates solely to the performance of services (not the sale of goods) and, accordingly, is not governed by the Uniform Commercial Code of any state or the United Nations Convention on Contracts for the International Sale of Goods (1980). Notwithstanding the foregoing, either party may bring an action for injunctive relief or other equitable remedy in any court of competent jurisdiction.

Section 12.14. No Third Party Beneficiaries. Except as specifically set forth or referred to herein, nothing herein is intended or shall be construed to confer upon any Person or entity other than the Parties and their successors or assigns, any rights or remedies under or by reason of this Agreement.

Section 12.15. Entire Agreement. This Agreement constitutes the entire understanding of the Parties hereto with respect to the transactions contemplated hereby and supersedes all prior agreements and understandings, written and oral, between the Parties (or between either of the Parties and an Affiliate of the other), with respect to the subject matter hereof and thereof.

Section 12.16. Counterparts. This Agreement may be executed in counterparts, each of which shall be deemed an original, and all of which taken together shall constitute one and the same agreement, it being understood that both of the Parties need not sign the same counterpart. Delivery of an executed counterpart by facsimile or other means of electronic transmission will have the same effect as manual delivery thereof.

(signature page follows)

IN WITNESS WHEREOF, the Parties have executed this Agreement as of the date first above written.

COVER GENIUS WARRANTY SERVICES, LLC

By: /s/ Mitch Doust
Name: Mitch Doust
Title: Authorized Signatory

TILE, INC.

By: /s/ CJ Prober
Name: Charles (CJ) Prober
Title: CEO, Tile Inc.

Exhibit A
Covered Products

Section 1. Covered Products. The Covered Products to be referred and marketed by Tile will include the following.

(a) Global, Worldwide Group Limited Warranty Contract

(b) Global, Worldwide Group Extended Warranty Contract

Section 2. Description. The Covered Products provide a warranty of the efficacy of the Company's technology. The Covered Products will cover the replacement value of any eligible item(s) owned by the Customers (the "Warranty Holder") that is protected by the Company (a "Registered Item") and which cannot be located or recovered by using the Company's technology, up to the relevant coverage amount and subject to the terms and conditions of the Covered Products. Unless an exception or exclusion applies, and subject to terms of the Covered Products, Warranty Holders will be entitled to and paid the full value of their unrecovered item as set forth in the registration process.

Section 3. Claims. Under the Covered Products, Warranty Holders shall be permitted to make and collect on two (2) claim per twelve (12) month period for each Registered Item, which claim will only be payable up to the relevant coverage amount, subject to the terms and conditions of the Covered Products. Warranty Holders will be permitted by Cover Genius to file claims directly with Cover Genius by inputting certain details to be mutually agreed by the Parties related to the Registered Item into a customer interface maintained by Cover Genius for such purposes. Following the first notice of loss by a Warranty Holder to Cover Genius, if Cover Genius denies such Warranty Holder's claim (due to a coverage limitation or exclusion) Cover Genius will provide a notice of denial to such Warranty Holder explaining Cover Genius' basis for denying the claim if requested as provided in Section 7.01(d) of this Agreement.

Section 4. Coverage.

(a) With respect to the Group Limited Warranty Contract, claims arising out of, resulting from, or based upon the loss of a Registered Item will qualify for coverage if:

(i) at least thirty (30) days have passed since the Warranty Holder's first Registered Item was registered with Company;

(ii) the item has not been recovered at least seven (7) days after: (1) the customer requested to be notified when the Registered Item is found; or (2) the Registered Item was last seen on Company's network; and

(iii) Company to provide a picture to Cover Genius at Cover Genius' request of the Registered Item with the Company product attached to the Registered Item. The picture must have been provided to Company upon Registered Item or Warranty registration. In the case of embedded products, no picture of the embedded product need be submitted.

(b) With respect to the Group Extended Warranty Contract, claims arising out of, resulting from, or based upon the loss of an eligible Registered Item will qualify for coverage if the foregoing conditions (i), (ii), and (iii) are met, and the Registered Item is covered under the Group Limited Warranty Contract.

