As confidentially submitted to the Securities and Exchange Commission on June 16, 2021
This draft registration statement has not been publicly filed with the Securities and Exchange Commission and all information herein remains strictly confidential.
Registration No. 333-

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

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

Allbirds, Inc.

(Exact name of Registrant as specified in its charter)

Delaware	2300	47-3999983
(State or other jurisdiction of incorporation or organization)	(Primary Standard Industrial Classification Code Number)	(I.R.S. Employer Identification Number)

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

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

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

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

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

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

Large accelerated filer	☐	Accelerated filer	☐
Non-accelerated filer	☒	Smaller reporting company	☐
		Emerging growth company	☒

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

CALCULATION OF REGISTRATION FEE

Title of Each Class of Securities To Be Registered	Proposed Maximum Aggregate Offering Price[(1)(2)]	Amount of Registration Fee
Class A common stock, $0.0001 par value per share		

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

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

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

PROSPECTUS (Subject to Completion)

Issued , 2021

Shares

Class A Common Stock

This is an initial public offering of shares of Class A common stock of Allbirds, Inc. We are offering shares of our Class A common stock, and the selling stockholders identified in this prospectus are offering shares of our Class A common stock. We will not receive any proceeds from the sale of shares of our Class A common stock by the selling stockholders.

Prior to this offering, there has been no public market for our Class A common stock. It is currently estimated that the initial public offering price for our Class A common stock will be between $ and $ per share. We intend to apply to list our Class A common stock on under the symbol " ."

We have two classes of common stock, Class A common stock and Class B common stock. The rights of the holders of Class A common stock and Class B common stock are identical, except voting and conversion rights. Each share of Class A common stock is entitled to one vote per share. Each share of Class B common stock is entitled to votes per share and is convertible into one share of Class A common stock. The holders of our outstanding shares of Class B common stock will represent approximately % of the voting power of our outstanding capital stock immediately following this offering.

We are an "emerging growth company" as defined under the federal securities laws, and, as such, we have elected to comply with certain reduced reporting requirements for this prospectus and may elect to do so in future filings.

Investing in our Class A common stock involves risks. See the section titled "Risk Factors" beginning on page 20.

	Per Share	Total
Initial public offering price	$	$
Underwriting discounts and commissions[(1)]	$	$
Proceeds to us, before expenses	$	$
Proceeds to the selling stockholders, before expenses	$	$

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

We have granted the underwriters the option for a period of 30 days to purchase up to an additional shares of Class A common stock from us on the same terms as set forth above.

Neither the Securities and Exchange Commission nor any state securities regulators has approved or disapproved of these securities or determined if this prospectus is truthful or complete. Any representation to the contrary is a criminal offense.

The underwriters expect to deliver the shares of Class A common stock to purchasers on , 2021.

Morgan Stanley *J.P. Morgan* *BofA Securities*

Prospectus dated , 2021.

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Neither we, the selling stockholders, nor any of the underwriters have authorized anyone to provide you with any information or to make any representations other than those contained in this prospectus or in any free writing prospectuses we have prepared. Neither we, the selling stockholders, nor any of the underwriters take any responsibility for, or can provide any assurance as to the reliability of, any other information that others may give you. We and the selling stockholders are offering to sell, and seeking offers to buy, shares of our Class A common stock only in jurisdictions where offers and sales are permitted. The information contained in this prospectus is accurate only as of the date of this prospectus, regardless of the time of delivery of this prospectus or of any sale of our Class A common stock. Our business, financial condition, results of operations, and future growth prospects may have changed since that date.

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

For investors outside the United States: Neither we, the selling stockholders, nor any of the underwriters have done anything that would permit this offering or possession or distribution of this prospectus in any jurisdiction where action for that purpose is required, other than in the United States. Persons outside of the United States who come into possession of this prospectus must inform themselves about, and observe any restrictions relating to, this offering of our Class A common stock and the distribution of this prospectus outside of the United States.

PROSPECTUS SUMMARY

This summary highlights selected information contained elsewhere in this prospectus. This summary does not contain all of the information you should consider before investing in our Class A common stock. You should read this entire prospectus carefully, including the sections titled "Risk Factors" and "Management's Discussion and Analysis of Financial Condition and Results of Operations," and our consolidated financial statements and the related notes thereto included elsewhere in this prospectus, before making an investment decision. Our fiscal year ends on December 31. Unless the context otherwise requires, references in this prospectus to "we," "us," "our," "our company," and "Allbirds" refer to Allbirds, Inc. and its subsidiaries, references in this prospectus to the "selling stockholders" refer to the selling stockholders named in this prospectus, and references in this prospectus to our "common stock" refer to our Class A common stock and Class B common stock.

Overview

Mission, Vision, and Purpose

We make better things in a better way, through nature—products that people feel good in and feel good about.

We aim to reverse climate change through better business by empowering people to make better, more conscious decisions for themselves as well as the planet.

Who We Are

Allbirds is a global lifestyle brand that innovates with naturally derived materials to make better footwear and apparel products in a better way, while treading lighter on our planet.

We began our journey in 2015 with three fundamental beliefs about the emerging generation of consumers: first, these consumers recognize that climate change is an existential threat to the human race; second, these consumers connect their purchase decisions with their impact on the planet, demanding more from businesses; and third, these consumers do not want to compromise between looking good, feeling good, and doing good.

When our founders established Allbirds, they set out to create a purpose-native company built upon a system that leverages nature in a responsible way—every aspect of our company is woven together with this mission, fueling a thriving financial business. While many businesses see tension between profit and purpose, we see opportunity. We became a public benefit corporation, or PBC, under Delaware law and earned our B Corporation, or B Corp, certification in 2016, codifying how we take into account the impact our actions have on all of our stakeholders, including the environment, our flock of employees, communities, consumers, and investors. The more sustainable we are, the better we believe our products and business will be. We are proud of the alignment of financial and environmental benefits from our work, and that we are able to serve as a driving force in a new age of sustainable enterprise.

We harness nature to find incredible innovations that create differentiated products so that our customers do not have to compromise between looking good, feeling good, and doing good for the planet. Our strength in development of naturally derived materials serves as a competitive advantage, as we create premium products that are sustainable and that we believe are better than synthetic alternatives across comfort, style, and performance. Our most iconic product, the Wool Runner, which TIME Magazine named the "World's Most Comfortable Shoe," features a distinctly simple design showcasing our sustainably-sourced merino wool combined with our innovative SweetFoam sole, made with the world's first carbon-negative green ethylene-vinyl acetate, or EVA. We continue to innovate our materials with natural sources such as tree fiber, sugarcane, crab shells, and more. The product philosophy that drives our business remains the same: sustainability at the core to fuel performance, comfort, and beautiful design. By focusing on sustainable materials, we have unlocked a broad set of opportunities that the rest of the industry has largely ignored, while creating products our customers love to wear as they tread lighter. We believe our products are not just better, but also better for the planet, with an average pair of Allbirds shoes carrying a carbon footprint that is approximately 30% less than our estimated carbon footprint for a standard pair of sneakers, due to our use of renewable, natural materials and responsible manufacturing.

We couple this differentiated performance and impact of our shoes with a unique design language that has become synonymous with our brand. Beginning with the Wool Runners and woven across all of our products, we strip away unnecessary details, sparing our customer from becoming a walking billboard, leaving a touch of Allbirds verve to signify the association with our brand. This design approach "with the right amount of nothing" allows us to make stylish, comfortable, and high-performance products that our customers love.

We have achieved our rapid growth through a digitally-led vertical retail distribution strategy. We market directly to consumers via our localized multilingual digital platform and our physical footprint of 22 stores as of March 31, 2021. Through our robust distribution infrastructure, we are able to reach up to 2.5 billion people globally across 35 countries, increasing customer touchpoints and driving brand awareness, all while maintaining a carbon-neutral supply chain since 2019. Our direct distribution model allows us to control our sales channels and build deep relationships with our customers by delivering high-quality products through a seamless and immersive brand experience, whether shopping on our website, on our app, or in one of our Allbirds stores. In 2020, our digital channel represented 89% of our sales, while stores accounted for the other 11% of our sales. Our stores serve as an effective and profitable source of new customer acquisition, increase awareness of our brand, and drive traffic to our digital platform.

By serving consumers directly, we cut out the layers of costs associated with traditional wholesalers, creating a more efficient cost structure and higher gross margin, which allows us to deliver better products and a better experience to customers. We are able to gain deep visibility into what our customers want, from design and development through to purchase. We then close the loop by reinvesting back into product quality and materials science.

We believe these three aspects together resonate deeply with consumers: (1) a purpose-driven brand that represents all of our stakeholders; (2) innovative and differentiated products; and (3) a vertical distribution model. Our target consumers are a vast and rapidly growing segment of the population, which strives to live a more balanced, sustainable lifestyle through an understanding of the impact of their buying habits. Our purpose and mission, coupled with innovation and a vertically integrated business model, allow us to meet the call of our consumers across the globe.

Today, we are a high-growth company with a loyal and expanding customer base that has earned our brand the permission to expand beyond our casual footwear origins and enter adjacent categories such as performance running shoes and apparel. Our strong brand equity is fueled by our differentiated products created by sustainability-driven innovation. This sets us apart from other lifestyle brands—the unique affinity consumers have for our brand is validated by our high Net Promoter Score, which has consistently been 83 or higher since the first quarter of 2019 and was 86 for the first quarter of 2021. Approximately 53% of our net sales in 2020 came from repeat customers, which we define as customers who have made a prior purchase with us in any period. Furthermore, of our U.S. customers acquired between 2016 and 2019, the average lifetime spend of the top 25% is $446, demonstrating how our most loyal customers have made Allbirds a part of their lifestyle. See the section titled "Market, Industry, and Other Data" for additional information regarding Net Promoter Score.

Given the size of our market and the broad set of our target consumers, we believe our core strengths will propel us into the future. We will continue to bring to market world-leading product innovations, build a global brand that attracts and inspires a loyal and evangelical customer community, serve that community effectively through a digitally-enabled, cross-channel experience, and delight our customers through the delivery of products on time and in a cost-effective manner, all while treading lighter on the planet.

Since our founding in 2015, we have sold more than eight million pairs of shoes to over four million customers globally, including 3.3 million customers in the United States. Our rapid growth validates our value proposition and compelling business model, as evidenced by our business results:

- Grew net revenue from $126.0 million in 2018 to $219.3 million in 2020, representing a compound annual growth rate, or CAGR, of 31.9%;
- Grew our digital revenue from $113.2 million in 2018 to $194.6 million in 2020, representing a CAGR of 31.1%;

- Grew our store footprint from three in 2018 to 22 in 2020;
- Grew our U.S. and international revenue by $52.5 million and $40.7 million, respectively, from 2018 to 2020, representing a CAGR of 20.8% and 112.4%, respectively;
- Increased gross margin by 454 basis points from 46.9% in 2018 to 51.4% in 2020;
- Generated net losses of $14.5 million and $25.9 million in 2019 and 2020, respectively; and
- Generated adjusted EBITDA of $(1.3) million and $(15.4) million in 2019 and 2020, respectively.

These business results support our thesis that the more sustainable we are, the better our products and business perform and the better we can serve our stakeholders. We are proud that our purpose-native company is proving capable of serving the needs of the next generation of consumers while delivering financial results and treading lighter on the planet.

Our Industry

Our Market Opportunity

In 2020, consumers worldwide spent an estimated $1.8 trillion on footwear and apparel, comprised of approximately $1.5 trillion on apparel and a projected $366 billion on footwear, with the U.S. portion of this total spend reaching approximately $342 billion, based on data from Statista. In 2018, the average American consumer spent more than $1,100 on footwear and apparel and bought approximately seven pairs of shoes and 68 pieces of clothing, according to the American Apparel and Footwear Association.

We Stand at the Intersection of Changing Industry and Consumer Trends

We believe there are three trends that influence how consumers make their purchase decisions today.

- *Brands that are responsible and purpose-driven*. An increasing number of consumers want to align with brands that are responsible and purpose-driven. More than ever, people are scrutinizing the products they purchase and what the brands they select represent. Surveys suggest that consumers, and younger generations, including Gen-Z and Millennials in particular, are becoming increasingly focused on product origins and buying from companies that share their values. More than 60% of consumers have stated that environmental impact is an important factor in their purchasing decisions based on a 2020 McKinsey study, and more than 80% of consumers insist that they must be able to “trust the brand to do what is right,” according to a 2019 consumer survey conducted by Edelman. As part of this shift toward conscious consumerism, consumers are looking for brands that are purpose-native and authentically sustainable, as customers demand transparency with respect to the products they buy.

  In addition to conscious consumerism, our unique positioning as a global lifestyle brand addresses two of the most important issues for younger generations—(1) health and wellness and (2) sustainability—in a way incumbent brands are unable to do. According to Deloitte’s 2020 Global Millennial Survey, when respondents were asked to choose the top-three most concerning challenges facing society, “health care/disease prevention” and “climate change/protecting the environment” were two of the most commonly listed. While incumbent footwear and apparel brands are able to help consumers work toward their health and wellness goals with performance-focused products, these brands must reverse-engineer sustainability into their products to back-solve for this critical consumer requirement. These brands are constrained by synthetic, off-the-shelf materials, entrenched supply chains, and compressed margins via wholesale distribution. We are able to take a fresh approach by building naturally beautiful products from the molecular level up, directly sourcing and innovating through our materials, and offering customers “more shoe for their buck” through our vertical distribution strategy. Our brand’s natural performance products uniquely address both (1) health and wellness and (2) sustainability, enabling consumers to perform their best while also treading lighter on the planet.

- *Great products that adapt to the "new normal."* We believe there has been a continued shift to wardrobe casualization, accelerated by the COVID-19 pandemic, whereby the lines have blurred between work, home, gym, and play. This casualization has demanded increasing versatility from consumers' wardrobes, requiring footwear and apparel that are stylish, comfortable, and functional across a variety of use occasions. Per a survey by Klarna in 2021, nearly half of American employees are planning to wear more comfortable clothes to work than they did before the pandemic. As workplaces continue to move towards a more casual and/or remote environment, we believe consumers will place more value on versatility and comfort.

- *A seamless, cross-channel buying experience that delivers value and convenience*. Consumers are increasingly looking for the ability to interact with brands both digitally and physically. According to Statista, apparel, footwear, and accessories represented 29.5% of total U.S. eCommerce retail sales in 2020 and are expected to increase to approximately 32.2% by 2024. Additionally, based on a 2021 consumer survey conducted by Appnovation, approximately 80% of consumers expected or hoped that brands would adopt digital solutions to better serve their consumers. Through the use of cross-channel experiences, vertically integrated brands are uniquely positioned to deliver a better and more convenient experience.

Allbirds was founded with and has grown with these consumer trends in mind, and we believe we stand perfectly at their intersection. These trends have moved faster than any of us could have expected, and we believe this positions us to be successful for years to come. Our commitment to doing better things in a better way aligns with the demands of the next generation of consumers. Our sustainable materials innovation and simple, comfortable designs will allow us to continue to build closet share and grow revenue with new and existing customers, and our vertical retail model meets customers where and when they want to shop, all while treading lighter on the planet.

How We and Our Customers are Reducing the Environmental Impact of the Footwear and Apparel Industry

According to Statista, over 24 billion pairs of shoes were produced and 180 billion pieces of clothing were sold in 2019. The global footwear and apparel industry relies on fossil fuels to power factories, produce materials, and ship products. Based on a 2018 analysis by Quantis, roughly 57% of footwear and 64% of apparel is made from synthetic materials, mostly plastic, and as a result, most of what consumers wear is derived from oil. The global fashion industry accounted for approximately 4% of global greenhouse gas, or GHG, emissions in 2018, or 2.1 billion tonnes of carbon dioxide equivalent emissions, or CO_2e, and over 70% of these emissions were related to upstream activities like materials production, preparation, and processing, according to a 2020 McKinsey and Global Fashion Agenda report.

The 2015 Paris Agreement set the goal to limit global warming to well below 2° Celsius, preferably to 1.5° Celsius, compared to pre-industrial levels. Under its current trajectory, the fashion industry is expected to fall short of meeting the 1.5° Celsius target by 50%, according to a 2020 McKinsey and Global Fashion Agenda report. The pace of change must accelerate in order for the industry to be compatible with planetary boundaries, and Allbirds offers a blueprint for how to get there.

We estimate that a standard pair of sneakers results in a carbon footprint of 14.1 kg of CO_2e. Today, through our use of renewable, natural materials and responsible manufacturing, the average pair of Allbirds shoes has a carbon footprint that is 30% less than our estimated carbon footprint for a standard pair of sneakers, and we offset the entirety of the rest to provide our customers with carbon-neutral products. Furthermore, we believe in the power of selective industry collaboration to accelerate progress, as evident by our partnership with adidas to unveil the world's lowest carbon footprint running shoe at 2.94kg of CO_2e in May 2021. This partnership, as well as our decision to open up the carbon-negative, green EVA used to make SweetFoam, and our carbon footprint methodology demonstrates our ability to scale our impact to the broader industry and beyond, while extending our brand's leadership as a sustainability innovator.

We are inspired by the impact we can have on the planet. By offering footwear that is less carbon-intensive and doing our part to offset the rest of our carbon impact, every product we sell contributes to our success as a business and reduces the impact of our industry. If we assume all 24 billion pairs of shoes produced by the industry in 2019 had a 30% lower carbon footprint relative to our estimate of the carbon footprint of a standard sneaker, the industry

would have saved 98 million tonnes of CO_2e, which is equivalent to taking 21 million cars off the road in the same timeframe. We intend to drive our emissions down further as described in the section titled "Environmental, Social, and Governance."

Why We've Been Successful So Far

Allbirds has developed **five core strengths** that have enabled our success and given us a durable, competitive advantage. Using these core strengths outlined below, we created something new: an industry-redefining global lifestyle brand built around sustainability with best-in-class materials innovation capabilities and a unique approach to bringing our products to consumers around the globe.

- ***Product Innovation Based on Materials R&D and Simple, Purposeful Design***

  Innovation is built into our culture, and our product innovation platform starts with natural materials. With meticulous attention, we have examined every component that goes into our products to ensure we deliver design, comfort, and performance, all enabled by novel technologies and materials derived from nature. For example, in 2018, with the help of our partner, Braskem S.A., the petrochemical company and a leading biopolymers producer, we pioneered a carbon-negative green EVA made with Brazilian sugarcane, as an alternative to traditional EVA made from petroleum. We used this new carbon-negative green EVA to create SweetFoam, which is now in all of our shoe soles. This is just one example of many from our track record of nature-based innovations, along with materials made from wool, tree, crab shells, and more. As we have scaled and built our commercialization capabilities, our innovation has created a virtuous cycle of research and development. As we have grown our business and consistently launched products relying on materials from nature, we have increasingly become a partner of choice for those in the innovation ecosystem. That translates to partners seeking us out to utilize their novel developments, and allows us to extend our advantage in sourcing and commercializing differentiated materials that reduce our impact on the planet.

  With materials at our product platform's core, we are able to extend into new categories and develop new innovations across the body leveraging our versatile, distinctly simple design, and a focus on performance and comfort. Our emphasis on design that removes unnecessary details to highlight our "Hero" materials allows us to capitalize on existing designs. Between our major materials innovations, we deliver product newness and brand excitement from incremental launches across color, pattern, exclusive partnerships, and additional features. Within our footwear line, we can leverage existing shoe sole tooling by modifying upper designs to create entirely new styles, transforming iconic styles into franchises. We did this with our first performance running product, the Tree Dasher, by extending that revolutionary midsole and outsole unit to the Wool Dasher Mizzle (weather-resistant), Tree Dasher Relay (laceless design), and our Allbirds x Staple collaboration (inside-out design). We believe this approach to reinventing classic silhouettes creates timeless product style that reduces potential fashion risk that other companies fall prey to.

  We intentionally launched into the footwear category first given its technical nature, building credibility and trust with consumers before moving up the body into apparel. We believe our foundation in comfort and simple design, coupled with our success in manufacturing high-quality, sustainable footwear gives us a distinct advantage as we expand into adjacent categories.

- ***Purpose-Driven Lifestyle Brand with an Inspirational Voice***

  Our brand inspires consumers to live life in better balance, which creates deep affinity and loyalty with our growing base of customers. For our customers, balance is not having to compromise between looking good, feeling good, and doing good for the planet. Our commitment to environmental conservation and sustainability is built into our DNA as both a PBC under Delaware law and a certified B Corp. Through these efforts, we have been able to cultivate an authentic brand supported by a community that loves our products because they fit perfectly into their everyday lives. Based on our internal studies, we believe our brand is seen as more sustainable, innovative, and having higher quality products compared to other major footwear brands, while also being more sustainable, comfortable, and better designed compared to other direct-to-consumer brands. Furthermore, much of what makes our brand distinctive is the thought

leadership and conversations we enable within the broader industry about the impact of the products we make. Our campaigns around labeling each product's carbon footprint and challenging our competitors to do the same are just some of the examples that exemplify our brand leadership. We also maintain an end-of-life program for products returned to us that cannot be resold by donating them to Soles4Souls, a non-profit organization that distributes footwear and clothing in developing countries.