(c) The Group Limited Warranty Contract will allow the Warranty Holder to file and collect on a claim for the value of up to $25 per Registered Item in any twelve (12) month period, including but not limited to the cost of replacing the Warranty Holder's Registered Item up to $25. End Users may be covered by both Limited Warranty and Extended Warranty simultaneously such that they may make eligible claims against both the Extended Warranty coverage amount and up to $25 value per Registered Item.

Section 5. Exclusions. The following items are excluded from coverage under the Covered Products: firearms, illegal drugs, any illegal item(s), any living being, pets, people, drones, cash, securities, commercial paper, monetary instruments, antiques, prescription and non-prescription drugs and related paraphernalia as well as the contents of bags (unless specifically agreed to by Cover Genius). Except as expressly enumerated herein, no items will be excluded from coverage under the Covered Products. However, following the administration and claim resolution of a claim submitted on an item not specifically enumerated herein but of the same class or nature as the other exclusions, the Parties may review and reassess the applicable exclusions to include the additional item(s). However, any new exclusions aligned on by the Parties shall only apply to new Customers and/or purchasers of Covered Products going forward beginning after the exclusion is included and appears in Company's terms applicable to the Covered Products, which shall appear within a reasonable period, being no later than three (3) months following the Parties' alignment.

Section 6. Other. The Parties agree that personal cellular phones are not covered by the Covered Products unless protected by Company hardware attached to the applicable phone or phone case.

Exhibit B

Exhibit 10.16

CERTAIN IDENTIFIED INFORMATION HAS BEEN EXCLUDED FROM THE EXHIBIT BECAUSE IT IS BOTH NOT MATERIAL AND IS THE TYPE THAT THE REGISTRANT TREATS AS PRIVATE OR CONFIDENTIAL. SUCH EXCLUDED INFORMATION HAS BEEN MARKED WITH "[***]."

FIRST AMENDMENT TO THE WARRANTY PROGRAM AGREEMENT BY AND BETWEEN COVER GENIUS WARRANTY SERVICES, LLC AND TILE, INC.

This First Amendment to the Warranty Program Agreement by and between Cover Genius Warranty Services, LLC and Tile, Inc. dated September 17, 2020 (First Amendment), is made by and between Tile, Inc. (Company) and Cover Genius Warranty Services LLC (Cover Genius). Tile and Cover Genius together are referred to as the "Parties" or individually as a "Party."

RECITALS

A. The Parties entered into a Warranty Program Agreement dated June 26, 2020 (referred to as the Agreement);

B. The Parties hereto are entering into this First Amendment to amend certain provisions of the Agreement.

In consideration of the mutual promises and covenants herein and in the Parties' Agreement, the Parties hereby agree as follows:

1. Capitalized terms not otherwise defined herein will have the meaning defined for them in the Agreement.

2. Section 3.02(a) of the Parties' Agreement shall be replaced with the following provision:

   Cover Genius shall sell, solicit and negotiate, issue, deliver and fulfill the Covered Products and be responsible for the administration of the Covered Products, including all activities that constitute the insurance business and require an insurance license (if any), other than any such activities that are undertaken by Cover Genius' insurance partner(s), for whom Cover Genius takes and bears full responsibility. Cover Genius shall further fulfill all of its obligations, responsibilities and requirements as set forth in this Agreement, its agreements with any Affiliates, Issuers or other parties associated with or in any way involved in the Covered Products as well as any insurance policies, including CLIPs, issued in connection with the Covered Products consistent with the obligations as set forth herein. For the avoidance of doubt, Company and Cover Genius acknowledge and agree that (a) Cover Genius takes and bears full responsibility for ensuring that it and all parties with which Cover Genius has contracted to issue, administer, deliver the Covered Products and/or make payments in connection therewith, including any insurance partners underwriting the Covered Products or other entities at all involved with the Covered Products (the "Issuers"), all Affiliates and other related third parties comply with the terms of this Agreement and all Applicable Law including with respect to the issuance and administration of the Covered Products; (b) Cover Genius is responsible for and bears all risk and liability associated with making timely payments to Customers for covered claims submitted pursuant to the terms of Covered Products; (c) Cover Genius shall bear all

responsibility and liability for evaluating, investigating, detecting fraud and/or abuse in connection with, determining eligibility for and otherwise adjudicating all Covered Product claims in accordance with the terms and conditions of the Covered Products and the Contractual Liability Insurance Policy issued to Company in connection with the Covered Products; (d) Cover Genius shall issue checks to Customers up to the appropriate coverage limit for all valid claims under the Covered Products; (e) Cover Genius will provide a means to transmit data to its insurance partner and/or Issuer via a secure FTP; (f) Cover Genius will provide monthly reporting consistent with this Agreement and as otherwise required by its Issuers and/or as otherwise reasonably necessary to provide adequate notice of required program changes, but at all times consistent with the Parties' Data Protection Agreement; (g) Cover Genius shall not negotiate or endorse any check or other negotiable instrument made payable to any Issuer(s); (h) Cover Genius will work with an insurance partner and/or Issuer to ensure that all contractual liability incurred by Covered Products is adequately covered by the insurance partner and/or Issuer up to the warranty policy maximum limits as they apply to each Covered Product holder so as to incur no financial risk on behalf of Company; (i) Cover Genius shall ensure all Affiliates, Issuers, insurance partners or other third parties associated with the Covered Products approve relevant documentation, disclosures, advertising or other materials as appropriate, and shall remit to its Issuers or other third parties any program fees required by such Issuers, regardless of whether or not the Covered Product holder registers his or her protected item; (j) Cover Genius shall maintain a commercially reasonable adequate number of trained personnel and commercially reasonable facilities for such personnel so as to satisfactorily and professionally perform all of the activities required by Cover Genius herein; (k) Cover Genius shall keep and maintain accurate accounts, books, and records pertaining to the Covered Products and the claims thereon for a period of not less than three (3) years after the expiration of the Covered Products; (l) in coordination with Issuers, Cover Genius shall receive, handle and respond to consumer inquiries regarding the Covered Products; (m) Cover Genius shall comply with all agreements it enters into with Affiliates and Issuers and will further comply with any and all relevant requirements under the Contractual Liability Insurance Policy issued in connection with the Covered Products which shall be delivered to Cover Genius upon issuance; (n) notwithstanding when Cover Genius terminates the Agreement subject to Section 11.02 of the Agreement, to the extent that Cover Genius cannot perform its obligations and/or breaches any provision of the Parties' Agreement, First Amendment thereto, or agreements with Cover Genius' Issuers and/or Affiliates and/or requirements as set forth in the Contractual Liability Insurance Policy issued to Company in connection with the Covered Products, Cover Genius will bear all responsibility and liability for such breach and/or failure to perform and shall hold Company harmless for the same until it finds another mutually acceptable administrator that can properly perform all applicable requirements and duties; (o) Cover Genius shall ensure that the Covered Products are in compliance with all applicable laws and regulations, and to the extent required by an Issuer, Affiliate or other third party, shall procure and furnish a legal opinion as to the compliance of such Covered Products with all applicable laws and regulations that meets the requirements of such Issuer or other third party; (p) even though Cover Genius is not an Issuer, and instead is providing services to the Company and the Issuers with respect to the Covered Products, it bears full responsibility and liability for its own performance as well as that of the Issuers, Affiliates