- ***Deep Connection with Our Community of Customers***

  By making great products and telling the story of an inspirational, purpose-driven brand, we have formed a deep connection with our community of customers. We have sold our products to over four million customers since our founding. As of March 31, 2021, we had two million people on our email list and nearly one million followers on social media. Our high Net Promoter Score, which has consistently been 83 or higher since the first quarter of 2019 and was 86 for the first quarter of 2021, demonstrates our strong following and growing brand advocates who love Allbirds. Approximately 53% of our net sales in 2020 came from repeat customers. This is true globally, as our customers span 35 countries, and 24% of our net revenue in 2020 came from outside the United States. See the section entitled "Market, Industry, and Other Data" for additional information regarding Net Promoter Score.

  As a brand with a digitally-led vertical retail distribution strategy, we are able to own the customer experience, which allows us to use data to determine who our customers are, what is important to them, and what products are most relevant and when, allowing us to create a strong connection with our customers. We have learned that our customers live an active and curious lifestyle, care about health and well-being, prioritize quality over price, frequently purchase products online, live in urban center settings, and appreciate socially conscious brands. In addition to communicating more effectively with our customers, these insights allow us to meet customers' needs through the creation of new products and enhancements to our existing line. Further, to illustrate the importance of engaging our customer base, the average spend by a repeat customer in a given cohort is over 25% more in their second year as compared to what was spent in the first year, and the average spend by a repeat customer continues to increase each subsequent year.

- ***Global Vertical Retail Distribution Strategy that Melds Digital with Physical***

  Our digitally-led vertical retail distribution strategy combines our digital offerings with our stores so we can meet consumers where they are, delivering value and convenience. Our direct distribution to customers in 35 countries and across our 22 store locations as of March 31, 2021 enables us to own the customer experience, driving deeper brand engagement and loyalty, and effectively managing inventory, while also realizing better margins. Coupled with our resonant brand and products, our distribution model has enabled us to generate approximately 98% of our gross sales at full price for the entirety of our history. Vertical retail not only allows us to better understand our customers, but also enables us to cut out the layers of costs associated with traditional wholesalers, creating a more efficient cost structure. Ultimately, we believe this provides unmatched value to customers, enabling us to deliver better products and a better experience to customers, one that competitors relying on wholesale distribution cannot afford to deliver at our price point.

  Our digital commerce experience is complemented by a thriving retail store fleet. With strong pre-COVID-19 unit economics, our store operations have historically been highly profitable, capital-efficient, and provided strong investment returns. All U.S. stores that were operating in 2019 generated approximately $4.3 million in average unit volume, or AUV, in their first 12 months of operation, including the stores that had their first 12 months of sales affected by COVID-19 after March 2020. Based on this pre-COVID performance, we believe our new stores will be highly profitable, have attractive payback periods, serve as good capital investments, and be positioned well to take advantage of physical retail's recovery from the pandemic. While our store channel already generates strong results on a standalone basis, the real power of our vertical retail strategy is the synergy between the physical and digital sides of our business. This synergy takes the form of increased brand awareness and website traffic in the regions where we open new stores, driving an overall lift in sales.

  As an example of the benefits of our vertical retail distribution strategy, our Boston Back Bay store achieved standalone payback within eight months. Furthermore, in the three months after our Boston Back

Bay store opened in March 2019, the Boston DMA region saw a 15% increase in website traffic, an 83% increase in new customers and, ultimately, a 77% increase in overall net sales, as compared to a comparable control market.

- ***Unique and Agile Infrastructure with Key Investments in Place to Scale***

  Our vision from day one has been to be a global lifestyle brand that makes and delivers better products in a better way. Through careful investments and strategic partnerships, we have built a robust infrastructure with key investments in place across several functional areas that will enable our company to profitably scale.

  - *Supply chain.* Our supply chain infrastructure is advanced compared to other brands of similar age and size. The unique relationships we have with our vendors give us agility to respond to consumer demands, where inventory can go from purchase order to ex-factory in as little as 45 days. Our investments in direct and meaningful relationships with all our partners, from raw materials suppliers to Tier 1 manufacturers and logistics providers, also allowed us to improve gross margin despite a difficult cost climate due to the COVID-19 pandemic. Our distribution network, comprised of nine distribution centers across eight countries, puts us close to the consumer, allowing us to reach up to 2.5 billion people across 35 countries in a matter of days with quick, reliable service.

  - *Technology.* Our current technology infrastructure is nimble and enables us to scale globally at a lower cost than large incumbents. We have married tried-and-true enterprise systems with custom-built technology stacks tailored to our needs. Because we started our business with a modern technology stack, we are able to rely on partners to more effectively scale, in contrast to incumbents who are saddled with legacy systems.

  - *Localized teams with market expertise.* We have hired on-the-ground teams in China, Germany, Japan, New Zealand, South Korea, and the United Kingdom who understand their market's consumers and are able to localize our approach.

Experienced and Passionate Team Who Believes in Our Vision

Underlying our five core strengths is our unique, purpose-driven culture that starts with the vision of our co-founders and our "flock" of passionate employees. This culture is underpinned by an authentic approach that recognizes the environment as a critical stakeholder, as documented in our certificate of incorporation as a PBC and certified through our B Corp status. We believe great employees stand with brands that have values they can align with, and Allbirds is filled with a diverse group of people who believe in our mission. Our flock's passion is seen every single day in the ideas they bring to creating new and innovative products and running a sustainable and successful business.

Why We Will Continue to be Successful

Our intention is to be a high-growth, profitable business that consistently delivers great outcomes for our stakeholders. To do this, we believe it is vital to have a clear long-term growth strategy that translates into near-term growth initiatives.

Our long-term strategy to fulfill this vision has five strategic pillars:

- **Make** the world's most comfortable shoes and apparel, powered by world-leading sustainable materials innovation and design;
- **Build** a global brand that attracts a large, loyal community of customers who love our products;
- **Inspire** that community of customers to keep coming back and to serve as our biggest advocates;
- **Serve** that community through a digitally-enabled and seamless cross-channel experience; and

- **Deliver** the highest quality products on time at a great value to our customers through a low-carbon, technology-enabled, consumer-focused supply chain.

Threading through these five strategic pillars is our commitment to tread lighter and have a positive impact on all stakeholders, including the environment, our flock of employees, communities, consumers, and investors.

In the near term, this strategy will manifest itself in the following five growth initiatives:

- ***Innovate and Make Great New Products with Natural, Sustainable Materials***

  Our product platform allows us to consistently deliver new and differentiated products, fulfilling new use cases in new categories to grow our closet share. We think about our innovation platform in the following ways:

  - *New materials*. Our successful track record of commercializing and bringing to market new innovations has made us a desirable partner for many outside R&D companies and vendors, allowing us to be first to market with novel materials while accelerating development timelines and reducing costs. A recent example is our collaboration with Natural Fiber Welding, Inc. to commercialize a 100% natural, plant-based leather-alternative. As we continue to build our library of materials, we plan to create new, differentiated products, as well as leverage new materials across our existing product platforms by refreshing our classic silhouettes.

  - *Expand footwear.* New materials innovations unlock potential for differentiated styles and use occasions, which create opportunities to make new footwear franchises. Our versatile, simple designs with "Hero" materials allow us to expand our core product families. We plan to grow footwear sales by broadening and deepening our assortment across end uses including functional casual occasions and performance athletics, while also introducing new style, fit, and size ranges to give customers more choices.

  - *Broaden our apparel offerings.* Our foundation in natural materials, comfort, and sustainability translates into the ability to create great products, not just in shoes, but in a number of apparel categories that complement our footwear line. Our expertise with materials allows us to expand in basics and functional casual apparel, and has significant application to natural performance apparel, which we believe will be a complementary offering to our newly established credibility in performance footwear. We have several offerings currently under development which will empower our customers to explore and appreciate the great outdoors, better connecting with nature.

- ***Raise Awareness and Grow Our Customer Community***

  We are still a young brand with aided brand awareness of 11% in the United States as of the end of the first quarter of 2021, which provides significant whitespace for growth as we introduce ourselves to new consumers. Our recent marketing efforts, including our expansion into TV advertising, collectively drove a 250 basis points increase in our aided brand awareness relative to the fourth quarter of 2020, affirming the success of our marketing strategy. See the section titled "Market, Industry, and Other Data" for additional information regarding aided brand awareness.

  We are focused on increasing awareness through the following tactics:

  - *Thought leadership moments.* We will continue to be leaders in the fight against climate change, from open-sourcing our Carbon Footprint methodology to vocally challenging copycat brands to copy our sustainability practices and not just our designs. This has helped to amplify our voice and introduce us to new customers who connect with the values of our brand.

  - *Community.* In 2020, we formalized our community marketing efforts by launching the Allgood Collective, a global community of ambassadors who promote the power of collective action as a force for good, embracing the Allbirds brand and products as a vehicle for positive change. The Allgood Collective is how we personify and extend our mission and values into tangible experiences,

encouraging meaningful conversations and strengthening our relationship with our existing fans while also allowing us to reach and engage new groups of people.

- *Expanding our brand beacon through physical touchpoints.* Our stores are situated in high-traffic, popular locations and serve as billboards while providing an immersive and tactile introduction to the brand. Historically, we have seen significant awareness boosts in store markets and efficient new customer acquisition, and we expect this trend to continue with the rollout of additional locations throughout the world.

- *Full-funnel marketing.* We are at a scale now where it is effective to broaden our marketing funnel from emphasizing direct, digital conversion marketing to a full-funnel approach that utilizes TV and other mediums. We anticipate this will result in expanding our consumer reach to a wider population, showcasing a broader array of products, and taking consumers through the entire brand journey, from awareness through consideration to conversion. As we increase awareness, add stores, and broaden our product assortment, we believe this full-funnel approach will increase marketing efficiency.

- ***Deepen Engagement with Our Community of Customers***

  As a digitally-native vertical retailer that directly engages with consumers, we have carefully cultivated every aspect of our customer experience. We have the opportunity, taking insights from our data ecosystem, to further unlock customer loyalty and lifetime value through personalized experiences and product innovation. We see an opportunity to increase purchase frequency by providing our customers exactly what they want, where they want it, when they want it.

  - *Product.* Increased product offerings provide more opportunities to buy, greater breadth to meet wardrobe needs, and more reasons to engage with us.

  - *Personalization.* Investments in our marketing technology and customer relationships allow us to personalize each customer's experiences, showing them more of what they want, when they want it.

  - *Proximity.* Our extensive distribution network, native app, and expanding retail footprint all bring us closer to the customer, increasing access to our brand and product whenever and wherever they want it. Furthermore, we have a significant opportunity to integrate the customer experience across our digital platform and stores by expanding on capabilities such as Buy-Online-Pickup-In-Store and Ship-from-Store in the short to medium term.

  By deepening our relationships with our repeat customers, we believe we are well-positioned to capture a greater share of the approximately seven pairs of shoes and 68 pieces of clothing that the average American bought in 2018 and realize substantial growth in our business.

- ***Expand Vertical Retail Distribution to Meet Our Customers Where They Are***

  We have seen the early benefits of our vertical retail approach and have the blueprint for making this successful, while continuing to grow our digital channel through personalization.

  - *Increase store fleet.* We have just scratched the surface of our store potential, particularly in the United States, with 22 stores globally as of March 31, 2021. We are in the early phase of a ramp towards hundreds of potential locations in the future, with strong unit economics. Furthermore, as our store fleet expands, we expect our growth to accelerate, as compared to 2020, through more efficient customer acquisition, while also receiving the benefit of increasing digital traffic as more people learn about our brand through our stores. Based on our stores' pre-COVID-19 performance, we believe our new stores will also be highly profitable, have attractive payback periods, serve as good capital investments, and be positioned well to take advantage of physical retail's recovery from the pandemic.

  - *Grow within our existing international markets*. The early investments in our international operations have given us traction in key markets across Europe, Asia, and Oceania that complement our core North American business and provide us with a global platform to share our product, brand, and

values. In 2020, 24% of our net revenue came from outside the United States, signaling a strong foundation from which to scale our business globally. With local teams already on the ground in our largest markets, and an expanding list of offerings to ensure product-market fit, we believe these new regions are positioned to accelerate growth. We intend to continue to make strategic investments in these markets by opening new stores and further localizing the digital experience.

- *Further personalize and grow digital*. Complementing our store rollout strategy and growing global footprint, our digital channels should accelerate growth as they are the most accessible ways for new and existing customers to purchase our products. The more we interact with both new and existing customers, the more data and insights we gather about customer behavior, which will feed our personalization efforts. We expect the combination of all these elements to further drive website and mobile app traffic, conversion, and revenue.

- ***Optimize Infrastructure for Profitable Growth***

  We have spent the past five years investing in a foundation for materials and product innovation, global reach, and cross-channel distribution. With much of this global infrastructure built, we can now scale our business to use the full capacity of the supply chain and technology in place, including store fleet expansion and international growth, all of which should result in margin expansion, operational leverage, and profitable growth. We believe we have the key investments in place that will enable us to reach our vision of becoming a scaled global brand. We will continue to strategically invest in our business while driving operational excellence.

  - *Innovation-focused partner network.* We continue to optimize our supply across sourcing, manufacturing, distribution, logistics, and fulfillment to reduce carbon emissions, provide flexible production lead times, shorten go-to-market timelines, and maximize product and logistics cost efficiencies.

  - *Technology-led efficiency improvements.* We will continue to leverage our modern technology approach to improve efficiency and reduce complexity via improved inventory management and analytics, and a more streamlined go-to-market process. Inventory improvements should enable us to maintain high levels of full-price sell through, while minimizing write-offs and lost sales from stock-outs. Additionally, digital product tools allow us to shorten the development cycle, increase the pace of development, and decrease overall go-to-market timelines so we can deliver what our customers want, faster.

Commitment to Profitable Growth

Our commitment to tread lighter and have a large positive impact on all of our stakeholders requires financial discipline and a focus on profitable growth. Our expectation is that the combination of our strategy and growth initiatives will result in both topline expansion and operational leverage, leading to a strong margin profile and a robust bottom line. If executed as we anticipate, the impact of the growth drivers should manifest in:

- gross margin improvement due to lower costs related to scale and favorable product, channel, and geographic mixes;
- marketing efficiency improvement, as a percentage of sales, due to favorable channel mix, greater awareness, and less reliance on new customer acquisition as a driver of revenue growth; and
- operating expense improvement, as a percentage of sales, due to scale and leveraging historical infrastructure investments as we grow.

Our core strengths work in unison to allow us to make better things in a better way, tread lighter, and help our consumers to live life in better balance. Our core strengths also create a competitive moat that sets us apart from competitors. Starting from our materials science innovation and versatile, distinctly simple designs, we have built a powerful product innovation platform that allows us to continue to create new and differentiated products and grow

closet share. Our superior products are backed by a global lifestyle brand and a vertical distribution strategy that offer our repeat customers value, convenience, and peace of mind. Underlying our business are our dedicated employees, supply chain capabilities, and technology that allow us to profitably grow our business and have a positive impact on the world.

Risk Factors Summary

Investing in our Class A common stock involves a high degree of risk because our business is subject to numerous risks and uncertainties, as more fully described in the section titled "Risk Factors" included elsewhere in this prospectus. You should carefully consider these risks before making an investment. These risks include, but are not limited to, the following:

- The COVID-19 pandemic has had, and may in the future continue to have, a material adverse impact on our business.
- Economic uncertainty in our key markets may affect consumer purchases of discretionary items, which may adversely affect demand for our products.
- If we are unable to maintain and enhance the value and reputation of our brand and/or counter any negative publicity, we may be unable to sell our products, which would harm our business and could materially adversely affect our financial condition and results of operations.
- We have incurred significant net losses since inception, and anticipate that we will continue to incur losses for the foreseeable future.
- We operate in a highly competitive market; the size and resources of some of our competitors may allow them to compete more effectively than we can, which could result in a loss of our market share and a decrease in our net revenue and profitability.
- Our focus on using sustainable materials and environmentally friendly manufacturing processes and supply chain practices may increase our cost of revenue and hinder our growth.
- Climate change and increased focus by governments, organizations, customers, and investors on sustainability issues, including those related to climate change and socially responsible activities, may adversely affect our reputation, business, and financial results.
- If we are unable to anticipate product trends and consumer preferences, or we fail in our technical and materials innovation to successfully develop and introduce new high-quality products, we may not be able to maintain or increase our revenue and profits.
- We utilize a range of marketing, advertising, and other initiatives to increase existing customers' spend and to acquire new customers; if the costs of advertising or marketing increase, or if our initiatives fail to achieve their desired impact, we may be unable to grow the business profitably.
- As a company that operates retail stores, we are subject to various risks, including commercial real estate and labor and employment risks; additionally, we may be unable to successfully open new store locations in existing or new geographies in a timely manner, if at all, which could harm our results of operations.
- Our business depends on our ability to maintain a strong community of engaged customers and Allgood Collective Ambassadors, including through the use of social media. We may be unable to maintain and enhance our brand if we experience negative publicity related to our marketing efforts or use of social media, we fail to maintain and grow our community of Allgood Collective Ambassadors, or our marketing and social media efforts otherwise fail to meet our customers' expectations.
- We are subject to risks related to our environmental, social, and governance activities and disclosures, and our reputation and brand could be harmed if we fail to meet our public sustainability targets and goals.

- We have a limited operating history, which makes it difficult to predict our future results of operations, particularly in newer geographies.
- Our reliance on a limited number of suppliers and manufacturers to provide materials for and to produce our products could cause problems in our supply chain.
- Failure of our contractors or our licensees' contractors to comply with our supplier code of conduct, contractual obligations, local laws, and other standards could harm our business.
- The fluctuating cost of raw materials could increase our cost of revenue and cause our results of operations and financial condition to suffer.
- We may fail to protect our intellectual property rights, our trademark and other proprietary rights may conflict with the rights of others, and we may not be able to acquire, use, or maintain our marks and domain names, any of which could harm our brand, business, financial condition, and results of operations.
- If the technology-based systems that give our customers the ability to shop with us online do not function effectively, or we fail to comply with government regulations relating to the internet and eCommerce, our results of operations, as well as our ability to grow our eCommerce business globally, could be materially adversely affected.
- Our international operations expose us to various risks from foreign currency exchange rate fluctuations, tariffs or global trade wars, trade restrictions, and changing tax laws in the United States and elsewhere, among others.
- We are subject to several unique risks as a result of our status as a Delaware PBC and certified B Corp, including that our board of directors' duty to balance various interests and our public benefit purpose may result in actions that do not maximize stockholder value.
- The dual class structure of our common stock will have the effect of concentrating voting control with our co-founders and co-Chief Executive Officers, Timothy Brown and Joseph Zwillinger, our other executive officers and directors, our principal stockholders, and their respective affiliates, which will limit or preclude your ability to influence corporate matters, including the election of directors and the approval of any change of control transaction.
- We are subject to risks related to our Sustainable Public Equity Offering and associated disclosures.

Public Benefit Corporation Status

As a demonstration of our long-term commitment to environmental conservation, our board of directors and stockholders elected in February 2016 to amend our certificate of incorporation to become a PBC under Delaware law. PBCs are a relatively new class of corporations that are intended to produce a public benefit and to operate in a responsible and sustainable manner.

Under Delaware law, a PBC is required to identify in its certificate of incorporation the public benefit or benefits it will promote, and its directors have a duty to manage the affairs of the corporation in a manner that balances the pecuniary interests of the corporation's stockholders, the best interests of those materially affected by the corporation's conduct, and the specific public benefit or benefits identified in the corporation's certificate of incorporation. A PBC is also required to assess its benefit performance internally and to disclose to its stockholders at least biennially a report detailing the corporation's success in meeting its public benefit objectives.

As provided in our certificate of incorporation, the public benefit that we promote, and pursuant to which we manage our company, is environmental conservation. See "Risk Factors—Risks Related to Our Status as a Public Benefit Corporation and Certified B Corporation" and "Description of Capital Stock—Anti-Takeover Effects of Delaware Law and Our Certificate of Incorporation and Bylaws—Public Benefit Corporation Status."

Certified B Corporation Status

While not required by Delaware law or our PBC status, we have elected to have our social and environmental performance, accountability, and transparency assessed against the criteria established by B Lab, Inc., or B Lab, an independent non-profit organization. We were first designated as a certified B Corp in 2016. The term "B Corp" does not refer to a particular form of legal entity, but instead refers to a company that has been certified by B Lab as meeting the social and environmental performance, accountability, and transparency standards set by B Lab.

In order to be designated as a B Corp, companies are required to undertake a comprehensive and objective assessment of their positive impact on society and the environment. The assessment evaluates how a company's operations and business model impact its workers, customers, suppliers, community, and the environment using a 200-point scale. While the assessment varies depending on a company's size (number of employees), sector, and location, representative indicators in the assessment include payment above a living wage, employee benefits, stakeholder engagement, supporting underserved suppliers, and environmental benefits from a company's products or services. After completing the assessment, B Lab will verify the company's score to determine if it meets the 80-point minimum bar for certification. The review process includes a phone review, a random selection of indicators for verifying documentation, and a random selection of company locations for onsite reviews, including employee interviews and facility tours. The median score is 50.9, compared to our latest recertification score of 89.4, which increased from our initial score of 81.9 in 2016 despite the growing size and complexity of our business during those years. Once certified, every B Corp must make its assessment score transparent on B Lab's website.

Acceptance as a B Corp and continued certification is at the sole discretion of B Lab. To maintain our certification, we are required to update our assessment and verify our updated score with B Lab every three years. To maintain our status as a B Corp, we will need to update our current certification no later than January 2023. See "Risk Factors—Risks Related to Our Status as a Public Benefit Corporation and Certified B Corporation."

Corporate Information

We were incorporated in Delaware in May 2015 as Bozz, Inc. In December 2015, we changed our name to Allbirds, Inc., and we became a Delaware PBC in February 2016. Our principal executive offices are located at 730 Montgomery Street, San Francisco, California 94111. Our telephone number is (628) 225-4848.

Our U.S. website address is allbirds.com. Information contained on, or that can be accessed through, our website is not incorporated by reference in this prospectus, and you should not consider information on our website to be part of this prospectus.

The Allbirds design logo, "Allbirds," and our other registered or common law trademarks, service marks or trade names appearing in this prospectus are the property of Allbirds, Inc. Other trade names, trademarks, and service marks used in this prospectus are the property of their respective owners. Solely for convenience, we have omitted the ® and ™ designations, as applicable, for the trademarks we name in this prospectus.

Implications of Being an Emerging Growth Company

As a company with less than $1.07 billion in gross revenue during our last fiscal year, we qualify as an "emerging growth company" as defined in the Jumpstart Our Business Startups Act, or the JOBS Act, enacted in April 2012. An emerging growth company may take advantage of certain exemptions from various public company reporting requirements. These provisions include, but are not limited to:

- not being required to comply for a certain period of time with the auditor attestation requirements of Section 404 of the Sarbanes-Oxley Act of 2002, as amended;
- reduced disclosure obligations regarding executive compensation in our periodic reports, proxy statements, and registration statements; and
- exemptions from the requirements of holding a stockholder advisory vote on executive compensation and any golden parachute payments not previously approved.

We may take advantage of these provisions until the last day of our fiscal year following the fifth anniversary of the date of the first sale of our Class A common stock in this offering. However, if certain events occur prior to the end of such five-year period, including if (1) we become a "large accelerated filer" with at least $700 million of equity securities held by non-affiliates, (2) our annual gross revenue exceeds $1.07 billion, or (3) we issue more than $1.0 billion of non-convertible debt in any three-year period, we will cease to be an emerging growth company prior to the end of such five-year period.

We have elected to take advantage of certain of the reduced disclosure obligations in the registration statement of which this prospectus forms a part and may elect to take advantage of other reduced reporting requirements in future filings. As a result, the information that we provide to our stockholders may be different than you might receive from other public reporting companies in which you hold equity interests.

In addition, 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. Accordingly, our financial statements may not be comparable to the financial statements of public companies that comply with such new or revised accounting standards.

THE OFFERING

Class A common stock offered by us	shares
Class A common stock offered by the selling stockholders	shares
Option to purchase additional shares of Class A common stock offered by us	shares
Class A common stock to be outstanding after this offering	shares (or shares if the underwriters exercise their option to purchase additional shares of our Class A common stock in full).
Class B common stock to be outstanding after this offering	shares
Total Class A and Class B common stock to be outstanding after this offering	shares (or shares if the underwriters exercise their option to purchase additional shares of our Class A common stock in full).
Voting rights	We have two classes of common stock, Class A common stock and Class B common stock. The rights of the holders of Class A common stock and Class B common stock are identical, except voting and conversion rights. Each share of Class A common stock is entitled to one vote per share, and each share of Class B common stock is entitled to votes per share on all matters that are subject to stockholder vote. Each share of Class B common stock may be converted into one share of Class A common stock at the option of the holder thereof, and will be converted into one share of Class A common stock upon transfer thereof, subject to certain exceptions. The holders of our outstanding Class B common stock will hold % of the voting power of our outstanding capital stock following this offering, with our directors, executive officers, and 5% stockholders and their respective affiliates beneficially holding % of our voting power in the aggregate. These holders will have the ability to control the outcome of matters submitted to our stockholders for approval, including the election of our directors and the approval of any change of control transaction. See the section titled “Description of Capital Stock” for additional information.

Use of proceeds	We estimate that we will receive net proceeds from this offering of approximately $ million (or approximately $ million if the underwriters exercise their option to purchase additional shares of our Class A common stock in full), assuming an initial public offering price of $ per share, the midpoint of the estimated price range set forth on the cover page of this prospectus, and after deducting estimated underwriting discounts and commissions and estimated offering expenses payable by us. We will not receive any proceeds from the sale of shares of our Class A common stock by the selling stockholders in this offering. The principal purposes of this offering are to increase our capitalization and financial flexibility and create a public market for our Class A common stock. As of the date of this prospectus, we cannot specify with certainty all of the particular uses for the net proceeds we receive from this offering. However, we currently intend to use the net proceeds we receive from this offering for general corporate purposes, including working capital, operating expenses, and capital expenditures. We may also use a portion of the net proceeds to acquire or invest in complementary businesses, products, services, or technologies. However, we do not have agreements or commitments to enter into any such acquisitions or investments at this time. See the section titled "Use of Proceeds" for additional information.
Proposed trading symbol	We intend to apply to list our Class A common stock on under the symbol " ."
Risk factors	See the section titled "Risk Factors" and the other information included in this prospectus for a discussion of factors you should carefully consider before deciding to invest in our Class A common stock.

The number of shares of our common stock that will be outstanding after this offering is based on shares of our Class A common stock and shares of our Class B common stock (including our convertible preferred stock on an as-converted basis) outstanding as of December 31, 2020, and excludes:

- shares of our Class B common stock issuable upon the exercise of options to purchase shares of our Class B common stock issued under our 2015 Equity Incentive Plan, as amended, or 2015 Plan, outstanding as of December 31, 2020, with a weighted-average exercise price of $ per share;
- shares of our Class B common stock issuable upon the exercise of options to purchase shares of our Class B common stock issued under our 2015 Plan granted after December 31, 2020, with a weighted-average exercise price of $ per share;
- shares of our Class A common stock reserved for future issuance under our 2021 Equity Incentive Plan, which will become effective in connection with this offering, as well as any future increases, including annual automatic evergreen increases, in the number of shares of our Class A common stock reserved for issuance thereunder, and any shares underlying stock awards outstanding under the 2015 Plan that expire or are repurchased, forfeited, canceled, or withheld;
- shares of our Class A common stock reserved for future issuance under our 2021 Employee Stock Purchase Plan, which will become effective in connection with this offering, as well as any future increases, including annual automatic evergreen increases, in the number of shares of our Class A common stock reserved for issuance thereunder; and
- 157,580 shares of our Class B common stock issuable upon the exercise of a warrant outstanding as of December 31, 2020, with an exercise price of $0.074 per share.

Unless otherwise indicated, the information in this prospectus assumes:

- the 5-for-1 stock split of our common stock and convertible preferred stock that was effected in December 2019;
- the filing and effectiveness of our amended and restated certificate of incorporation and the effectiveness of our amended and restated bylaws, each of which will occur immediately prior to the completion of this offering;
- the issuance of shares of our Class B common stock immediately prior to the completion of this offering upon the exercise of warrants outstanding as of December 31, 2020, with a weighted-average exercise price of $ per share;
- the automatic conversion immediately prior to the completion of this offering of all 70,990,919 outstanding shares of our convertible preferred stock outstanding as of December 31, 2020 into an equivalent number of shares of our Class B common stock;
- the reclassification immediately prior to the completion of this offering of all outstanding shares of our common stock into an equivalent number of shares of our Class B common stock;
- no exercise of the outstanding options to purchase shares of our Class B common stock or the warrant to purchase 157,580 shares of our Class B common stock described above; and
- no exercise of the underwriters' option to purchase up to an additional shares of our Class A common stock in this offering.

SUMMARY CONSOLIDATED FINANCIAL DATA

The following tables summarize our consolidated financial data. The summary consolidated statements of operations data for the years ended December 31, 2019 and 2020 and the summary consolidated balance sheet data as of December 31, 2020 have been derived from our audited consolidated financial statements included elsewhere in this prospectus. You should read the following summary consolidated financial data together with the section titled "Management's Discussion and Analysis of Financial Condition and Results of Operations" and our audited consolidated financial statements and the related notes thereto included elsewhere in this prospectus. The following summary consolidated financial data are not intended to replace, and are qualified in their entirety by, our audited consolidated financial statements and the related notes thereto included elsewhere in this prospectus. Our historical results are not necessarily indicative of our results in any future period.

	Year Ended December 31,	
	2019	2020
	(in thousands, except share and per share data)	
Consolidated Statements of Operations Data:		
Net revenue	$ 193,673	$ 219,296
Cost of revenue	94,839	106,555
Gross profit	98,834	112,741
Operating expense:		
Selling, general, and administrative expense[1][2]	63,485	86,694
Marketing expense	44,362	55,271
Total operating expense	107,847	141,965
Loss from operations	(9,013)	(29,224)
Interest expense	(96)	(297)
Other expense	(1,743)	(452)
Loss before provision for income taxes	(10,852)	(29,973)
Income tax (provision) benefit	(3,675)	4,113
Net loss	$ (14,527)	$ (25,860)
Other comprehensive loss (income):		
Foreign currency translation (loss) gain	(37)	2,245
Total comprehensive loss	$ (14,564)	$ (23,615)
Net loss per share attributable to common stockholders per share, basic and diluted[3]	$ (0.28)	$ (0.49)
Weighted-average shares used in computing net loss per share attributable to common stockholders, basic and diluted	51,469,007	53,005,424
Pro forma net loss per share, basic and diluted (unaudited)[4]		
Weighted-average shares used in computing pro forma net loss per share, basic and diluted (unaudited)[4]		

(1) Includes stock-based compensation expense of $4.2 million and $6.6 million for the years ended December 31, 2019 and 2020, respectively.
(2) Includes depreciation and amortization expense of $3.4 million and $7.1 million for the years ended December 31, 2019 and 2020, respectively.
(3) See Note 16 to our consolidated financial statements included elsewhere in this prospectus for an explanation of the method used to calculate our basic and diluted net loss per share and the weighted-average number of shares used in the computation of the per share amounts.
(4) The unaudited pro forma net loss per share used in the calculation of unaudited pro forma basic and diluted net loss per share for the year ended December 31, 2020 was $ million, which excluded the effects of the fair value expense on convertible preferred stock warranty liability of $ million. The unaudited pro forma weighted-average number of shares outstanding used to determine pro forma basic net loss per share for the year ended December 31, 2020 was and included the impact of (a) the automatic conversion of 70,990,919 outstanding shares of our convertible preferred stock outstanding as of December 31, 2020 into an equivalent number of shares of our Class B common stock and (b) the issuance

of shares of our Class B common stock immediately prior to the completion of this offering upon the exercise of warrants outstanding as of December 31, 2020 with a weighted-average exercise price of $ per share. The unaudited pro forma weighted-average number of shares outstanding used to determine pro forma diluted net loss per share for the year ended December 31, 2020 was and further included the impact of (i) stock options and (ii) warrants to purchase shares of our Class B common stock.

	As of December 31, 2020		
	Actual	Pro Forma[1]	Pro Forma as Adjusted[2][3]
		(in thousands)	
Consolidated Balance Sheet Data:			
Cash and cash equivalents	$ 126,551	$	$
Working capital[4]	160,188		
Total assets	244,043		
Preferred stock warrant liability	5,845		
Convertible preferred stock	204,049		
Common stock	5		
Additional paid-in capital	64,548		
Accumulated other comprehensive income	1,956		
Accumulated deficit	(92,016)		
Total stockholders' (deficit) equity	(25,507)		

(1) Reflects (a) the automatic conversion of 70,990,919 shares of our convertible preferred stock outstanding as of December 31, 2020 into an equivalent number of shares of Class B common stock immediately prior to the completion of this offering; (b) the reclassification of our convertible preferred stock warrant liability to additional paid-in capital in connection with this offering; (c) the issuance of shares of our Class B common stock immediately prior to the completion of this offering upon the exercise of warrants outstanding as of December 31, 2020 with a weighted-average exercise price of $ per share; (d) the filing and effectiveness of our amended and restated certificate of incorporation that will be in effect immediately prior to the completion of this offering; and (e) the reclassification of all of our common stock outstanding as of December 31, 2020 into an equivalent number of shares of our Class B common stock.

(2) Reflects (a) the pro forma items described immediately above and (b) our issuance and sale of shares of our Class A common stock in this offering at an assumed initial public offering price of $ per share, the midpoint of the price range set forth on the cover page of this prospectus, and after deducting estimated underwriting discounts and commissions and estimated offering expenses payable by us. We will not receive any proceeds from the sale of shares of our Class A common stock by the selling stockholders in this offering.

(3) Each $1.00 increase (decrease) in the assumed initial public offering price of $ per share, the midpoint of the price range set forth on the cover page of this prospectus, would increase (decrease) the amount of our pro forma as adjusted cash and cash equivalents, working capital, total assets, and total stockholders' (deficit) equity by $ million, assuming that the number of shares offered by us, as set forth on the cover page of this prospectus, remains the same, after deducting estimated underwriting discounts and commissions. Each increase (decrease) of 1,000,000 shares in the number of shares of Class A common stock offered by us would increase (decrease) the amount of our pro forma as adjusted cash, working capital, total assets, and total stockholders' (deficit) equity by $ million, assuming the assumed initial public offering price remains the same, and after deducting estimated underwriting discounts and commissions. We will not receive any proceeds from the sale of shares of our Class A common stock by the selling stockholders in this offering.

(4) Working capital is defined as current assets less current liabilities.

Non-GAAP Financial Measures—Adjusted EBITDA

	Year Ended December 31,	
	2019	2020
	(in thousands)	
Adjusted EBITDA[1]	$ (1,317)	$ (15,430)

(1) Adjusted EBITDA is a measure that is not calculated in accordance with generally accepted accounting principles in the United States, or GAAP. See the section titled "Management's Discussion and Analysis of Financial Condition and Results of Operations—Non-GAAP Financial Measure" for more information about adjusted EBITDA, including the limitations of such measure and a reconciliation of adjusted EBITDA to net loss, the most directly comparable GAAP financial measure.

RISK FACTORS

Investing in our Class A common stock involves a high degree of risk. You should carefully consider the risks and uncertainties described below, together with all of the other information contained in this prospectus, including the section titled "Management's Discussion and Analysis of Financial Condition and Results of Operations" and our consolidated financial statements and the related notes thereto, before making a decision to invest in our Class A common stock. The risks and uncertainties described below are not the only ones we face. Additional risks and uncertainties that we are unaware of, or that we currently believe are not material, may also become important factors that adversely affect our business. If any of the following risks occur, our business, financial condition, results of operations, and future prospects could be materially and adversely affected. In that event, the market price of our Class A common stock could decline, and you could lose part or all of your investment.

Risks Related to Our Business, Brand, Products, and Industry

The COVID-19 pandemic has had, and may in the future continue to have, a material adverse impact on our business.

The COVID-19 pandemic and the travel restrictions, quarantines, and other related public health measures and actions taken by governments and the private sector have adversely affected global economies, financial markets, and the overall environment for our business, and the extent to which it may continue to impact our results of operations and overall financial performance remains uncertain. The global macroeconomic effects of the pandemic may persist indefinitely, even after the pandemic has subsided.

The pandemic created significant disruptions for our physical stores, with the majority of our stores closed between late March 2020 through July 2020 (with the exception of a limited number of locations in the Asia Pacific region), as well as reduced operating hours and restricted guest occupancy levels. Across all of 2020, our stores were closed for approximately 20% of the total number of days we expected to operate. In addition, our decision to support our employees through the pandemic and store closures created significant strains on our operating margins during the period. The performance of our retail stores in 2020 significantly lagged behind 2019 performance. We began reopening those stores to the public through a phased approach commencing in June 2020 and successfully completed the reopening process over the course of several months, as local conditions and regulations permitted. The re-openings of our stores have improved our retail performance to date, but the possible sustained spread or resurgence of the pandemic, and any government response thereto, increases the uncertainty regarding future economic conditions that will impact our business in the future.

In March 2020, we also closed the majority of our corporate offices and other facilities, including our corporate headquarters in San Francisco, and implemented a work from home policy for many of our corporate employees. This policy may negatively impact productivity and cause other disruptions to our business. We began gradually reopening our closed corporate officers in a phased approach over the course of 2020 and into 2021, and are continuing to evaluate and update our "return to office" policies in light of our concern for the health and safety of our team members and the recommendations of government and health authorities.

COVID-19 and related governmental reactions have had and may continue to have a negative impact on our financial condition, business, and results of operations due to the occurrence of some or all of the following events or circumstances, among others:

- our and our third-party suppliers', contract manufacturers', logistics providers', and other business partners' inability to operate worksites at full capacity or at all, including manufacturing facilities and shipping and fulfillment centers as well as our retail stores, whether due to employee illness, reluctance to appear at work, or "stay-at-home" regulations;
- our inability to meet consumer demand and delays in the delivery of our products to our customers, resulting in reputational harm and damaged customer relationships;
- inventory shortages caused by a combination of increased demand that has been difficult to predict with accuracy, and longer lead-times and materials shortages in the manufacturing of our products, due to work

restrictions related to COVID-19, shut-down or disruption of international suppliers, import/export conditions such as port congestion, and local government orders;

- interruptions in manufacturing (including the sourcing of key materials) and shipment and delivery of our products (including due to material delays with the U.S. Postal Service, FedEx, UPS, and other shipping and delivery providers);
- our inability to manage our business effectively due to employees (including key employees and retail staff) becoming ill;
- limitations preventing our executives and other key personnel from traveling for business purposes;
- disruptions of the operations of our third-party suppliers, which could impact our ability to purchase materials at favorable prices and in sufficient amounts;
- increases in administrative and compliance costs resulting from dynamic and rapidly changing governmental rules, regulations, and guidance regarding workplace health and safety;
- longer wait times and delayed responses to customer support inquiries and requests;
- increased rates of post-purchase order cancellation as a result of longer delivery lead times and delivery reschedules;
- decreased revenue and increased return rates due to a decrease in consumer discretionary spending;
- our commitment to our employees, or our "flock," which led us to continue employing and paying wages and providing benefits to our retail store employees during the COVID-19 pandemic, even when our retail stores were closed;
- increases in shipping, logistics, freight, labor, and/or storage costs; and
- significant increases to employee health care and benefits costs.

The scope and duration of the pandemic, including resurgences in various regions in the United States and globally, the pace at which government restrictions are lifted, the pace, availability, and effectiveness of vaccinations in various regions in the United States and globally, or whether additional actions may be taken to contain the virus, the impact on our customers and suppliers, the speed and extent to which markets fully recover from the disruptions caused by the pandemic, and the impact of these factors on our business will depend on future developments that are highly uncertain and cannot be predicted with confidence. It is possible that changes in economic conditions and steps taken by the federal government and the Federal Reserve in response to the COVID-19 pandemic could lead to higher inflation than we had anticipated, which could in turn lead to an increase in our cost of revenue and other operating expenses. In addition, to the extent COVID-19 adversely affects our operations and global economic conditions more generally, it may also have the effect of heightening many of the other risks described herein.

While we believe that the long-term fundamentals of our business are largely unchanged and anticipate that our results of operations in future years will begin to reflect a more normal operating environment, the current economic and public health climate has created a high degree of uncertainty. As such, we continue to closely monitor this global health crisis and will continue to reassess our strategy and operational structure on a regular, ongoing basis as the situation evolves. See "Management's Discussion and Analysis of Financial Position and Results of Operations" for more details on the potential impact of the COVID-19 pandemic and associated economic disruptions, and the actual operational and financial impacts that we have experienced to date.

Economic uncertainty in our key markets may affect consumer purchases of discretionary items, which may adversely affect demand for our products.