and any other third party (including insurance partners) with which it contracts to fulfill its obligations herein; and (q) Cover Genius shall evaluate, investigate, determine eligibility and otherwise adjudicate all proper Covered Product claims in accordance with the terms and conditions of the Covered Products and the CLIP. If any Issuer, Affiliate or insurance partner in any way related to the Covered Products, including those issuing relevant CLIP's, terminates their agreement with Cover Genius and/or Company and/or fails to adequately perform obligations related to the Covered Products, Cover Genius shall bear full responsibility and liability therefor, including but not limited to finding a replacement, continuing to administer claims to Customers under Covered Products and using commercially reasonable efforts to ensure that the Covered Products can continue to be sold and are administered seamlessly notwithstanding the termination and/or failure in performance. In performing its obligations hereunder, neither Cover Genius nor its Issuer(s), Affiliate(s) and/or insurance partner(s) shall attempt to upsell Customers and/or otherwise offer them additional products or services of any kind except for those expressly and directly offered by Company. Notwithstanding, Cover Genius, its Issuer(s), Affiliate(s) and/or insurance partner(s) may market to Customers whose information has been obtained from means not involving their responsibilities pursuant to this Agreement and so long as such marketing happens separate, apart from and outside the context of Covered Product claims administration and/or otherwise performing obligations under this Agreement.

3. Section 3.02(c) shall be added to state:

On a monthly basis, Cover Genius shall provide a Remittance Report to Issuer and/or insurance partner setting forth the following information on the Covered Products sold and registered for the period last completed or as otherwise required by the Issuer and/or insurance partner: (1) the total number of Covered Products sold and registered during the month with Designated Contract form number for each base and premium subscription; (2) the order, invoice, or authorization number unique to the consumer; (3) Covered Product holder's state and zip code; (4) registration date of Tile device for the applicable Warranty; (5) limit of liability purchased (i.e., $25, $250, $500, $1000); (6) description or manufacturer of product the Tile device is attached or in the case of embedded products, a description of the embedded product (each of which to be prepared by the OEM administrator); (7) Model number of the product the Tile device is attached (if applicable); and (8) Hashed identification number of the Tile device.

In addition, using the approved electronic reporting method, Cover Genius shall provide a monthly Registration Report to the Issuer and/or insurance partner setting forth the following information on the Covered Products sold and registered by consumers for the period last completed, or as otherwise required by the Issuer and/or insurance partner: (1) for Limited Warranty holders, Cover Genius shall provide: (i) the total number of Designated Contracts sold and registered during the month with Designated Contract form number for each base and premium subscription; (ii) the order, invoice, or authorization number unique to each consumer assigned by Cover Genius; (iii) the brand and manufacturer (or make and model) of the product the Tile device is attached; (iv) hashed Tile identification number; (v) Tile device activation date; and (vi) date of registration of the Tile device for Limited Warranty; (2) fir Extended Warranty holders, Cover Genius

shall provide: (i) the total number of Covered Products sold and registered during the month with Designated Contract form number for each base and premium subscription; (ii) the brand and manufacturer (or make and model) of the product the Tile device is attached; (iii) hashed Tile identification number; (iv) Tile device activation date; (v) type of product the Tile device is attached (if applicable); and (vi) description or manufacturer of product the Tile device is attached or in the case of embedded products, a description of the embedded product (each of which to be prepared by the OEM administrator.

To the extent anything in this section conflicts with the Parties' Data Protection Agreement, the Data Protection Agreement shall control.

4. The last sentence of Section 3.05 of the Parties' Agreement shall be replaced with the following:

Coverage under the CLIP will be for global claim liabilities incurred by Company under Covered Products. For example, if maximum liability under the Covered Products is $1,000 (one thousand dollars) per Customer, the CLIP will be issued for $1,000 per Customer with no aggregate limit. To the extent that the CLIP for any reason does not sufficiently cover all potential liability incurred by Company under the Covered Products, to the extent that such obligation is not explicitly excluded from Section 10.01 of the Agreement, Cover Genius shall bear full and sole responsibility and liability for such shortcomings, including but not limited to any and all payments to Customers pursuant to the Covered Products.

5. Section 9.01(a) shall be added to the Agreement to state:

Cover Genius further represents and warrants that: (i) the form and content of the Covered Products complies with all applicable laws and regulations; (ii) it or the applicable Issuer has made, or will have made prior to the issuance of the Covered Products any required filings with, and has received any necessary approvals from, all governmental authorities having competent jurisdiction over Company's issuance of such Covered Products; (iii) it has obtained, or will obtain prior to its issuance of said Covered Products, and will maintain in good standing, all governmental licenses, permits and authorizations necessary for Cover Genius to offer said Covered Products, prior to issuing them.