Our products may be considered discretionary items for consumers. Factors affecting the level of consumer spending for such discretionary items include general economic conditions and other factors such as consumer

confidence in future economic conditions, fears of recession and trade wars, the availability and cost of consumer credit, the availability and timing of government stimulus programs, levels of unemployment, and tax rates. As global economic conditions continue to be volatile or economic uncertainty remains, particularly in light of the COVID-19 pandemic, trends in consumer discretionary spending also remain unpredictable and subject to reductions as a result of significant increases in employment, financial market instability, and uncertainties about the future. Unfavorable economic conditions may lead consumers to delay or reduce purchases of our products. Consumer demand for our products may decline as a result of store closures, an economic downturn, or economic uncertainty in our key markets, particularly in North America, Europe, and Asia. Our sensitivity to economic cycles and any related fluctuation in consumer demand may have a material adverse effect on our business, results of operations, and financial condition.

One factor in our success is the strength of our brand; if we are unable to maintain and enhance the value and reputation of our brand and/or counter any negative publicity, we may be unable to sell our products, which would harm our business and could materially adversely affect our financial condition and results of operations.

The Allbirds brand is integral to our business strategy and our ability to attract and engage customers. As a result, our success depends on our ability to maintain and enhance the value and reputation of the Allbirds brand. Maintaining, promoting, and positioning our brand will depend largely on the success of our design and marketing efforts, including advertising and consumer campaigns, as well as our product innovation, product quality, and sustainability initiatives. Our commitment to product innovation, quality, and sustainability and our continuing investment in design (including materials) and marketing efforts may not have the desired impact on our brand image and reputation.

We rely on social media, as one of our marketing strategies, to have a positive impact on both our brand value and reputation. Our brand also depends on our ability to maintain a positive consumer perception of our corporate integrity, culture, mission, vision, and values, including our status as a Delaware public benefit corporation, or PBC, and our commitment to environmental conservation and sustainability. Any actions or any public statements or social media posts about Allbirds or our products by our customers, consumers who have not yet bought our products, our current or former employees, current or former Allgood Collective Ambassadors (which is what we call the community of influencers whom we engage to help promote our brand), celebrities or other public figures, whether authorized or not, that are contrary to our values may negatively affect consumer perception of our brand. Any incidents involving our company, our suppliers or manufacturers, our Allgood Collective Ambassadors or others, or the products we sell, could erode the trust and confidence of our customers, and damage the strength of our brand, especially if such incidents result in adverse publicity, governmental investigations, product recalls or litigation.

Our brand and reputation could be adversely affected by any number of factors or events, including if our public image is tarnished by negative publicity due to our actions or those of persons associated with us or formerly associated with us (including employees, Allgood Collective Ambassadors, celebrities, or others who speak publicly or post on social media about our brand or our products, whether authorized or not), if we fail to deliver innovative and high quality products, if we face or mishandle a product recall, or if we are subject to claims of “greenwashing” (e.g., if the carbon footprint of one or more of our products is alleged to be greater than what we claim, or if we fail or are alleged to have failed to achieve our sustainability goals). Our brand and reputation could also be negatively impacted by adverse publicity, whether or not valid, regarding allegations that we, or persons associated with us or formerly associated with us, have violated applicable laws or regulations, including but not limited to those related to product labeling and safety, marketing, employment, discrimination, harassment, whistle-blowing, privacy, corporate citizenship, improper business practices, or cybersecurity. Negative publicity regarding our suppliers or manufacturers could adversely affect our reputation and sales and could force us to identify and engage alternative suppliers or manufacturers. Additionally, while we devote considerable efforts and resources to protecting our intellectual property, if these efforts are not successful, the value of our brand may be harmed. Any harm to our brand and reputation could adversely affect our ability to attract and engage customers and could have a material adverse effect on our business, financial condition, and results of operations.

In addition, the importance of our brand may increase to the extent we experience increased competition, which could require additional expenditures on our brand promotion activities. Maintaining and enhancing our brand image

also may require us to make additional investments in areas such as merchandising, marketing, and online operations. These investments may be substantial and may not ultimately be successful.

We have incurred significant net losses since inception and anticipate that we will continue to incur losses for the foreseeable future.

We incurred net losses of $14.5 million and $25.9 million in 2019 and 2020, respectively, and we had an accumulated deficit of $92.0 million as of December 31, 2020. We expect to continue to incur significant losses in the future. We will need to generate and sustain increased revenue levels in future periods to achieve profitability, and even if we achieve profitability, we may not be able to maintain or increase our level of profitability. We anticipate that our operating expenses will increase substantially for the foreseeable future as we continue to, among other things:

- expand our product and style mix;
- invest in new materials innovation and technology;
- focus on sustainable and environmentally friendly practices in our supply chain (which are often more expensive than traditional alternatives);
- invest in advertising and marketing initiatives to engage existing and new customers, enhance awareness of our brand, and grow market share;
- extend our retail store fleet;
- invest in the overall health and well-being of our employees;
- address increased competition;
- recruit and retain talent; and
- incur significant accounting, legal, and other expenses as a public company that we did not incur as a private company.

These expenditures will make it more difficult for us to achieve and maintain profitability. Our efforts to grow our business may be more costly than we expect or may not result in the returns we anticipate, and we may not be able to increase our revenue enough to offset our higher operating expenses. If we are forced to reduce our expenses, it could negatively impact our growth and growth strategy. As a result, we can provide no assurance as to whether or when we will achieve profitability. If we are not able to achieve and maintain profitability, the value of our company and our Class A common stock could decline significantly, and you could lose some or all of your investment.

We operate in a highly competitive market and the size and resources of some of our competitors may allow them to compete more effectively than we can, which could result in a loss of our market share and a decrease in our net revenue and profitability.

The market for footwear and apparel is highly competitive. Our competitors include athletic and leisure footwear companies, as well as athletic and leisure apparel companies. We also compete directly against wholesalers and direct retailers of footwear and apparel, including large, diversified apparel companies with substantial market share and established companies expanding their production and marketing of technical footwear, as well as against retailers specifically focused on footwear. Competition may result in pricing pressures, reduced profit margins, lost market share, or a failure to grow or maintain our market share, any of which could substantially harm our business and results of operations. Many of our competitors are large apparel companies with strong worldwide brand recognition, while others are new market participants with low barriers to entry. Because of the fragmented nature of the industry, we also compete with other apparel sellers, including those specializing in athletic footwear and other casual footwear. Many of our competitors have significant competitive advantages, including longer operating histories, larger and broader customer bases, more established relationships with a broader set of suppliers, greater

brand recognition, and greater financial, research and development, store development, marketing, distribution, and other resources than we do.

We rely on technical and materials innovation to offer high-quality products.

Technical and materials innovation and quality control in the design and manufacturing process of our footwear and apparel is essential to the commercial success of our products. Research and development play a key role in technical innovation. We rely upon specialists in the fields of materials sciences, sustainability, and related fields. While we strive to produce products that are comfortable and environmentally sustainable, if we fail to introduce technical and materials innovation in our products, then consumer demand for our products could decline and we may be unable to meet our sustainability goals, which could harm our brand and reputation, and if we experience problems with the quality of our products, we may incur substantial expense to remedy the problems.

Our focus on using sustainable materials and environmentally friendly manufacturing processes and supply chain practices may increase our cost of revenue and hinder our growth.

We are dedicated to prioritizing sustainable materials, an environmentally friendly supply chain, and manufacturing processes that collectively limit our carbon footprint. As our business expands, it may be increasingly challenging to cost-effectively secure enough sustainably sourced materials to support our growth and achieve our sustainability goals while also achieving and maintaining profitability. In addition, our ability to expand into new product categories depends in part on our ability to identify new sustainable materials that are suitable for our products. Our inability to source materials that meet our sustainability requirements in sufficient volumes could result in slower growth, increased costs, and/or lower net profits. Additionally, as our business expands, we may not be able to identify suppliers and manufacturers with business practices that reflect our commitment to sustainability, which may harm our ability to expand our supply chain to meet the expected growth of our business. If any of these factors prevent us from meeting our sustainability goals or increase the carbon footprint of any our products, then it could have an adverse effect on our brand, reputation, results of operations, and financial condition.

If we fail to attract new customers, retain existing customers, or maintain or increase sales to customers, our business, financial condition, results of operations, and growth prospects will be harmed.

Our success depends in large part upon widespread adoption of our products by our customers. In order to attract new customers and continue to expand our customer base, we must appeal to and attract customers who identify with our sustainable footwear and apparel products. If the number of people who are willing to purchase our products does not continue to increase, if we fail to deliver a high quality shopping experience, or if our current or potential future customers are not convinced that our products are superior to alternatives, then our ability to retain existing customers, acquire new customers, and grow our business may be harmed. We have made significant investments in enhancing our brand and attracting new customers, and we expect to continue to make significant investments to promote our products. Such campaigns can be expensive and may not result in new customers or increased sales of our products. Further, as our brand becomes more widely known, we may not attract new customers or increase our net revenue at the same rates as we have in the past. If we are unable to acquire new customers who purchase products in numbers sufficient to grow our business, we may not be able to generate the scale necessary to drive beneficial network effects with our suppliers, our net revenue may decrease, and our business, financial condition, and results of operations may be materially adversely affected.

In addition, our future success depends in part on our ability to increase sales to our existing customers over time, as a significant portion of our net revenue is generated from sales to existing customers, particularly those existing customers who are highly engaged and make frequent and/or large purchases of the products we offer. If existing customers no longer find our products appealing, are not satisfied with our customer service, or if we are unable to timely update our products to meet current trends and customer demands, our existing customers may not make purchases, or if they do, they may make fewer or smaller purchases in the future.

If we are unable to continue to attract new customers or our existing customers decrease their spending on the products we offer or fail to make repeat purchases of our products, our business, financial condition, results of operations, and growth prospects will be harmed.

Climate change and increased focus by governments, organizations, customers, and investors on sustainability issues, including those related to climate change and socially responsible activities, may adversely affect our reputation, business, and financial results.

Climate change is occurring around the world and may impact our business in numerous ways. Such change could lead to an increase in prices of raw materials, commodities, and/or packaging, as well as reduced availability of key manufacturing components. Increased frequency of extreme weather, such as storms, hurricanes, and floods, could cause increased disruption to the production and distribution of our products and have an adverse impact on consumer demand and spending.

Investor advocacy groups, certain institutional investors, investment funds, other market participants, stockholders, and stakeholders have focused increasingly on the environmental, social, and governance, or ESG, and related sustainability practices of companies. These parties have placed increased importance on the implications of the social cost of their investments. In addition to our status as a PBC and certified B Corporation, or B Corp, we are focused on being an ESG leader in our industry. If our ESG practices do not meet investor or other stakeholder expectations and standards (which are continually evolving and may emphasize different priorities than the ones we choose to focus on), or if our ESG practices do not live up to our own values or ESG- and sustainability-related goals, then our brand, reputation, and employee retention may be negatively impacted. It is possible that stakeholders may not be satisfied with our ESG practices or the speed of their adoption. We could also incur additional costs and require additional resources to monitor, report, and comply with various ESG practices and regulations and to achieve our sustainability goals. Also, our failure, or perceived failure, to manage reputational threats and meet expectations with respect to socially responsible activities and sustainability commitments could negatively impact our brand credibility, employee retention, and the willingness of our customers and suppliers to do business with us.

If we are unable to anticipate product trends and consumer preferences and successfully develop and introduce new products, we may not be able to maintain or increase our revenue and profits.

Our success depends on our ability to identify, originate, and define product trends within the footwear and apparel industry, as well as to anticipate, gauge, and react to changing consumer preferences in a timely manner. However, lead times for many of our products may make it more difficult for us to respond rapidly to new or changing product trends or consumer preferences. For example, our lead times may be longer due to our preference for ocean shipping and other more sustainable supply chain practices to reduce carbon emissions, which may take longer and be more expensive than less sustainable alternatives. If we are unable to introduce new products in a timely manner, or our new products are not accepted by our customers, our competitors may introduce similar products in a more timely fashion, which could hurt our goal to be viewed as a leader in comfortable and sustainable footwear and apparel. All of our products are subject to changing consumer preferences regarding footwear and apparel, generally, and sustainable footwear and apparel, specifically, that cannot be predicted with certainty. Our new products may not receive consumer acceptance as consumer preferences could shift rapidly to different types of styles and our future success depends in part on our ability to anticipate and respond to these changes. For example, during the COVID-19 pandemic, there has been a shift of consumer preferences to more casual and informal apparel and footwear as greater numbers of consumers have shifted to working remotely from home. In addition, our experience in anticipating consumer preferences in one category, such as footwear, may not help us predict or anticipate consumer preferences in other new categories, such as apparel. If we fail to anticipate accurately and respond to trends and shifts in consumer preferences, we could experience lower sales, excess inventories, or lower profit margins, any of which could have an adverse effect on our results of operations and financial condition.

We utilize a range of marketing, advertising, and other initiatives to increase existing customers' spend and to acquire new customers; if the costs of advertising or marketing increase, or if our initiatives fail to achieve their desired impact, we may be unable to grow the business profitably.

We create differentiated brand marketing content and utilize performance marketing to drive customers from awareness to consideration to conversion, and promoting awareness of our brand and products is important to our ability to grow our business, drive customer engagement, and attract new customers. Our marketing strategy includes brand marketing campaigns across platforms, including email, digital, display, site, direct-mail, streaming

audio, television, social media, and our Allgood Collective, as well as performance marketing efforts, including retargeting, paid search and product listing advertisements, paid social media advertisements, search engine optimization, personalized emails, and mobile push notifications through our app. In addition, our marketing strategy is global in scale, reaching consumers in the 35 countries where we sell our products.

We seek to engage with our customers and build awareness of our brands through sponsoring unique events and experiences. If our marketing efforts and messaging are not appropriately tailored to and accepted by our target customers, we may fail to attract customers, and our brand and reputation may be harmed. In addition, our marketing initiatives may become increasingly expensive as competition increases, and generating a meaningful return on those initiatives may be difficult. Our future growth and profitability and the success of our brand will depend in part upon the effectiveness and efficiency of these marketing efforts.

We receive a significant amount of visits to our digital platform via social media or other channels used by our existing and prospective customers. As eCommerce and social media continue to rapidly evolve, we must continue to establish relationships with these channels and may be unable to develop or maintain these relationships on acceptable economic and other terms. In addition, we currently receive a significant number of visits to our website and mobile app via search engine results. Search engines frequently change the algorithms that determine the ranking and display of results of a user's search, which could reduce the number of visits to our website, in turn reducing new customer acquisition and adversely affecting our results of operations. If we are unable to cost-effectively drive traffic to our digital platform, our ability to acquire new customers and our financial condition would suffer. Email marketing efforts are also important to our marketing efforts. If we are unable to successfully deliver emails to our customers or if customers do not engage with our emails, whether out of choice, because those emails are marked as low priority or spam, or for other reasons, our business could be adversely affected. Our marketing initiatives may become increasingly expensive, and generating a meaningful return on those initiatives may be difficult or unpredictable. Even if we successfully increase net revenue as a result of our marketing efforts, it may not offset the additional marketing expenses we incur.

If our marketing efforts are not successful in promoting awareness of our products, driving customer engagement, or attracting new customers, or if we are not able to cost-effectively manage our marketing expenses, our results of operations could be adversely affected.

Failure to accurately forecast consumer demand could lead to excess inventories or inventory shortages, which could result in decreased operating margins, reduced cash flows, and harm to our business.

To meet anticipated demand for our products, we must forecast inventory needs and place orders with our manufacturers based on our estimates of future demand for particular products. Our ability to accurately forecast demand for our products could be affected by many factors, including an increase or decrease in customer demand for our products or for products of our competitors, changing consumer preferences, changing product trends, our failure to accurately forecast consumer acceptance of new products, product introductions by competitors, unanticipated changes in general market conditions, store closures (including, for example, due to the COVID-19 pandemic), and weakening of economic conditions or consumer confidence in future economic conditions. If we fail to accurately forecast consumer demand, we may experience excess inventory levels or a shortage of products available for sale in our stores or for delivery to customers.

Inventory levels in excess of customer demand may result in inventory write-offs, donations by us of our unsold products, inventory write-downs, and/or the sale of excess inventory at discounted prices, any of which could cause our gross margin to suffer, impair the strength and exclusivity of our brand, and have an adverse effect on our results of operations, financial condition, and cash flows. For example, we have in the past donated excess unsold products to third parties and sold certain of our products at discounted prices at our outlet store in Northern California.

Conversely, if we underestimate customer demand for our products and fail to place sufficient orders with our manufacturers in advance, then our manufacturers may not be able to deliver products to meet our requirements and we may experience inventory shortages. Inventory shortages in our stores or third-party distribution centers could result in delayed shipments to customers, lost sales, a negative customer experience, lower brand loyalty, and

damage to our reputation and customer relationships, any of which could have an adverse effect on our results of operations, financial condition, and cash flows.

As a company that operates retail stores, we are subject to various risks, including commercial real estate and labor and employment risks.

As of December 31, 2020, we operated approximately retail store locations across countries. We lease our stores under operating leases. We expect to significantly increase the total number of stores we operate over the next few years, domestically and internationally.

Our ability to effectively obtain real estate to open new retail stores, both domestically and internationally, depends on the availability of real estate that meets our criteria for traffic, square footage, co-tenancies, lease economics, demographics, and other factors. We also must be able to effectively renew our existing real estate leases. In addition, from time to time, we seek to downsize, consolidate, reposition, or close some of our real estate locations, which may require modification of an existing lease. We generally cannot cancel these leases at our option. For example, due to the COVID-19 pandemic, across all of 2020, our stores were closed for approximately 20% of the total number of days we expected to operate. During this period, our stores were not generating any revenue, but we were generally required to continue paying rent. Similarly, if an existing or new store is not profitable, and we decide to close it, we may nonetheless be committed to perform our obligations under the applicable lease including, among other things, paying the base rent for the balance of the lease term. Similarly, we may be committed to perform our obligations under the applicable leases even if current locations of our stores become unattractive as demographic patterns change. Failure to secure adequate new locations or successfully modify leases for existing locations, or failure to effectively manage the profitability of our existing fleet of retail stores, could have an adverse effect on our results of operations and financial condition.

Additionally, the economic environment may make it difficult to determine the fair market rent of real estate properties domestically and internationally. This could impact the quality of our decisions to exercise lease options at previously negotiated rents and to renew expiring leases at negotiated rents. Any adverse effect on the quality of these decisions could impact our ability to retain real estate locations adequate to meet our targets or efficiently manage the profitability of our existing fleet of stores, which could have an adverse effect on our results of operations and financial condition.

As of December 31, 2020, we had approximately employees in our retail store operations. As a result, we are subject to costs and risks related to compliance with labor and employment laws and regulations, which could cause our business, financial condition, results of operations, or cash flows to suffer.

We have significant exposure to changes in domestic and foreign laws governing our relationships with our workforce, including wage and hour laws and regulations, fair labor standards, minimum wage requirements, overtime pay, unemployment tax rates, workers' compensation rates, pension contributions, citizenship requirements, and payroll taxes, which could have a direct impact on our operating costs. These laws change frequently, exist at multiple levels with respect to a single physical location (e.g., federal, state, and local) and may be difficult to interpret and apply.

A significant increase in minimum wage or overtime rates in countries where we have employees could have a significant impact on our operating costs and may require that we take steps to mitigate such increases, all of which may cause us to incur additional costs. There is also a risk of potential claims related to discrimination and harassment, health and safety, wage and hour laws, criminal activity, personal injury, and other claims. In addition, if a large portion of our workforce were to become members of labor organizations or parties to collective bargaining agreements, we could be vulnerable to a strike, work stoppage, or other labor action, which could have an adverse effect on our business. Our business operations and financial performance could be adversely affected by changes in our relationship with our workforce or changes to U.S. or foreign labor and employment laws and regulations.

We may be unable to successfully open new store locations in existing or new geographies in a timely manner, if at all, which could harm our results of operations.

Our growth will largely depend on our ability to successfully open and operate new stores, which depends on many factors, including, among others, our ability to:

- identify suitable store locations, the availability of which is outside of our control and may require expensive and long-term lease obligations;
- gain brand recognition and acceptance, particularly in geographies or regions that are new to us;
- negotiate acceptable lease terms;
- hire, train, and retain store personnel and field management who possess the required customer service and other skills and who share our commitment to sustainability;
- invest sufficient capital in store build-out and opening;
- immerse new store personnel and field management into our corporate culture and shared values;
- source sufficient inventory levels; and
- successfully integrate new stores into our existing operations and information technology systems.

We may be unsuccessful in identifying new markets where our sustainable footwear and apparel products and brand image will be accepted. In addition, we may not be able to open or profitably operate new stores in existing, adjacent, or new locations due to market saturation and/or other macro conditions (e.g., the impact of COVID-19).

Our business depends on our ability to maintain a strong community of engaged customers and Allgood Collective Ambassadors, including through the use of social media. We may be unable to maintain and enhance our brand if we experience negative publicity related to our marketing efforts or use of social media, we fail to maintain and grow our network of Allgood Collective Ambassadors, or otherwise fail to meet our customers' expectations.

As of December 31, 2020, we partnered with over Ambassadors who were members of our Allgood Collective, which is intended to help raise awareness of our brand and engage with our community. Our ability to maintain relationships with our existing Allgood Collective Ambassadors and to identify new Ambassadors is critical to expanding and maintaining our customer base. As our market becomes increasingly competitive or as we expand internationally, recruiting, and maintaining new Ambassadors to join our Allgood Collective may become increasingly difficult. If we are not able to develop and maintain strong relationships with our Ambassador network, our ability to promote and maintain awareness of our brand may be adversely affected. Further, if we incur excessive expenses in this effort, our business, financial condition, and results of operations may be adversely affected.

We and our Allgood Collective Ambassadors use third-party social media platforms to raise awareness of our brand and engage with our community. As existing social media platforms evolve and new platforms develop, we and our Allgood Collective Ambassadors must continue to maintain a presence on these platforms and establish a presence on emerging popular social media platforms. If we are unable to cost-effectively use social media platforms as marketing tools, our ability to acquire new customers and our financial condition may suffer. Furthermore, as laws and regulations governing the use of these platforms evolve, any failure by us, our Allgood Collective Ambassadors, or third parties acting at our direction to abide by applicable laws and regulations in the use of these platforms could subject us to regulatory investigations, class action lawsuits, liability, fines, or other penalties and adversely affect our business, financial condition, and results of operations. In addition, an increase in the use of social media for product promotion and marketing may cause an increase in the burden on us to monitor compliance of such content and increase the risk that such content could contain problematic product or marketing claims in violation of applicable regulations.

Allgood Collective Ambassadors may engage in behavior or use their online presence or personal image in a manner that reflects poorly on our brand or is in violation of applicable regulations or platform terms of service, and that may be attributed to us. Negative commentary regarding us, our products, or Allgood Collective Ambassadors and other third parties who are affiliated with us, whether accurate or not, may be posted on social media platforms at any time and may adversely affect our reputation, brand, and business. The harm may be immediate, without affording us an opportunity for redress or correction, and could have an adverse effect on our business, financial condition, and results of operations.

In addition, customer complaints or negative publicity related to our website, mobile app, products, product delivery times, customer data handling, marketing efforts, security practices, or customer support, especially on blogs and social media websites, could diminish customer loyalty and community engagement and harm our brand and business.

If we continue to grow at a rapid pace, we may be unable to effectively manage our growth and the increased complexity of our business and, as a result, our brand, business, and financial performance may suffer.

We have expanded our operations rapidly since our inception in 2015, and our net revenue has increased from $126.0 million in 2018 to $193.7 million in 2019 and to $219.3 million in 2020. If our operations continue to grow at a rapid pace, we may experience difficulties in obtaining sufficient raw materials and manufacturing capacity to produce our products, as well as delays in production and shipments, as our products are subject to risks associated with overseas sourcing and manufacturing. We could be required to continue to expand our sales and marketing, product development, and distribution functions, invest in opening and operating a greater number of retail stores in our existing jurisdictions and/or in new jurisdictions, upgrade our management information systems and other processes and technology, and obtain more space for our expanding workforce. This expansion could increase the strain on our resources, expose us to legal and compliance risk across new jurisdictions, and cause us to experience operating difficulties, including difficulties in hiring, training, and managing an increasing number of employees, especially to the extent the growth in our "flock" exposes us to a greater number of jurisdictions' employment, health, and safety and other regulatory and compliance requirements. Any of these or other difficulties in effectively managing our growth and the increased complexity of our business could result in the erosion of our brand image which could have a material adverse effect on our financial condition.

Our financial results may be adversely affected if substantial investments in businesses and operations, including in our retail stores, fail to produce expected returns.

From time to time, we may invest in technology, business infrastructure, new businesses, product offering, and manufacturing innovation and expansion of existing businesses, such as our recent expansion of sales outside of the United States, which require substantial cash investments and management attention. We expect to invest substantially in expanding the number and geographic reach of our retail stores in the short- and mid-term. We believe cost-effective investments are essential to business growth and profitability; however, significant investments are subject to typical risks and uncertainties inherent in developing a new business or expanding an existing business. The failure of any significant investment to provide expected returns or profitability could have a material adverse effect on our financial results and divert management attention from more profitable business operations.

We are subject to risks related to our ESG activities and disclosures, and our reputation and brand could be harmed if we fail to meet our public sustainability targets and goals.

In 2020, we began making our carbon footprint calculations available for our products. In 2021, we announced a highly ambitious sustainability strategy in service of our aim to reverse climate change through better business. Our sustainability strategy has three strategic priorities: (1) Regenerative Agriculture, (2) Renewable Materials, and (3) Responsible Energy. These priorities are underpinned by 10 targets, which we intend to achieve by the end of 2025, or the 2025 Targets. In addition, we have announced a goal to reduce our per-unit carbon emissions to less than 1 kg of carbon dioxide equivalent emissions by 2030, or the 2030 Goal. We anticipate continuing to make ESG disclosures and expanding the number of disclosures we make over time.

While our sustainability strategy and practices and the level of transparency with which we are approaching them are foundational to our business, they expose us to several risks, including:

- that we may fail or be unable to fully achieve one or more of the 2025 Targets or the 2030 Goal due to a range of factors within or beyond our control (including a failure for governments and other third parties to make the investments that are required to make infrastructure improvements, such as greater availability of cleaner energy grids), or that we may adjust or modify our stated goals in light of new information, adjusted projections, or a change in business strategy, any of which could negatively impact our brand, reputation, and business;

- that achieving the 2025 Targets and/or 2030 Goal may require us to expend significant resources, which could divert the attention of our senior management and key personnel, delay the time by which we can achieve profitability, harm us competitively, or otherwise limit our ability to make investments in our growth;

- that our disclosures related to ESG may result in heightened scrutiny from stakeholders or other third parties of our ESG performance, activities, and decisions;

- that a failure to or perception of a failure to disclose metrics and set goals that are rigorous enough or in an acceptable format, a failure to appropriately manage selection of goals, a failure to or perception of a failure to make appropriate disclosures, stakeholder perception of a failure to prioritize the "correct" ESG goals, or an unfavorable ESG-related rating by a third party could negatively impact our brand, reputation, and business;

- that certain metrics we utilize receive limited assurance from and/or verification by third parties, may involve a less rigorous review process than assurance sought in connection with more traditional audits, and such a review process may not identify errors and may not protect us from potential liability under the securities laws;

- that the third-party data used in our carbon footprint calculations are determined to be wrong or become unavailable to us for whatever reason, which would require us to find a new source of quality third-party data or develop our own, either of which could require significant resources, a temporary suspension of sharing a carbon footprint for each product, or an adjustment to carbon footprint numbers because of variations in the underlying data, and if our stakeholders react unfavorably to any such situation or we fail to adequately manage any transition, it could negatively impact our brand, reputation, and business;

- that the ESG or sustainability standards, norms, or metrics, which are constantly evolving, change in a manner that impacts us negatively or requires us to change the content or manner of our disclosures, and our stakeholders or third parties view such change(s) negatively, we are unable to adequately explain such changes, or we are required to expend significant resources to update our disclosures, any of which could negatively impact our brand, reputation, and business; and

- that our brand, reputation, and business could be negatively impacted if any of our disclosures, including our carbon footprint numbers, reporting to third-party ESG standards, or reporting against our 2025 Targets, 2023 Goal, or other goals, are inaccurate, perceived to be inaccurate, or alleged to be inaccurate.

We have a limited operating history, which makes it difficult to predict our future results of operations, particularly in newer geographies.

We were founded in May 2015 and first sold our products in 2016. As a result of our limited operating history, our ability to accurately forecast our future results of operations is limited and subject to a number of uncertainties, including our ability to plan for and model future growth. Our historical revenue growth has been inconsistent, was derived from a more concentrated number of geographies, and should not be considered indicative of our future performance. Further, in future periods, our revenue growth could slow or our revenue could decline for a number of reasons, including a decline in demand for our products as a result of the COVID-19 pandemic or for other reasons, an increase in competition, a decrease in the growth of our overall market, our entry into new geographies where our

prior operating history is less relevant or predictive, or our failure, for any reason, to continue to capitalize on growth opportunities. In addition, we regularly release new products and it is difficult to predict the commercial success of newly released products. We have also encountered, and will continue to encounter, risks and uncertainties frequently experienced by growing companies in rapidly changing industries, such as the risks and uncertainties described herein. If our assumptions regarding these risks and uncertainties (which we use to plan our business) are incorrect or change due to changes in our market or the geographies where we operate and where we sell our products, or if we do not address these risks successfully, our operating and financial results could differ materially from our expectations, and our business could suffer.

Our future success is substantially dependent on the continued service of our co-founders and co-Chief Executive Officers, as well as other senior management, and our ability to attract and retain talent.

We depend on the continued services and performance of our senior management and other key personnel, including Timothy Brown and Joseph Zwillinger, our co-founders and Co-Chief Executive Officers. Mr. Brown's and Mr. Zwillinger's employment with us is at-will, which means that they may resign or could be terminated for any reason at any time. Should either of them stop working for us for any reason, it is unlikely that the other co-founder would be able to fulfill the responsibilities of the departing co-founder, nor is it likely that we would be able to immediately find a suitable replacement. Our other senior management and key employees are also employed on an at-will basis, with the exception of one member of our senior management team who resides in the United Kingdom and is entitled to standard statutory rights under local law. We currently do not have "key person" insurance on any of our employees. The loss of key personnel, including members of management, supply chain, innovation and sustainability, product development, marketing, and sales personnel, could disrupt our operations and seriously harm our business.

To successfully grow and operate our business and execute our strategic plans, we must attract and retain highly qualified personnel. Competition for executives and highly skilled personnel is often intense, especially in Northern California, where our headquarters is located. As we become a more mature company, we may find our recruiting efforts more challenging. Many of the companies with which we compete for experienced personnel have greater resources than we have. The incentives to attract, retain, and motivate employees provided by our equity awards or by future arrangements, such as through cash bonuses, may not be as effective as our past incentive or as the current incentives offered by our competitors. We may not be successful in attracting, integrating, or retaining qualified personnel to fulfill our current or future needs. We may experience difficulty in hiring and retaining highly skilled employees with appropriate qualifications. Our recruiting efforts may also be limited or delayed by laws and regulations, such as restrictive immigration laws, and restrictions on travel or availability of visas (particularly during the ongoing COVID-19 pandemic). For example, as we expand into new geographies, we must navigate the recruiting and employment-related aspects of local rules and requirements in each such jurisdiction as part of our hiring plans. Similarly, our rate of employee attrition could be impacted by the pace and recovery of businesses and the job market once the COVID-19 pandemic subsides, the general health of the economy, the rate of unemployment, the perceived or actual mobility of our highly skilled employees who may be recruited away by our competitors, or our existing employees' preferences with respect to remote or "hybrid" working arrangements based on their experiences during the COVID-19 pandemic, which preferences may diverge from the nature and conditions of the roles we believe are most appropriate for our business once the COVID-19 pandemic subsides. If our employee attrition is higher than expected, we may find it difficult to fill our hiring needs without substantial expense.

Failure to manage our employee base and hiring needs effectively, including successfully recruiting and integrating our new hires, or to retain and motivate our current personnel may adversely affect our business, financial condition, and results of operations.

If we cannot maintain our culture and values as we grow, our business could be harmed.

We believe that a critical component of our success has been our corporate culture and values. We have invested substantial time and resources in building our culture, which is rooted in innovation, teamwork, and achieving profit with purpose. Relatedly, we believe that our status as a PBC, our commitment to environmental conservation and sustainability, and our certified B Corp status, all of which are foundational aspects of our culture

and values, distinguish us from our competitors and promote a relationship among our customers, partners, and employees founded on trust.

However, as we continue to grow, including geographically expanding our presence outside of our headquarters in San Francisco, California, and developing the infrastructure associated with being a public company, we face a number of challenges that may affect our ability to sustain our corporate culture and shared values, including:

- a need to identify, attract, reward, and retain people in key leadership positions in our organization who share and further our culture, values, mission, and public benefit objective;
- the increasing size and geographic diversity of our workforce, which may limit our ability to promote a uniform and consistent culture and set of shared values across all of our offices and employees globally;
- the wider array of alternative working arrangements we now permit or may in the future permit, including part-time or flexible roles, fully remote roles, or "hybrid" roles (where a mix of in-person and remote work is permitted);
- the costs of our employee health and well-being initiatives and other ESG investments, which are required to maintain our corporate culture and live up to our values, but which may be more expensive than those of our competitors;
- the loss of our certified B Corp status;
- competitive pressures that may divert us from our mission, vision, and values, and may cause us to take actions that are contrary to, or that our workforce views as contrary to, our culture or values;
- our rapidly evolving industry; and
- the increasing need to develop expertise in new areas of business that affect us.

Any failure to preserve our corporate culture (or localize it authentically) or any failure to live up to our values as a company, particularly those related to environmental conservation and sustainability, could negatively affect our brand and reputation, harm our business, and limit our future success, including our ability to retain and recruit personnel and to effectively focus on and pursue our corporate objectives.

Merchandise returns could harm our business.

We allow customers to return products under a return policy that we believe is more generous than the industry standard. For example, for footwear, we generally accept merchandise returns for full refund or exchange if returned within 30 days of the original purchase date. Our revenue is reported net of returns, discounts, and any taxes collected from customers and remitted to government authorities. We estimate an allowance for expected product returns based on historical return trends. Revenue is presented net of the sales return allowance, and the expected inventory right of recovery is presented as a reduction of cost of revenue. The introduction of new products, changes in customer confidence or shopping habits or other competitive and general economic conditions could cause actual returns to exceed our estimates. If actual return costs differ from previous estimates, the amount of the liability and corresponding revenue are adjusted in the period in which such costs occur. In addition, from time to time, our products may be damaged in transit, which can also increase return rates. Returned goods may also be damaged in transit as part of the return process which can impede our ability to resell the returned goods. From time to time, customers have abused our return policy by, for example, returning shoes that have been worn repeatedly for all or most of the 30-day return window and cannot be resold. Competitive pressures could cause us to alter our return policies or our shipping policies, which could result in an increase in damaged products and an increase in product returns. If the rate of product returns increases significantly or if product return economics become less efficient, our business, financial condition, and results of operations could be harmed.

Counterfeit or "knock-off" products, as well as products that are "inspired-by-Allbirds," may siphon off demand we have created for sustainable footwear and apparel, and may result in customer confusion, harm to our brand, a loss of our market share, and/or a decrease in our results of operations.

We face competition from counterfeit or "knock-off" products manufactured and sold by third parties in violation of our intellectual property rights, as well as from products that are inspired by our footwear in terms of sustainability, design, and style, including private label offerings by eCommerce retailers. In the past, third parties have established websites to target users on Facebook or other social media platforms with "look alike" websites intended to trick users into believing that they were purchasing Allbirds shoes at a steep discount. Some individuals who actually made purchases from such "look alike" websites believed they had purchased from our actual website and subsequently submitted complaints to us.

These activities of third parties may result in customer confusion, require us to incur additional administrative costs to manage customer complaints related to counterfeit goods, divert customers from us, cause us to miss out on sales opportunities, and result in a loss of our market share. We could also be required to increase our marketing and advertising spend. If consumers are confused by these other products and believe them to be actual Allbirds, we could be forced to deal with dissatisfied customers who mistakenly blame us for poor service or poor-quality goods.

In addressing these or similar issues in the future, we may also be required to incur substantial expense to protect our brand and enforce our intellectual property rights, including through legal action in the United States or in foreign countries, which could negatively impact our results of operations and financial condition.

These and similar "counterfeit" or "inspired-by-Allbirds" issues could reoccur and could again result in customer confusion, harm to our brand, a loss of our market share, and/or a decrease in our results of operations.

We may seek to grow our business through acquisitions of, or investments in, new or complementary businesses, facilities, technologies, or products, or through strategic alliances; the failure to adequately manage these acquisitions, investments, or alliances, to integrate them with our existing business, or to realize anticipated returns, could adversely affect us.

From time to time, we may consider opportunities to acquire or make investments in new or complementary businesses, facilities, technologies, offerings, or products, or enter into strategic alliances, that may enhance our capabilities, expand our outsourcing and supplier network, complement our current products, or expand the breadth of our markets. Acquisitions, investments and other strategic alliances involve numerous risks, including:

- problems integrating the acquired business, facilities, technologies, or products, including issues maintaining uniform standards, procedures, controls, policies, and culture;
- unanticipated costs associated with acquisitions, investments, or strategic alliances;
- diversion of management's attention from our existing business;
- adverse effects on existing business relationships with suppliers, outsourced manufacturing partners, and other third parties;
- risks associated with entering new markets in which we may have limited or no experience;
- potential loss of key employees of acquired businesses; and
- increased legal and accounting compliance costs.

We may be unable to identify acquisitions or strategic relationships we deem suitable. Even if we do, we may be unable to successfully complete any such transactions on favorable terms or at all, or to successfully integrate any acquired business, facilities, technologies, or products into our business or retain any key personnel, suppliers, or customers. Furthermore, even if we complete such transactions and effectively integrate the newly acquired business or strategic alliance into our existing operations, we may fail to realize the anticipated returns and/or fail to capture the expected benefits, such as strategic or operational synergies or cost savings. The efforts required to complete and

integrate these transactions could be expensive and time-consuming and may disrupt our ongoing business and prevent management from focusing on our operations. If we are unable to identify suitable acquisitions or strategic relationships, or if we are unable to integrate any acquired businesses, facilities, technologies, and products effectively, or if we fail to realize anticipated returns or capture expected benefits, our business, financial condition, and results of operations could be adversely affected.

Certain of our key operating metrics are subject to inherent challenges in measurement, and any real or perceived inaccuracies in such metrics or the underlying data may cause a loss of investor confidence in such metrics, and the market price of our Class A common stock may decline.

We track certain key operating metrics using internal and/or external data analytics tools, which have certain limitations, including, but not limited to, imperfect data collection (e.g., lack of emails and/or other identifiers for certain customers who purchase via our retail channels and do not supply such information). In addition, we rely on data received from third parties, including third-party platforms, to track certain performance indicators, and we may be limited in our ability to verify such data. In addition, our methodologies for tracking metrics may change over time, which could result in changes to the metrics we report. If we undercount or overcount performance due to the internal data analytics tools we use or issues with the data received from third parties, if our internal data analytics tools contain algorithmic or other technical errors, or if changes in access to third party data or external reporting standards require modifications to how we calculate certain operating metrics, the data we report may not be accurate or comparable with prior periods. In addition, limitations, changes, or errors with respect to how we measure data may affect our understanding of certain details of our business, which could affect our longer-term strategies. If our performance metrics are not, or are not perceived to be, accurate representations of our business, if we discover material inaccuracies in our metrics or the data on which such metrics are based, or if we can no longer calculate any of our key performance metrics with a sufficient degree of accuracy, investors could lose confidence in the accuracy and completeness of such metrics, which could cause the price of our Class A common stock to decline.

Our business is affected by seasonality.

Our business is affected by the general seasonal trends common to the retail footwear and apparel industry. As a result, historically, we have generated a higher proportion of net revenue, and incurred higher selling and marketing expenses, during the holiday season in the fourth quarter of the year compared to other quarters, and we expect these trends to continue. This seasonality may adversely affect our business and cause our results of operations to fluctuate.

Risks Related to Our Supply Chain

Our reliance on suppliers and manufacturers to provide materials for and to produce our products could cause problems in our supply chain.

We do not manufacture our products or the raw materials for them and rely instead on suppliers. Many of the materials used in our products are developed and manufactured by third parties and may be available, in the short-term, from only one or a very limited number of sources, some of whom have been or may be impacted by the COVID-19 pandemic. Our contracts with some suppliers and manufacturers may not adequately meet our production requirements, and we compete with other companies for raw materials and production.

We have experienced, and may in the future experience, a significant disruption in the supply of raw materials from current sources and we may be unable to locate alternative materials suppliers of comparable quality at an acceptable price in time, or at all. These issues and risks have been exacerbated by the COVID-19 pandemic, which has resulted in travel limitations and stay-at-home orders in most or all parts of the world for much of 2020 and the early part of 2021. In addition, if we experience significant increased demand, or if we need to replace an existing supplier or manufacturer, we may be unable to locate additional supplies of raw materials or additional manufacturing capacity on terms that are acceptable to us, or at all, or we may be unable to locate any supplier or manufacturer with sufficient capacity to meet our requirements or to fill our orders in a timely manner. These issues and risks are increased as a result of our commitments to sustainability, including our use of specific materials and manufacturing processes and the sustainability and ESG-related requirements we impose on our suppliers, which

generally limit the number of suppliers who could potentially satisfy our requirements. Identifying a suitable supplier is an involved process that requires us to become satisfied with its quality control, responsiveness and service, financial stability, environmental impact, and labor and other ethical practices. Even if we are able to expand existing or find new manufacturing or materials sources, we may encounter delays in production and added costs as a result of the time it takes to train our suppliers and manufacturers in our methods, products, and quality control standards. Delays related to supplier changes could also arise due to an increase in shipping times if new suppliers are located farther away from our markets or from other participants in our supply chain or if an alternative shipping and transportation route is required, any of which could increase our overall environmental impact and which could also negatively impact our reputation and the carbon footprint scoring of our products. Any delays, interruption, or increased costs in the supply of materials or manufacture of our products could have an adverse effect on our ability to meet customer demand for our products and result in lower net revenue and income from operations both in the short and long term.