6. The first paragraph of Section 10.01 shall be replaced with the following:

Cover Genius shall defend, indemnify and hold Company, Company's affiliates, and the officers, directors, employees, contractors, agents, and representatives of Company and its affiliates (collectively, "Company Indemnitees") harmless from and against any and all costs, claims, demands, losses, expenses and liabilities of any nature whatsoever, including punitive and exemplary damages, reasonable attorneys' fees and court and expert costs (collectively, "Losses") incurred or suffered by Company Indemnitees arising out of, or in connection with, [***].

[***]

7. Section 12.17 shall be added to the Agreement to state:

   To the extent anything in this Agreement conflicts with the Customer-facing disclosures, terms and/or conditions relating to and/or associated with the Covered Products, the Customer-facing disclosures, terms and/or conditions shall prevail.

8. Section 4(b) of Exhibit A to the Agreement shall be replaced with the following:

   With respect to the Group Extended Warranty Contract, claims arising out of, resulting from, or based upon the loss of an eligible Registered Item will qualify for coverage if the foregoing conditions (i), (ii), and (iii) are met.

IN WITNESS WHEREOF, the Parties have executed this First Amendment as of the date first above written.

COVER GENIUS WARRANTY SERVICES, LLC

By: /s/ Mitch Doust
Name: Mitch Doust
Title: Authorized Signatory

TILE, INC.

By: /s/ Charles (CJ) Prober
Name: Charles (CJ) Prober
Title: CEO, Tile Inc.

Exhibit 10.17

CERTAIN IDENTIFIED INFORMATION HAS BEEN EXCLUDED FROM THE EXHIBIT BECAUSE IT IS BOTH NOT MATERIAL AND IS THE TYPE THAT THE REGISTRANT TREATS AS PRIVATE OR CONFIDENTIAL. SUCH EXCLUDED INFORMATION HAS BEEN MARKED WITH "[***]."

SECOND AMENDMENT TO THE WARRANTY PROGRAM AGREEMENT BY AND BETWEEN COVER GENIUS WARRANTY SERVICES, LLC AND TILE, INC.

This SECOND AMENDMENT TO THE WARRANTY PROGRAM AGREEMENT BY AND BETWEEN COVER GENIUS WARRANTY SERVICES, LLC AND TILE, INC. (this "Second Amendment"), effective as of October 8, 2021 (the "Effective Date"), is entered into by and between Cover Genius Warranty Services, LLC, ("Cover Genius"), a Delaware limited liability company with its principal office located at 11 West 42nd Street, 2nd Floor, New York, NY 10036, and Tile, Inc. ("Company"), a Delaware corporation with its principal office located at 1900 S. Norfolk Street, Suite 310, San Mateo California 94403.

RECITALS

WHEREAS, the Parties entered into a Warranty Program Agreement dated June 26, 2020 (the "Original Agreement");

WHEREAS, the Parties entered into a first amendment of the Original Agreement dated September 17, 2020 (the "First Amendment"), with the Original Agreement and First Amendment collectively being referred to herein as the "Agreement";

WHEREAS, the Parties are entering into this Second Amendment to amend certain provisions of the Agreement to reflect the agreement between the Parties;

NOW, THEREFORE, in consideration of the mutual covenants and agreements set forth herein, and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the Parties, intending to be legally bound, covenant and agree as follows:

1. Capitalized terms not otherwise defined herein will have the meaning defined for them in the Agreement.
2. "Contract Year" means each period of twelve (12) consecutive calendar months following the Effective Date.
3. "Purchasers" means the total number of purchased Covered Products within a Contract Year, including both Annual Subscribers and Monthly Subscribers for any applicable limit tier, regardless of whether the Covered Product has been registered.