Our business is subject to the risk of manufacturer concentration.

We depend significantly on a limited number of third-party contract manufacturers for the sourcing of the vast majority of our products. As a result of this concentration in our supply chain, our business and operations would be negatively affected if any of our key manufacturers were to experience significant disruption affecting the price, quality, availability, or timely delivery of products. The partial or complete loss of these key manufacturers, or a significant adverse change in our relationship with any of these manufacturers, could result in lost sales, added costs, and distribution delays that could harm our business and customer relationships. In addition, as a result of our commitments to sustainability, including our use of specific materials and manufacturing processes and the sustainability and ESG-related requirements we impose on our contract manufacturers, there are generally fewer manufacturers who could potentially satisfy our requirements without substantial lead time or without requiring us to incur much higher costs, so we may be unable to replace a key manufacturer without substantial time and expense.

Failure of our contractors or our licensees' contractors to comply with our supplier code of conduct, contractual obligations, local laws, and other standards could harm our business.

We work with contractors, most of which are located outside of the United States, to manufacture our products. We require the contractors that directly manufacture our products as well as those that manufacture the materials used to manufacture our products to comply with our supplier code of conduct and other social, environmental, health, and safety standards for the benefit of workers. We also require these contractors to comply with applicable standards for product safety. Notwithstanding their contractual obligations to comply with our policies and applicable standards, from time to time, contractors may not comply with such standards or applicable local law or our licensees may fail to enforce such standards or applicable local law on their contractors. Significant or continuing noncompliance with such standards and laws by one or more contractors could harm our reputation or result in a product recall and, as a result, could have an adverse effect on our sales and financial condition. Similarly, agreements that we enter into with these contractors generally do not require blanket exclusivity with us; as a result, some contractors may be permitted to work with parties who could be deemed competitive, which could harm our business.

In addition, failure of one or more contractors to comply with applicable laws and regulations and contractual obligations could lead to litigation against us or require us to initiate litigation to enforce our contracts, resulting in increased legal expenses and costs. Furthermore, the failure of any such contractors to provide safe and humane factory conditions and oversight at their facilities could damage our reputation with customers or result in legal claims against us. Furthermore, any such noncompliance by our contractors, product recalls, or negative publicity regarding production methods, alleged practices, or workplace or related conditions of any of our suppliers, manufacturers, or licensees could adversely affect our brand image, result in lost sales, require us to divert resources to address and remediate these issues, expose us to legal claims, and force us to locate alternative suppliers, manufacturers or licensees, any of which could have an adverse effect on our business, financial condition, and results of operations. Any of these issues with our contractors could have a greater negative impact on us, due to the importance of ESG and sustainability practices to our brand and business.

Failure of our suppliers or manufacturers to consistently provide high-quality materials and products could adversely affect our brand and reputation and cause our business and results of operations to suffer.

Our success depends on our ability to provide our customers with the sustainable footwear and apparel they seek, which in turn depends on the quantity and quality of the finished products provided by our manufacturing partners, which depends on the quantity and quality of the raw materials they receive from our supply partners. We may be unable to provide customers with the high-quality sustainable footwear and apparel they seek if our supply chain partners do not consistently produce high-quality products for us to sell.

We believe that many of our new customers find us by word of mouth and other non-paid referrals from existing customers. If existing customers are dissatisfied with their product experience due to defects in the materials or manufacturing of our products or other quality related concerns, then they may stop buying our products and may stop referring others to us, and we could experience an increase in the rate of product returns. If we are unable to retain existing customers and attract new customers due to quality issues that we fail to identify and remedy, our growth prospects would be harmed and our business could be adversely affected. If product quality issues are widespread or result in product recalls, our brand and reputation could be harmed, we could incur substantial costs, and our results of operations and financial condition could be adversely affected.

The fluctuating cost of raw materials could increase our cost of revenue and cause our results of operations and financial condition to suffer.

The raw materials and commodities used by our suppliers and manufacturers include tree fiber, merino wool, sugarcane, castor bean oil, natural rubber, recycled plastic bottles, and paper products. Our suppliers and manufacturers' costs for raw materials and commodities are affected by, among other things, weather, consumer demand, speculation on the commodities market, the relative valuations and fluctuations of the currencies of producer versus consumer countries, and other factors that are generally unpredictable and beyond our control. In addition, if key suppliers, the footwear and apparel industry, or a group of countries adopt and enforce carbon pricing, then the price of raw materials and commodities could increase. Increases in the cost of raw materials could have a material adverse effect on our cost of revenue, results of operations, financial condition, and cash flows.

The operations of our suppliers, most of which are located outside of the United States, are subject to additional risks that are beyond our control and that could harm our business, financial condition, and results of operations.

Currently, most of our suppliers are located outside of the United States. As a result of our global suppliers, we are subject to risks associated with doing business abroad, including:

- political unrest, terrorism, labor disputes, and economic instability resulting in the disruption of trade from foreign countries in which our products are manufactured, including China;
- the imposition of new laws and regulations, including those relating to labor conditions, quality, and safety standards, imports, duties, taxes, and other charges on imports, as well as trade restrictions and restrictions on currency exchange or the transfer of funds, particularly new or increased tariffs imposed by the United States on imports from countries where our products are manufactured, including, for example, South Korea, Vietnam, China, and Peru;
- greater challenges and increased costs with enforcing and periodically auditing or reviewing our suppliers and manufacturers' compliance with our supplier code of conduct, including their labor and sustainability practices, given that their facilities are located outside of the United States and, in many cases, far away from our offices and management;
- reduced protection for intellectual property rights, including trademark protection, in some countries, particularly China;

- disruptions in operations due to global, regional, or local public health crises or other emergencies or natural disasters, including, for example, disruptions due to the ongoing COVID-19 pandemic given the emergence of new variants and disparities in availability of vaccines in different parts of the world;
- disruptions or delays in shipments; and
- changes in local economic conditions in countries where our manufacturers, suppliers, or customers are located.

These and other factors beyond our control, particularly in light of the COVID-19 pandemic, could interrupt our suppliers' production, influence the ability of our suppliers to export our products cost-effectively or at all, and inhibit our suppliers' ability to procure certain materials, any of which could harm our business, financial condition, and results of operations.

Shipping and delivery are critical parts of our business and any changes in, or disruptions to, our shipping and delivery arrangements could adversely affect our business, financial condition, and results of operations.

We rely on several ocean, air parcel, and "less than truckload" carriers to deliver the products we sell. If we are not able to negotiate acceptable pricing and other terms with these providers, or if these providers experience performance problems or other difficulties in processing our orders or delivering our products to customers, it could negatively impact our results of operations, financial condition, and our customers' experience. For example, changes to the terms of our shipping arrangements or the imposition of surcharges or surge pricing may adversely impact our margins and profitability. In addition, our ability to receive inbound inventory efficiently and ship merchandise to customers may be negatively affected by factors beyond our and these providers' control, including pandemic, weather, fire, flood, power loss, earthquakes, acts of war or terrorism, or other events specifically impacting other shipping partners, such as labor disputes, financial difficulties, system failures, and other disruptions to the operations of the shipping companies on which we rely. We have in the past experienced, and may in the future experience, shipping delays for reasons outside of our control. We are also subject to risks of damage or loss during delivery by our shipping vendors. If the products ordered by our customers are not delivered in a timely fashion, including to international customers, or are damaged or lost during the delivery process, our customers could become dissatisfied and cease buying products from us, which would adversely affect our business, financial condition, and results of operations.

If we do not successfully optimize, operate, and manage our global network of third-party owned and operated logistics and distribution centers, our business, financial condition, and results of operations could be harmed.

Our success depends on our global logistics and distribution network. Currently, we rely predominantly on a few third-party logistics providers to store our finished products in, and distribute our products to customers from, their warehouse locations in the United States, Canada, United Kingdom, the Netherlands, China, Japan, South Korea, and New Zealand. Our ability to meet customer expectations, manage inventory, complete sales, and achieve objectives for operating efficiencies and growth, particularly in emerging markets, depends on the proper operation of these third parties' distribution facilities, the development or expansion of additional distribution capabilities, and the timely performance of services by third parties (including those involved in shipping product to and from our distribution facilities). If we continue to add third-party logistics providers, require them to expand their fulfillment, distribution, and warehouse capabilities, including adding additional locations in new countries, add products categories with different fulfillment requirements or change the mix of products that we sell, our global logistics and distribution network will become increasingly complex and operating it will become more challenging for us and our third-party logistics providers. The expansion and growth of our logistics and distribution center network may put pressure on our managerial, financial, operational, and other resources. In addition, we may be required to expand our capacity sooner than we anticipate. If we are unable to secure new or expand existing third-party logistics providers to meet our future needs, our order fulfillment and shipping times may be delayed and our business, financial condition, and results of operations could be adversely affected. The third-party owned and operated logistics and distribution centers we rely on could be interrupted by issues beyond our control, including information technology problems, disasters such as earthquakes or fires, or outbreaks of disease or government actions taken to mitigate their spread. For example, during the COVID-19 pandemic, several logistics providers we

rely on faced staffing shortages, which impacted their businesses and resulted in delayed shipping and delivery times. Any significant failure in our distribution facilities could result in an adverse effect on our business. We maintain business interruption insurance, but it may not adequately protect us from adverse effects caused by significant disruptions in our third-party logistics and distribution centers.

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

Our failure or inability to protect or enforce our intellectual property rights could diminish the value of our brand and weaken our competitive position.

We currently rely on a combination of trademark, trade dress, copyright, patent, and unfair competition laws, as well as confidentiality procedures and licensing arrangements, to establish and protect our intellectual property rights. The steps we take to protect our intellectual property rights may not be adequate to prevent infringement of these rights by others. We regularly face the imitation of our products, the manufacture and distribution of "knock-off" and counterfeit products, and the misappropriation of our brand and product names. For instance, we have had to litigate against a third party misappropriating our WOOL RUNNERS trademark and have had to enforce against third parties manufacturing and selling products that violate our design patents.

In addition, intellectual property protection may be unavailable or limited in some foreign countries where laws or law enforcement practices may not protect our intellectual property rights as fully as in the United States, and it may be more difficult for us to successfully challenge the use of our intellectual property rights by other parties in these countries. For instance, some of our trademark or trade dress applications may not be approved by the applicable governmental authorities because they are determined to lack sufficient distinctiveness, and, even if approved, may be challenged by third parties for this same reason. If we fail to protect and maintain our intellectual property rights, the value of our brand could be diminished, and our competitive position may suffer.

Our trademarks and other proprietary rights could potentially conflict with the rights of others, and we may be prevented from selling some of our products.

Our success depends in large part on our brand image. We believe that our trademarks and other proprietary rights have significant value and are important to identifying and differentiating our products from those of our competitors and creating and sustaining demand for our products. We have applied for and obtained some U.S., E.U., and foreign trademark registrations, and will continue to evaluate the registration of additional trademarks as appropriate. However, some or all of these pending trademark applications may be refused due to prior conflicting trademarks or for other reasons. We may also encounter "squatters" or bad actors that either apply to register or "squat" on previously acquired trademarks that are identical or related to our trademarks (e.g., ALLBIRDS or ALLBIRDSBROWN). In both scenarios, such third parties hope to use their prior rights as leverage to extract a favorable monetary settlement or acquisition of their rights. For instance, we recently became aware of attempts by third parties to register ALLBIRDS in India and Indonesia and have had to expend both financial and internal resources to address such filings.

Moreover, even if our applications are approved, third parties may seek to oppose, invalidate, or otherwise challenge these registrations for these same reasons, particularly as we expand our business and the number of products we offer. For example, currently, we are defending invalidation actions in China against a number of our granted registrations (e.g., for ALLBIRDS (Stylized)).

Our defense of any claim, regardless of its merit, could be expensive and time consuming and could divert management resources. Successful infringement claims against us could result in significant monetary liability or prevent us from selling some of our products. In addition, resolution of claims may require us to redesign our products, license rights from third parties, or cease using those rights altogether. Any of these events could harm our business and cause our results of operations, liquidity, and financial condition to suffer.

The inability to acquire, use, or maintain our marks and domain names for our websites could substantially harm our business, financial condition, and results of operations.

We currently are the registrant of marks for our products in numerous jurisdictions and are the registrant of the internet domain name for the website allbirds.com, as well as various related domain names. However, we have not registered our marks represented by our domain names in all international jurisdictions. Domain names generally are regulated by internet regulatory bodies and may not be generally protectable as trademarks in and of themselves. We have incurred, and as our business grows, may continue to incur material costs in connection with the registration, maintenance, and protection of our marks. If we do not have or cannot obtain on reasonable terms the ability to use our marks in a particular country, or to use or register our domain name, we could be forced either to incur significant additional expenses to market our products within that country, including the development of a new brand and the creation of new promotional materials and packaging, or to elect not to sell products in that country. Either result could adversely affect our business, financial condition, and results of operations.

Furthermore, the regulations governing domain names and laws protecting marks and similar proprietary rights could change in ways that block or interfere with our ability to use relevant domains or the Allbirds brand. Also, we might not be able to prevent third parties from registering, using, or retaining domain names that interfere with our customer communications or infringe or otherwise decrease the value of our marks, domain names, and other proprietary rights. Regulatory bodies also may establish additional generic or country-code top-level domains or may allow modifications of the requirements for registering, holding, or using domain names. As a result, we might not be able to register, use, or maintain the domain names that use the name Allbirds in all of the countries and territories in which we currently or intend to conduct business.

Any material disruption of our information technology systems or unexpected network interruption could disrupt our business and reduce our sales.

We are increasingly dependent on information technology networks and systems, our website, and various third parties to market and sell our products and to manage a variety of business processes and activities and to comply with regulatory, legal, and tax requirements. For example, we depend on information technology systems and third parties to operate our eCommerce websites, process transactions online and in our stores, respond to customer inquiries, manage inventory, purchase, sell, and ship goods on a timely basis, and maintain cost-efficient operations. We also depend on our information technology infrastructure for digital marketing activities and for electronic communications among our personnel, customers, manufacturers, and suppliers around the world. Our website, portions of which are run through Shopify, and information technology systems, some of which are managed by third parties, may be susceptible to damage, disruptions, or shutdowns due to failures during the process of upgrading or replacing software, databases, or components, power outages, hardware failures, computer viruses, attacks by computer hackers, cybersecurity incidents caused by supply chain attacks, telecommunication failures, user errors, or catastrophic events. Our website serves as an effective extension of our marketing strategies by exposing potential new customers to our brand, product offerings, and enhanced content. Due to the importance of our website and internet-related operations, we are vulnerable to website downtime and other technical failures, which may be outside of our control. Further, any slow down or material disruption of our systems, or the systems of our third-party service providers, or our website could disrupt our ability to track, record, and analyze the products that we sell and could negatively impact our operations, shipment of goods, ability to process financial information and transactions, and our ability to receive and process customer orders or engage in normal business activities. Our third-party technology providers may also change their policies, terms, or offerings from time to time, may fail to introduce new features and offerings that meet our needs as we expand, or may cease to provide services to us on favorable terms, or at all, which could require us to adjust how we use our information technology systems, including our website, or switch to alternative third-party service providers which could be costly, cause interruptions, and could ultimately adversely affect our business, financial condition, results of operations, and growth prospects.

If our website or information technology systems, including those run by or those of our third-party providers, suffer damage, disruption, or shutdown and we or our third-party providers do not effectively resolve the issues in a timely manner, our business, financial condition, and results of operations may be adversely affected, and we could experience delays in reporting our financial results.

If our computer and communications hardware fail, or if we suffer an interruption or degradation of services, we could lose customer data and miss order fulfillment deadlines, which could harm our business. Our systems and operations are vulnerable to damage or interruption from fire, flood, power loss, telecommunications failure, terrorist attacks, cyberattacks, data loss, acts of war, break-ins, earthquake, and similar events. Any failure or interruption of our website, mobile app, internal business applications, or our technology infrastructure could harm our ability to serve our clients, which could adversely affect our business, financial condition, and results of operations.

We use complex custom-built proprietary software in our technology infrastructure. Our proprietary software may contain undetected errors or vulnerabilities, some of which may only be discovered after the software has been implemented in our production environment or released to end users. In addition, we seek to continually update and improve our software, and we may not always be successful in executing these upgrades and improvements, and the operation of our systems may be subject to failure. We may experience slowdowns or interruptions in our website when we are updating it. For example, in the past we have experienced minor slowdowns and/or impaired functionality while updating our website. Moreover, new technologies or infrastructures may not be fully integrated with existing systems on a timely basis, or at all. Any errors or vulnerabilities discovered in our software after commercial implementation or release could result in damage to our reputation, loss of customers, exploitation by bad actors resulting in data breaches or unauthorized modification of our software, disruption to our digital channels, loss of revenue, or liability for damages, any of which could adversely affect our growth prospects and our business.

Additionally, if we expand our use of third-party services, including cloud-based services, our technology infrastructure may be subject to increased risk of slowdown or interruption as a result of integration with such services and/or failures by such third parties, which are out of our control. Our net revenue depends on the number of visitors who shop on our website and the volume of orders we can handle. Unavailability of our website or mobile app or reduced order fulfillment performance would reduce the volume of goods sold and could also adversely affect customer perception of our brand. We may experience periodic system interruptions from time to time. In addition, continued growth in our transaction volume, as well as surges in online traffic and orders associated with promotional activities or seasonal trends in our business, place additional demands on our technology platform, and could cause or exacerbate slowdowns or interruptions. If there is a substantial increase in the volume of traffic on our website or the number of orders placed by customers, we will be required to further expand, scale, and upgrade our technology, transaction processing systems, and network infrastructure. There can be no assurance that we will be able to accurately project the rate or timing of increases, if any, in the use of our website or mobile app or expand, scale, and upgrade our technology, systems, and infrastructure to accommodate such increases on a timely basis. In order to remain competitive, we must continue to enhance and improve the responsiveness, functionality, and features of our website, which is particularly challenging given the rapid rate at which new technologies, customer preferences and expectations, and industry standards and practices are evolving in the eCommerce industry. Our or our third-party vendors' inability to continue to update, improve, and scale our website or mobile app and the underlying technology infrastructure could harm our reputation and our ability to acquire, retain, and serve our customers, which could adversely affect our business, financial condition, and results of operations.

Further, we endeavor to continually upgrade existing technologies and business applications, and we may be required to implement new technologies or business applications in the future. The implementation of upgrades and changes requires significant investments. Our results of operations may be affected by the timing, effectiveness, and costs associated with the successful implementation of any upgrades or changes to our systems and infrastructure. In the event that it is more difficult for our customers to buy products from us on their mobile devices, or if our customers choose not to buy products from us on their mobile devices or to use mobile products that do not offer access to our websites, our customer growth could be harmed and our business, financial condition, and results of operations may be adversely affected.

If the technology-based systems that give our customers the ability to shop with us online do not function effectively, our results of operations, as well as our ability to grow our eCommerce business globally, could be materially adversely affected.

Many of our customers shop with us through our eCommerce websites and mobile apps. Increasingly, customers are using tablets and smart phones to shop online with us and with our competitors and to do comparison

shopping. We are increasingly using social media to interact with our customers and as a means to enhance their shopping experience. Any failure on our part to provide attractive, effective, reliable, user-friendly eCommerce platforms that offer a wide assortment of merchandise with rapid delivery options and that continually meet the changing expectations of online shoppers could place us at a competitive disadvantage, result in the loss of eCommerce and other sales, harm our reputation with customers, have a material adverse impact on the growth of our eCommerce business globally and could have a material adverse impact on our business and results of operations.

Risks specific to our eCommerce business also include diversion of sales from our company-operated stores, difficulty in recreating the in-store experience through direct channels and liability for online content. Our failure to successfully respond to these risks might adversely affect sales in our eCommerce business, as well as damage our reputation and brand.

We are subject to risks related to online payment methods.

We currently accept payments using a variety of methods, including credit and cards. As we offer new payment options to consumers, we may be subject to additional regulations, compliance requirements, fraud and other risks. For certain payment methods, we pay interchange and other fees, which may increase over time and raise our operating costs and lower profitability. We are also subject to payment card association operating rules and certification requirements, including the Payment Card Industry Data Security Standard, or PCI DSS, and rules governing electronic funds transfers, which could change or be reinterpreted to make it difficult or impossible for us to comply. Failure to comply with PCI DSS or to meet other payment card standards may result in the imposition of financial penalties or the allocation by the card brands of the costs of fraudulent charges to us.

We must continue to expand and scale our information technology systems, and our failure to do so could adversely affect our business, financial condition, and results of operations.

We will need to continue to expand and scale our information technology systems and personnel to support recent and expected future growth. As such, we will continue to invest in and implement modifications and upgrades to our information technology systems and procedures, including replacing legacy systems with successor systems, making changes to legacy systems or acquiring new systems with new functionality, hiring employees with information technology expertise, and building new policies, procedures, training programs, and monitoring tools. These types of activities subject us to inherent costs and risks associated with replacing and changing these systems, including impairment of our ability to fulfill customer orders, potential disruption of our internal control structure, capital expenditures, additional administration, and operating expenses, acquisition, and retention of sufficiently skilled personnel to implement and operate the new systems, demands on management time, the introduction of errors or vulnerabilities, and other risks and costs of delays or difficulties in transitioning to or integrating new systems into our current systems. These implementations, modifications, and upgrades may not result in productivity improvements at a level that outweighs the costs of implementation, or at all. Additionally, difficulties with implementing new technology systems, delays in our timeline for planned improvements, significant system failures or our inability to successfully modify our information systems to respond to changes in our business needs may cause disruptions in our business operations and adversely affect our business, financial condition, and results of operations.

If sensitive information about our customers is disclosed, or if we or our third-party providers are subject to real or perceived cyberattacks or misuse, our customers may curtail use of our website or mobile app, we may be exposed to liability, and our reputation could suffer.

Operating our business and platform involves the collection, storage, and transmission of proprietary and confidential information, as well as the personal information of our employees and customers. Some of our third-party service providers, such as identity verification and payment processing providers, also regularly have access to customer data. In an effort to protect sensitive information, we rely on a variety of security measures, including encryption and authentication technology licensed from third parties. However, advances in computer capabilities, increasingly sophisticated tools and methods used by hackers and cyber terrorists, new discoveries in the field of

cryptography, or other developments may result in our failure or inability to adequately protect sensitive information.

Like other eCommerce companies, we are also vulnerable to hacking, malware, computer viruses, unauthorized access, phishing or social engineering attacks, ransomware attacks, credential stuffing attacks, denial-of-service attacks, exploitation of software vulnerabilities, and other real or perceived cyberattacks. Additionally, as a result of the ongoing COVID-19 pandemic, certain functional areas of our workforce remain in a remote work environment, which has heightened the risk of these potential vulnerabilities. Any of these incidents could lead to interruptions or shutdowns of our platform, loss or corruption of data or unauthorized access to, or disclosure of personal data or other sensitive information. Cyberattacks could also result in the theft of our intellectual property, damage to our IT systems or disruption of our ability to make financial reports, and other public disclosures required of public companies. We have been subject to attempted cyber, phishing, or social engineering attacks in the past and may continue to be subject to such attacks and other cybersecurity incidents in the future. If we gain greater visibility, we may face a higher risk of being targeted by cyberattacks. Advances in computer capabilities, new technological discoveries, or other developments may result in cyberattacks becoming more sophisticated and more difficult to detect. We and our third-party service providers may not have the resources or technical sophistication to anticipate or prevent all such cyberattacks. Moreover, techniques used to obtain unauthorized access to systems change frequently and may not be known until launched against us or our third-party service providers. Security breaches can also occur as a result of non-technical issues, including intentional or inadvertent actions by our employees, our third-party service providers, or their personnel.

We and our third-party service providers may experience cyberattacks aimed at disrupting our and their services. If we or our third-party service providers experience, or are believed to have experienced, security breaches that result in marketplace performance or availability problems or the loss or corruption of, or unauthorized access to or disclosure of, personal data or confidential information, consumers may become unwilling to provide us the information necessary to make purchases on our website. Existing customers may also decrease or stop their purchases altogether. While we maintain cyber errors and omissions insurance coverage that covers certain aspects of cyber risks, these losses may not be adequately covered by insurance or other contractual rights available to us. The successful assertion of one or more large claims against us that exceed or are not covered by our insurance coverage or changes in our insurance policies, including premium increases or the imposition of large deductible or co-insurance requirements, could have an adverse effect on our business, financial condition, and results of operations.

Furthermore, we may be required to disclose personal data pursuant to demands from individuals, privacy advocates, regulators, government agencies, and law enforcement agencies in various jurisdictions with conflicting privacy and security laws. Any disclosure or refusal to disclose personal data may result in a breach of privacy and data protection policies, notices, laws, rules, court orders, and regulations and could result in proceedings or actions against us in the same or other jurisdictions, damage to our reputation and brand, and inability to provide our products to customers in certain jurisdictions. Additionally, changes in the laws and regulations that govern our collection, use, and disclosure of customer data could impose additional requirements with respect to the retention and security of customer data, could limit our marketing activities, and have an adverse effect on our business, financial condition, and results of operations.

Failure to comply with federal, state, or foreign laws and regulations or our contractual obligations or industry requirements relating to privacy, data protection, and customer protection, or the expansion of current or the enactment of new laws and regulations relating to privacy, data protection, and customer protection, could adversely affect our business and our financial condition.

We collect and maintain significant amounts of data relating to our customers and employees, and we face risks inherent in handling large volumes of data, transferring such data to third parties, processing such data for tracking and marketing purposes (or providing such data to third parties for tracking and marketing purposes), and protecting the security of such data. Our actual or perceived failure to comply with any federal, state, or foreign laws and regulations, or applicable industry standards that govern or apply to our collection, use, retention, sharing, and security of data, or any failure by any of our third party service providers to protect such data that they may maintain on our behalf, could result in enforcement actions that require us to change our business practices in a manner that

may negatively impact our revenue, as well as expose ourselves to litigation, fines, civil, and/or criminal penalties and adverse publicity that could cause our customers to lose trust in us, negatively impacting our reputation and business in a manner that harms our financial position. Laws and regulations in the United States and around the world restrict how information about individuals is collected, processed, stored, used, and disclosed, as well as set standards for its security, implement notice requirements regarding privacy practices, and provide individuals with certain rights regarding the use, disclosure, and sale of their protected personal information. These laws and regulations are still being tested in courts, and they are subject to new and differing interpretations by courts and regulatory officials. We are working to comply with the privacy and data protection laws and regulations that apply to us, and we anticipate needing to devote significant additional resources to complying with these laws and regulations. It is possible that these laws and regulations may be interpreted and applied in a manner that is inconsistent from jurisdiction to jurisdiction or inconsistent with our current policies and practices.

In the United States, both federal and various state governments have adopted, or are considering, laws, guidelines, or rules for the collection, distribution, use, and storage of information collected from or about consumers or their devices. For example, California enacted the California Consumer Privacy Act, or the CCPA, which went into effect on January 1, 2020. The CCPA gives California residents expanded rights to access and delete their personal information, opt out of certain personal information sharing, and receive detailed information about how their personal information is used. The CCPA provides for civil penalties for violations, as well as statutory damages and a private right of action for data breaches that is expected to increase data breach litigation. Further, in November 2020, California voters passed the California Privacy Rights Act, or CPRA. The CPRA, which is expected to take effect on January 1, 2023 and to create obligations with respect to certain data relating to consumers as of January 1, 2022, significantly expands the CCPA, including by introducing additional obligations such as data minimization and storage limitations, granting additional rights to consumers, such as correction of personal information and additional opt-out rights, and creates a new entity, the California Privacy Protection Agency, to implement and enforce the law. Personal information we handle may be subject to the CCPA and CPRA, which may increase our compliance costs and potential liability. Virginia has similarly enacted a comprehensive privacy law, the Consumer Data Protection Act, which emulates the CCPA and CPRA in many respects and takes effect on January 1, 2023. Other states have considered similar bills, which could be enacted in the future. In addition to fines and penalties that may be imposed for failure to comply with state law, some states also provide for private rights of action to customers for misuse of or unauthorized access to personal information. Our compliance with these changing and increasingly burdensome and sometimes conflicting regulations and requirements may cause us to incur substantial costs or require us to change our business practices, which may impact our financial condition. If we fail to comply with these regulations or requirements, we may be exposed to litigation expenses and possible significant liability, fees or fines. Further, any such claim, proceeding or action could harm our reputation, brand and business, force us to incur significant expenses in defense of such proceedings, distract our management, increase our costs of doing business, result in a loss of customers and suppliers or an inability to process credit card payments, and may result in the imposition of monetary penalties. We may also be contractually required to indemnify and hold harmless third parties from the costs or consequences of non-compliance with any laws, regulations or other legal obligations relating to privacy or consumer protection or any inadvertent or unauthorized use or disclosure of data that we store or handle as part of operating our business.

Certain requirements from our third-party technology and platform providers may also cause us to modify our offerings due to privacy concerns or negatively affect our revenue due to reduced availability of information about consumers. For example, Apple iOS 14.5 requires apps in the Apple App Store to opt in to the tracking of users across apps and websites owned by third parties for advertising and measurement purposes. Changes like this may reduce the quality of the data and related metrics that can be collected or used by us and/or our partners. In addition, such changes could significantly inhibit the effectiveness of our targeted advertising and related activities.

In addition to risks posed by new privacy laws, we could be subject to claims alleging violations of long-established federal and state privacy and consumer protection laws, including those related to telephone and email communications with consumers. As an example, the Telephone Consumer Protection Act, or TCPA, is a federal law that imposes significant restrictions on the ability to make telephone calls or send text messages to mobile telephone numbers without the prior consent of the person being contacted. The TCPA provides for substantial statutory damages for violations, which has generated extensive class-action litigation. In addition, class-action

plaintiffs in the United States are employing novel legal theories to allege that federal and state eavesdropping/wiretapping laws and state constitutions prohibit the use of analytics technologies widely employed by website and mobile app operators to understand how their users interact with their services. Despite our compliance efforts, our use of text messaging communications or similar analytics technologies could expose us to costly litigation, government enforcement actions, damages, and penalties, which could adversely affect our business, financial condition, and results of operations.

Outside of the United States, certain foreign jurisdictions, including the European Economic Area, or EEA, and the United Kingdom, have laws and regulations which are more restrictive in certain respects than those in the United States. For example, the EEA and the United Kingdom have adopted the GDPR, which may apply to our collection, control, use, sharing, disclosure, and other processing of data relating to an identified or identifiable living individual (personal data). The GDPR, and national implementing legislation in EEA member states and the United Kingdom, impose a strict data protection compliance regime including: providing detailed disclosures about how personal data is collected and processed (in a concise, intelligible and easily accessible form); granting new rights for data subjects in regard to their personal data (including the right to be "forgotten" and the right to data portability), as well as enhancing current rights (e.g., data subject access requests); requirements to have data processing agreements in place to govern the processing of personal data on behalf of other organizations; introducing the obligation to notify data protection regulators or supervisory authorities (and in certain cases, affected individuals) of significant data breaches; maintaining a record of data processing; and complying with the principal of accountability and the obligation to demonstrate compliance through policies, procedures, trainings, and audits. In addition, we are subject, or may become subject, to various other data privacy and security laws and regulations of other foreign jurisdictions, including those in China and South Korea.

We also may be subject to European Union rules with respect to cross-border transfers of personal data out of the EEA. Recent legal developments in Europe have created complexity and uncertainty regarding transfers of personal data from the EEA to the United States. Most recently, on July 16, 2020, the Court of Justice of the European Union, or CJEU, invalidated the European Union-United States 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 European 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. Use of the standard contractual clauses must now be assessed on a case-by-case basis taking into account the legal regime applicable in the destination country, in particular applicable surveillance laws and rights of individuals and additional measures and/or contractual provisions may need to be put in place, however, the nature of these additional measures is currently uncertain. The CJEU went on to state that if a competent supervisory authority believes that the standard contractual clauses cannot be complied with in the destination country and the required level of protection cannot be secured by other means, such supervisory authority is under an obligation to suspend or prohibit that transfer.

These recent developments may require us to review and amend the legal mechanisms by which we make and/or receive personal data transfers to/in the United States. As supervisory authorities issue further guidance on personal data export mechanisms, including circumstances where the standard contractual clauses cannot be used and/or start taking enforcement action, we could suffer additional costs, 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 operate, 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.

The withdrawal of the United Kingdom from the European Union has created uncertainty with regard to the regulation of data protection in the United Kingdom. The relationship between the United Kingdom and the European Union in relation to certain aspects of data protection law remains unclear, for example, how data transfers between E.U. member states and the United Kingdom will be treated. Specifically, the United Kingdom exited the European Union on January 1, 2020, subject to a transition period that ended December 31, 2020. Under the post-Brexit Trade and Cooperation Agreement between the European Union and the United Kingdom, the United Kingdom and European Union have agreed that transfers of personal data to the United Kingdom from EEA

member states will not be treated as ‘restricted transfers’ to a non-EEA country for a period of up to four months from January 1, 2021, plus a potential further two months extension, or the Extended Adequacy Assessment Period. Although the current maximum duration of the Extended Adequacy Assessment Period is six months, it may end sooner, for example, in the event that the European Commission adopts an adequacy decision in respect of the United Kingdom, or the United Kingdom amends the UK GDPR/Data Protection Act 2018, or the U.K. GDPR, and/or makes certain changes regarding data transfers under the U.K. GDPR without the consent of the European Union (unless those amendments or decisions are made simply to keep relevant U.K. laws aligned with the E.U.’s data protection regime). If the European Commission does not adopt an ‘adequacy decision’ in respect of the United Kingdom prior to the expiry of the Extended Adequacy Assessment Period, from that point onwards the United Kingdom will be an ‘inadequate third country’ under the GDPR and transfers of personal data from the EEA to the United Kingdom will require a ‘transfer mechanism’ such as the Standard Contractual Clauses.

We depend on a number of third parties in relation to the operation of our business, a number of which process personal data on our behalf. Any violation of data or security laws by our third-party processors, or their acts or omissions that cause us to violate our legal obligations, could have an adverse effect on our business and result in the fines and penalties outlined below.

Fines for certain breaches of the GDPR are up to the greater of 20 million euros or 4 % of total global annual turnover. In addition to the foregoing, a breach of the GDPR could result in regulatory investigations, reputational damage, orders to cease/change our processing of our data, enforcement notices, and/or assessment notices (for a compulsory audit). We may also face civil claims including representative actions and other class action type litigation (where individuals have suffered harm), potentially amounting to significant compensation or damages liabilities, as well as associated costs, diversion of internal resources, and reputational harm.

We are also subject to evolving E.U. privacy laws on cookies and e-marketing. In the European Union, regulators are increasingly focusing on compliance with requirements in the online behavioral advertising ecosystem, and current national laws that implement the ePrivacy Directive will be replaced by an E.U. regulation known as the ePrivacy Regulation which will significantly increase fines for non-compliance. In the European Union, informed consent is required for the placement of a cookie or similar technologies on a user’s device and for direct electronic marketing. The GDPR also imposes conditions on obtaining valid consent, such as a prohibition on pre-checked consents and a requirement to ensure separate consents are sought for each type of cookie or similar technology. While the text of the ePrivacy Regulation is still under development, a recent European court decision and regulators’ recent guidance are driving increased attention to cookies and tracking technologies. If regulators start to enforce the strict approach in recent guidance, this could lead to substantial costs, require significant systems changes, limit the effectiveness of our marketing activities, divert the attention of our technology personnel, adversely affect our margins, increase costs, and subject us to additional liabilities. Regulation of cookies and similar technologies, and any decline of cookies or similar online tracking technologies as a means to identify and potentially target individuals, may lead to broader restrictions and impairments on our marketing and personalization activities, and may negatively impact our efforts to understand users.

Furthermore, compliance with legal and contractual obligations requires us to make public statements about our privacy and data security practices, including the statements we make in our online privacy policy. Although we endeavor to comply with these statements, should they prove to be untrue or be perceived as untrue, even through circumstances beyond our reasonable control, we may face litigation, claims, investigations, inquiries, or other proceedings by the U.S. Federal Trade Commission, state attorneys general, and other federal, state, and foreign regulators and private litigants alleging violations of privacy or consumer protection laws.

Any actual or perceived non-compliance with these rapidly changing laws, regulations, or standards or our contractual obligations relating to privacy, data protection, and consumer protection by us or the third-party companies we work with could result in litigation and proceedings against us by governmental entities, consumers, or others, fines and civil or criminal penalties for us or company officials, obligations to cease offerings or to substantially modify our business in a manner that makes it less effective in certain jurisdictions, negative publicity, and harm to our brand and reputation, and reduced overall demand for our products, any of which could have an adverse effect on our business, financial condition, and results of operations.

Use of social media, emails, push notifications, and text messages in ways that do not comply with applicable laws and regulations, lead to the loss or infringement of intellectual property, or result in unintended disclosure may harm our reputation or subject us to fines or other penalties.

We use social media, emails, push notifications, and text messages as part of our omni-channel approach to marketing. As laws and regulations evolve to govern the use of these channels, the failure by us, our employees, or third parties acting at our direction to comply with applicable laws and regulations in the use of these channels could adversely affect our reputation or subject us to fines or other penalties. In addition, our employees or third parties acting at our direction may knowingly or inadvertently make use of social media in ways that could lead to the loss or infringement of intellectual property, as well as the public disclosure of proprietary, confidential, or sensitive personal information of our business, employees, learners, partners, or others. Information concerning us or our customers, whether accurate or not, may be posted on social media platforms at any time and may have an adverse impact on our brand, reputation, or business. The harm may be immediate without affording us an opportunity for redress or correction and could have a material adverse effect on our reputation, business, results of operations, financial condition, and prospects.

Risks Related to Other Legal, Regulatory and Taxation Matters

Government regulation of the internet and eCommerce is evolving, and unfavorable changes or failure by us to comply with these regulations could substantially harm our business, financial condition, and results of operations.

We are subject to general business regulations and laws as well as regulations and laws specifically governing the internet and eCommerce. Existing and future regulations and laws could impede the growth of the internet, eCommerce, or mobile commerce, which could in turn adversely affect our growth. These regulations and laws may involve taxes, tariffs, privacy and data security, anti-spam, content protection, electronic contracts and communications, customer protection, and internet neutrality. It is not clear how existing laws governing issues such as property ownership, sales, and other taxes and customer privacy apply to the internet as the vast majority of these laws were adopted prior to the advent of the internet and do not contemplate or address the unique issues raised by the internet or eCommerce. It is possible that general business regulations and laws, or those specifically governing the internet or eCommerce, 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. We cannot be sure that our practices comply fully with all such laws and regulations. Any failure, or perceived failure, by us to comply with any of these laws or regulations could result in damage to our reputation, a loss in business and proceedings or actions against us by governmental entities, customers, suppliers, or others. Any such proceeding or action could hurt our reputation, force us to spend significant amounts in defense of these proceedings, distract our management, increase our costs of doing business, decrease the use of our website and mobile app by customers and suppliers and may result in the imposition of monetary liabilities. We may also be contractually liable to indemnify and hold harmless third parties from the costs or consequences of our own non-compliance with any such laws or regulations. As a result, adverse developments with respect to these laws and regulations could substantially harm our business, financial condition, and results of operations.

We may face exposure to foreign currency exchange rate fluctuations.

Certain of our foreign revenue is denominated in currencies of the countries and territories where we sell our products outside of the United States. Similarly, certain of our foreign operating expenses are denominated in the currencies of the countries and territories in which our third-party vendors are located. For example, to acquire the supply of raw materials or commodities such as wool that we expect to require for our business, we may enter into long-term contracts with pricing denominated in currencies other than the U.S. dollar. Accordingly, changes in the value of foreign currencies relative to the U.S. dollar can affect our net revenue and results of operations. As a result of such foreign currency exchange rate fluctuations, it could be more difficult to detect underlying trends in our business and results of operations. In addition, to the extent that fluctuations in currency exchange rates cause our results of operations to differ from our expectations or the expectations of our investors, the trading price of our Class A common stock could be lowered. We do not currently maintain a program to hedge transactional exposures in foreign currencies. However, in the future, we may use derivative instruments, such as foreign currency forward

and option contracts, to hedge certain exposures to fluctuations in foreign currency exchange rates. The use of such hedging activities may not offset any or more than a portion of the adverse financial effects of unfavorable movements in foreign exchange rates over the limited time the hedges are in place and may introduce additional risks if we are unable to structure effective hedges with such instruments.

Existing and potential tariffs imposed by the United States or other governments or a global trade war could increase the cost of our products, which could have an adverse effect on our business, financial condition and results of operations; new trade restrictions could prevent us from importing or selling our products profitably.