4. The first paragraph of Subsection (c) of Section 3.02 shall be replaced and superseded with the following provision:

"On a monthly basis, Cover Genius shall provide a Remittance Report to Issuer and/or insurance partner setting forth the following information on the Covered Products sold and registered for the period last completed or as otherwise required by the Issuer and/or insurance partner: (1) the total number of Covered Products sold and registered during the month with Designated Contract form number for each base and premium subscription; (2) the order, invoice, or authorization number unique to the consumer; (3) Covered Product holder's state and zip code; (4) registration date of Tile device for the applicable Warranty; (5) limit of liability purchased (i.e., $25, $100, $250, $500, $1000); (6) description or manufacturer of product the Tile device is attached or in the case of embedded products, a description of the embedded product (each of which to be prepared by the OEM administrator); (7) Model number of the product the Tile device is attached (if applicable); and (8) Hashed identification number of the Tile device."

5. The following provisions shall replace and supersede subsection (a) of Article IV (Compensation) Section 4.01. Fees. in the Agreement:

"(a) In exchange for the performance by Cover Genius of its obligations under this Agreement, Company shall pay fees to Cover Genius in the following amounts after a Customer registers their first Extended Warranty Covered Product:

(i) For Annual Subscribers:

(1) USD [***] per annum for Covered Products with a limit of USD 250;

(2) USD [***] per annum for Covered Products with a limit of USD 500;

(3) USD [***] per annum for Covered Products with a limit of USD 750;

(4) USD [***] per annum for Covered Products with a limit of USD 1,000; and

(5) for Covered Products with a limit of USD 100, USD [***] per annum up to 10,000 Purchasers, USD [***] per annum between 10,000 and 200,000 Purchasers, USD [***] per annum between 200,000 and 400,000 Purchasers, and USD [***] per annum for more than 400,000 Purchasers.

At the end of each Contract Year, with respect to fees for the Covered Products with a limit of USD 100, in the event that the fees have been underpaid, Cover Genius shall report the amount of underpayment, and the Parties shall settle the difference within thirty (30) days. The limits stated above refer to the warranty limit for losses. The Parties will discuss and mutually agree in good faith on how and on what terms to offer Covered Products in the context of additional programs including the payment for Covered Products by parent accounts for use by sub-accounts.

(ii) For Monthly Subscribers:

(1) USD [***] per month for Covered Products with a limit of USD 100.

The limits stated above refer to the warranty limit for losses.

Should Annual Subscribers cancel early or otherwise be entitled to a refund in Company's sole discretion, Cover Genius will refund Company the corresponding pro rata amount of fees paid by Company to Cover Genius for those Customers.

6. In Exhibit A (Covered Products) to the Agreement, subsection (b) of Section 4 (Coverage) shall be replaced and superseded with the following provision:

(b) With respect to the Group Extended Warranty Contract, claims arising out of, resulting from, or based upon the loss of an eligible Registered Item will qualify for coverage if the foregoing conditions (i), (ii), and (iii) are met, provided however, that no picture is required to have been provided under subsection (iii) above for Registered Items under a Group Extended Warranty Contract with a limit of USD 100 unless otherwise required by the Issuer.

7. Discussions between the parties respecting the amendments described herein shall not serve as a basis for a claim against either party or any officer, director or agent of either party. Except as otherwise provided herein, all terms and conditions of the Agreement shall remain in full force and effect.

(*signature page follows*)

IN WITNESS WHEREOF, the Parties have executed this Second Amendment as of the Effective Date.

Cover Genius Warranty Services, LLC

By: /s/ Darcy Shapiro
Name: Darcy Shapiro
Title: Chief Operating Officer Americas

Tile, Inc.

By: /s/ Charles (CJ) Prober
Name: Charles (CJ) Prober
Title: CEO

Exhibit 21.1

SUBSIDIARIES OF THE REGISTRANT

Life360, Inc.

Name of Subsidiary	Place of Incorporation
JIO, Inc.	USA (Delaware)
LIFE360 ZENLABS, INC.	USA (Delaware)
Tile, Inc.	USA (Delaware)
Tile Europe Ltd	United Kingdom (England and Wales)
Tile Network Canada ULC	Canada (Province of British Columbia)