The United States and the countries in which our products are produced or sold have imposed and may impose additional quotas, duties, tariffs, or other restrictions or regulations, or may adversely adjust prevailing quota, duty, or tariff levels. The results of any audits or related disputes regarding these restrictions or regulations (including, for example, regarding the proper import classification code, or HTS code, for a given product) could have an adverse effect on our financial statements for the period or periods for which the applicable final determinations are made. Countries impose, modify, and remove tariffs and other trade restrictions in response to a diverse array of factors, including global and national economic and political conditions, which make it impossible for us to predict future developments regarding tariffs and other trade restrictions. For example, the U.S. government has in recent years imposed increased tariffs on imports from certain foreign countries, such as China, and any imposition of additional tariffs by the United States could result in the adoption of tariffs by other countries, leading to a global trade war. Any such future tariffs by the United States or other countries could have a significant impact on our business. While we may attempt to renegotiate prices with suppliers or diversify our supply chain in response to tariffs or shift production between manufacturers in different countries, such efforts may not yield immediate results or may be ineffective or not possible in the near-term. For example, starting in 2020, we began shifting production capacity from China to Vietnam, which means that the U.S. government's tariffs on certain imports from China currently only affect a small portion of our existing production volume. But we may be required to shift production capacity back to China (or other countries for which the U.S. government has imposed higher tariffs) due to the COVID-19 pandemic or lack of manufacturing expertise in relatively lower-tariff countries. We might also consider increasing prices to the end customer; however, this could reduce the competitiveness of our products and adversely affect net revenue.

Trade restrictions, including tariffs, quotas, embargoes, safeguards, and customs restrictions, could increase the cost or reduce the supply of products available to us, could increase shipping times, or may require us to modify our supply chain organization or other current business practices, any of which could harm our business, financial condition, and results of operations.

We are also dependent on international trade agreements and regulations. The countries in which we produce and sell our products could impose or increase tariffs, duties, or other similar charges that could negatively affect our results of operations, financial position, or cash flows.

Adverse changes in, or withdrawal from, trade agreements or political relationships between the United States and China, South Korea, Vietnam, or other countries where we sell or source our products, could negatively impact our results of operations or cash flows.

General geopolitical instability and the responses to it, such as the possibility of sanctions, trade restrictions, and changes in tariffs, including recent sanctions against China, tariffs imposed by the United States and China, and the possibility of additional tariffs or other trade restrictions between the United States and other countries where we currently or might in the future manufacture or sell our products, could adversely impact our business. It is possible that further tariffs may be introduced, or increased. Such changes could adversely impact our business and could increase the costs of sourcing our products that are manufactured in countries other than the United States, or could require us to source more of our products from other countries.

If we fail to anticipate and manage any of these dynamics successfully, gross margin and profitability could be adversely affected.

The United Kingdom's withdrawal from the European Union may have a negative effect on global economic conditions, financial markets, and our business.

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

These developments, or the perception that any related developments could occur, have had and may continue to have an adverse effect on global economic conditions and financial markets, and may significantly reduce global market liquidity, restrict the ability of key market participants to operate in certain financial markets, or restrict our access to capital. Any of these factors could have an adverse effect on our business, financial condition, and results of operations and reduce the price of our Class A common stock.

Any failure to comply with trade, anti-corruption, and other regulations could lead to investigations or actions by government regulators and negative publicity.

The labeling, distribution, importation, marketing, and sale of our products are subject to extensive regulation by various federal agencies, including the Federal Trade Commission, as well as by various other federal, state, provincial, local, and international regulatory authorities in the countries in which our products are currently distributed or sold. If we fail to comply with any of these regulations, we could become subject to enforcement actions or the imposition of significant penalties or claims, which could harm our results of operations or our ability to conduct our business. Legal proceedings or any investigations or inquiries by governmental agencies related to these or any other matters, could result in significant settlement amounts, damages, fines, or other penalties, divert financial and management resources and result in significant legal fees. An unfavorable outcome of any particular proceeding could have an adverse impact on our business, financial condition, and results of operations. In addition, the adoption of new regulations or changes in the interpretation of existing regulations may result in significant compliance costs or discontinuation of product sales and could impair the marketing of our products, resulting in significant loss of net revenue.

Most of our products are derived from third-party supply and manufacturing partners in foreign countries and territories, including countries and territories perceived to carry an increased risk of corrupt business practices. We also have subsidiaries and/or employees and other agents working in several foreign countries and territories, including, but not limited to, the People's Republic of China, South Korea, and Hong Kong. We are subject to the FCPA, the U.S. domestic bribery statute contained in 18 U.S.C. § 201, the U.S. Travel Act, the USA PATRIOT Act, the U.K. Bribery Act, and possibly other anti-bribery and anti-money laundering laws in countries in which we conduct activities. These laws prohibit companies and their employees and third-party intermediaries from corruptly promising, authorizing, offering or providing, directly or indirectly, improper payments or anything of value to foreign government officials, political parties and private-sector recipients for the purpose of obtaining or retaining business, directing business to any person or securing any advantage. In addition, U.S. public companies are required to maintain records that accurately and fairly represent their transactions and have an adequate system of internal accounting controls. In many foreign countries, including countries in which we may conduct business, it may be a local custom that businesses engage in practices that are prohibited by the FCPA or other applicable laws and regulations. We face significant risks if we or any of our directors, officers, employees, agents or other partners or representatives fail to comply with these laws, and governmental authorities in the United States and elsewhere could seek to impose substantial civil and/or criminal fines and penalties, which could adversely affect our reputation, business, financial condition. and results of operations.

If our employees, contractors, and agents, and companies to which we outsource certain of our business operations were to take actions in violation of our policies or applicable law, there could be an adverse effect on our reputation, business, financial condition, and results of operations.

Any violation of the FCPA, other applicable anti-corruption laws or anti-money laundering laws could result in whistleblower complaints, adverse media coverage, investigations, loss of export privileges, severe criminal or civil sanctions, any of which could have an adverse effect on our business, financial condition, and results of operations. In addition, responding to any enforcement action may result in a significant diversion of management's attention and resources and significant defense costs and other professional fees.

Our ability to source and distribute our merchandise profitably or at all could be harmed if new trade restrictions are imposed or existing trade restrictions become more burdensome.

Substantially all of our footwear and apparel products are currently manufactured outside of the United States. The United States and the countries in which our products are produced or sold internationally have imposed and may impose additional quotas, duties, tariffs, or other restrictions or regulations, or may adversely adjust prevailing quota, duty or tariff levels. Countries impose, modify, and remove tariffs and other trade restrictions in response to a diverse array of factors, including global and national economic and political conditions, which make it impossible for us to predict future developments regarding tariffs and other trade restrictions. Trade restrictions, including tariffs, quotas, export controls, trade sanctions, embargoes, safeguards and customs restrictions, could increase the cost or reduce the supply of products available to us or may require us to modify our supply chain organization or other current business practices, any of which could harm our business, financial condition, and results of operations.

Changes in tax laws may impact our future financial position and results of operation.

New income, sales, use, or other tax laws, statutes, rules, regulations, or ordinances could be enacted at any time, or interpreted, changed, modified, or applied adversely to us, any of which could adversely affect our business operations and financial performance. In particular, presidential and congressional elections in the United States could result in significant changes in, and uncertainty with respect to, tax legislation, regulation and government policy directly affecting our business or indirectly affecting us because of impacts on our customers, suppliers, and manufacturers. For example, the U.S. government may enact significant changes to the taxation of business entities including, among others, a permanent increase in the corporate income tax rate and the imposition of minimum taxes or surtaxes on certain types of income. The likelihood of these changes being enacted or implemented is unclear. We are currently unable to predict whether such changes will occur and, if so, the ultimate impact on our business. To the extent that such changes have a negative impact on us, our suppliers, manufacturers or our customers, including as a result of related uncertainty, these changes may adversely impact our business, financial condition, results of operations, and cash flows.

Our international operations may subject us to greater than anticipated tax liabilities.

The amount of taxes we pay in different jurisdictions depends on the application of the tax laws of various jurisdictions, including the United States, to our international business activities, tax rates, new or revised tax laws or interpretations of tax laws and policies, and our ability to operate our business in a manner consistent with our corporate structure and intercompany arrangements. The taxing authorities of the jurisdictions in which we operate may challenge our methodologies for pricing intercompany transactions pursuant to our intercompany arrangements or disagree with our determinations as to the income and expenses attributable to specific jurisdictions. If such a challenge or disagreement were to occur, and our position was not sustained, we could be required to pay additional taxes, interest, and penalties, which could result in one-time tax charges, higher effective tax rates, reduced cash flows, and lower overall profitability of our operations. Our financial statements could fail to reflect adequate reserves to cover such a contingency. Similarly, a taxing authority could assert that we are subject to tax in a jurisdiction where we believe we have not established a taxable connection, often referred to as a "permanent establishment" under international tax treaties, and such an assertion, if successful, could increase our expected tax liability in one or more jurisdictions.

We could be required to collect additional sales taxes that may increase the costs our customers would have to pay for our products and adversely affect our results of operations.

Following the U.S. Supreme Court's decision in 2018 in *South Dakota v. Wayfair, Inc.*, a state may impose sales tax collection obligations on certain retailers, including eCommerce companies, that lack any physical presence within such state. The Supreme Court's *Wayfair* decision has removed a significant impediment to the enactment of laws imposing sales tax collection obligations on out-of-state eCommerce companies, and an increasing number of states have adopted such laws. Although we believe that we currently collect sales taxes in all states that require us to do so, a successful assertion by one or more states requiring us to collect sales taxes where we currently do not collect sales taxes, or to collect additional sales taxes in a state in which we currently collect sales taxes, could result in substantial tax liabilities (including penalties and interest). In addition, the imposition of additional sales tax collection obligations, whether for prior years or prospectively, could create additional administrative burdens for us, put us at a competitive disadvantage if similar obligations are not imposed on our competitors and decrease our future sales, which could have an adverse impact on our business and results of operations.

Our ability to use our net operating loss carryforwards may be limited.

We have incurred substantial net operating losses during our history. Subject to the limitations described below, unused net operating losses generally may carry forward to offset future taxable income if we achieve profitability in the future, unless such net operating losses expire under applicable tax laws. Under legislation enacted in 2017, informally titled the Tax Cuts and Jobs Act, or the TCJA, as modified in 2020 by the Coronavirus Aid, Relief, and Economic Security Act, or the CARES Act, unused U.S. federal net operating losses generated in tax years beginning after December 31, 2017, will not expire and may be carried forward indefinitely, but the deductibility of such federal net operating loss carryforwards in taxable years beginning after December 31, 2020, is limited to 80% of taxable income. It is uncertain if and to what extent various states will conform to the TCJA or the CARES Act. Our ability to utilize our federal net operating carryforwards may be limited under Section 382 of the Internal Revenue Code of 1986, as amended, or the Code. The limitations apply if we experience an "ownership change," which is generally defined as a greater than 50 percentage point change (by value) in the ownership of our equity by certain stockholders or groups of stockholders over a rolling three-year period. Similar provisions of state tax law may also apply to limit the use of our state net operating loss carryforwards. We have not yet completed a Section 382 analysis, and therefore, there can be no assurances that any previously experienced ownership changes have not materially limited our utilization of affected net operating loss carryforwards. Future changes in our stock ownership, including as a result of this offering, which may be outside of our control, may trigger an ownership change that materially impacts our ability to utilize pre-change net operating loss carryforwards. In addition, there may be periods during which the use of net operating loss carryforwards is suspended or otherwise limited. For example, in 2020, California generally suspended the use of California net operating loss carryforwards to offset taxable income in tax years beginning after 2019 and before 2023. Accordingly, our ability to use our net operating loss carryforwards to offset taxable income may be subject to such limitations or special rules that apply at the state level, which could adversely affect our results of operations.

Risks Related to Our Status as a Public Benefit Corporation and Certified B Corporation

Our status as a public benefit corporation may not result in the benefits that we anticipate.

We are a PBC under Delaware law. As a PBC, we are required to produce a public benefit and to operate in a responsible and sustainable manner, while balancing our stockholders' pecuniary interests, the best interests of those materially affected by our conduct, and the specific public benefit of environmental conservation that is identified by our certificate of incorporation. While we believe our PBC status is meaningful to customers, brand, employees and other business partners and that our public benefit of environmental conservation is of vital importance to our planet, there is no assurance that we will achieve our public benefit purpose or that the expected positive impact from being a PBC will be realized. Accordingly, being a PBC and complying with our related obligations could negatively impact our ability to provide the highest possible return to our stockholders.

As a PBC, we are required to provide our stockholders with a report at least biennially assessing our overall public benefit performance and our success in achieving our specific public benefit purpose. To the extent we are

unable to provide this report in a timely manner, or if the report is not viewed favorably by our stockholders, parties doing business with us, regulators, or others because we are unable to report sufficient progress toward our public benefit or otherwise, our reputation and status as a PBC may be harmed, which could in turn have a material adverse effect on our business, results of operations and financial condition.

If our publicly reported certified B Corp score declines, or if we lose our certified B Corp status, our reputation could be harmed and our business could suffer.

While not required by Delaware law or the terms of our certificate of incorporation, we have elected to have our social and environmental performance, accountability, and transparency assessed against the criteria established by an independent non-profit organization, B Lab, Inc., or B Lab. As a result of this assessment, we have been designated as a certified B Corp, which refers to a company that B Lab has certified as meeting certain levels of social and environmental performance, accountability, and transparency. The standards set by B Lab for B Corp certification may change over time. Our continued certification is at the sole discretion of B Lab. We believe that our B Corp status strengthens our credibility and trust among our customers, employees and business partners as well as within our industry. Investors who are focused on ESG- and sustainability-related initiatives may also place importance on our status as a B Corp, as an independent assessment of our social and environmental performance, accountability, and transparency. Any decline in our publicly reported B Corp score or change in our status, whether due to our choice or failure to meet B Lab's certification requirements, could create a perception that we are more focused on financial performance and no longer as committed to the values and standards shared by B Corps. This could harm our reputation and brand among customers, employees or business partners, which could harm our business and results of operations, and cause the stock price of our Class A common stock to decline.

Our directors have a fiduciary duty to consider not only our stockholders' interests, but also our specific public benefit and the interests of other stakeholders affected by our conduct. If a conflict between such interests arises, there is no guarantee such a conflict would be resolved in favor of our stockholders.

While directors of traditional corporations are required to make decisions they believe to be in the best interests of their stockholders, directors of a PBC have a fiduciary duty to balance the stockholders' pecuniary interests, the best interests of other stakeholders materially affected by the PBC's conduct and the company's specific public benefit and the interests of other stakeholders affected by the company's conduct. Under Delaware law, directors are shielded from liability for breach of these fiduciary obligations if they make informed and disinterested decisions that serve a rational purpose. Thus, our directors are not merely permitted, but obligated, to consider our specific public benefit and the interests of other stakeholders. In the event of a conflict between the financial interests of our stockholders and the interests of our specific public benefit or our other stakeholders, our directors are obligated to make informed and disinterested decisions that serve a rational purpose; thus, there is no guarantee that such a conflict would be resolved in favor of our stockholders' financial interests. Accordingly, Delaware law and our PBC status could result in our board of directors making decisions which are less financially lucrative for our stockholders in the short- and/or long-term if the public benefit and other stakeholder considerations are significant; this could harm our business, results of operations, and financial condition, which in turn could cause our stock price to decline.

As a public benefit corporation, our focus on a specific public benefit purpose and producing a positive effect for society may negatively influence our financial performance.

As a PBC, our board of directors has a duty to balance (1) the pecuniary interest of our stockholders, (2) the best interests of those materially affected by our conduct and (3) the specific public benefit of environmental conservation identified in our certificate of incorporation. While we believe our public benefit designation and obligations will benefit our stockholders, in balancing these interests our board of directors may authorize and we may take actions that we believe will benefit environmental conservation or some or all of our stakeholders, even if those actions do not maximize our short- or medium-term financial results. While we believe that this designation and obligation will benefit the company given the importance to our long-term success of our commitment to environmental conservation, it could cause our board of directors to make decisions and take actions not in keeping with the short-term or more narrow interests of our stockholders. Any longer-term benefits that are intended by or expected from such decisions or actions may not materialize within the timeframe we expect or at all and such

decisions or actions may have an immediate negative effect. For example, we may choose to revise our policies in ways that we believe will further promote environmental conservation and sustainability, even though such changes may be costly; we may take actions, such as building or contracting with suppliers and service providers who have state-of-the-art manufacturing and distribution facilities with technology and quality control mechanisms that exceed the applicable legal requirements and industry standards, even though these actions may be more costly than other alternatives; we may be influenced to pursue programs and opportunities to demonstrate our commitments to our planet, the environment and the communities in which we live and work; or in responding to a possible proposal to acquire the company, our board of directors may be influenced by the interests of our stakeholders, including our flock, our suppliers, vendors, and manufacturers, and our customers, any or all of whose interests may be different from the interests of our stockholders.

We may be unable or slow to realize the benefits we expect from actions taken to promote environmental conservation, which could materially adversely affect our business, financial condition, and results of operations, which in turn could cause our stock price to decline.

As a public benefit corporation, we may be subject to increased derivative litigation concerning our duty to balance stockholder and public benefit interests, the occurrence of which may have an adverse impact on our financial condition and results of operations.

As a PBC, our stockholders (if they, individually or collectively, own at least 2% of our outstanding capital stock or shares having at least $2 million in market value (whichever is less)) are entitled to file a derivative lawsuit claiming that our directors failed to balance stockholder and public benefit interests. Although traditional corporations are subject to other types of derivative actions brought by stockholders, this type of claim does not exist for traditional corporations. Therefore, we may be subject to the possibility of increased derivative litigation, which would require the attention of management and, as a result, may adversely impact management's ability to effectively execute our strategy. Any such derivative litigation could be costly and have an adverse impact on our financial condition and results of operations.

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

There has been no prior public market for our Class A common stock. An active market may not develop or be sustainable, and you may not be able to resell your shares at or above the initial public offering price.

There has been no public market for our Class A common stock prior to this offering. The initial public offering price for our Class A common stock was determined through negotiations between us and the underwriters, and may vary from the market price of our Class A common stock following the completion of this offering. An active or liquid market in our Class A common stock may not develop upon completion of this offering or, if it does develop, it may not be sustainable. In the absence of an active trading market for our Class A common stock, you may not be able to resell any shares you hold at or above the initial public offering price or at all. We cannot predict the prices at which our Class A common stock will trade.

The market price of our Class A common stock may decline regardless of our operating performance, resulting in substantial losses for investors purchasing shares in this offering.

The market price of our Class A common stock may fluctuate significantly in response to numerous factors, many of which are beyond our control, including:

- actual or anticipated fluctuations in our financial condition and results of operations;
- the financial projections we may provide to the public, any changes in these projections, or our failure to meet these projections;
- failure of securities analysts to initiate or maintain coverage of our company, changes in financial estimates or ratings by any securities analysts who follow our company, or our failure to meet these estimates or the expectations of investors;

- announcements by us or our competitors of significant technical innovations, acquisitions, strategic partnerships, joint ventures, results of operations, or capital commitments;
- changes in stock market valuations and operating performance of other footwear and apparel companies generally, or those in our industry in particular;
- the sustainability targets we may provide to the public, any changes in these targets, or our failure to meet them;
- price and volume fluctuations in the overall stock market, including as a result of trends in the economy as a whole;
- changes in our board of directors or management;
- sales of large blocks of our Class A common stock, including sales by our co-founders and co-Chief Executive Officers or our other executive officers and directors or by their affiliates;
- lawsuits threatened or filed against us;
- anticipated or actual changes in laws, regulations, or government policies applicable to our business;
- changes in our capital structure, such as future issuances of debt or equity securities;
- short sales, hedging, and other derivative transactions involving our capital stock;
- general economic conditions in the United States and globally;
- other events or factors, including those resulting from war, pandemics (including COVID-19), incidents of terrorism, or responses to these events; and
- the other factors described in the sections titled “Risk Factors” and “Special Note Regarding Forward-Looking Statements.”

The stock market has recently experienced extreme price and volume fluctuations. The market prices of securities of companies have experienced fluctuations that often have been unrelated or disproportionate to their results of operations. Market fluctuations could result in extreme volatility in the price of shares of our Class A common stock, which could cause a decline in the value of your investment. Price volatility may be greater if the public float and trading volume of shares of our Class A common stock is low. Furthermore, in the past, stockholders have sometimes instituted securities class action litigation against companies following periods of volatility in the market price of their securities. Any similar litigation against us could result in substantial costs, divert management’s attention and resources, and harm our business, financial condition, and results of operations.

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

We cannot predict whether our dual class structure will result in a lower or more volatile market price of our Class A common stock or in adverse publicity or other adverse consequences. For example, certain index providers have announced restrictions on including companies with dual class or multi-class share structures in certain of their indexes. In July 2017, S&P Dow Jones and FTSE Russell announced changes to their eligibility criteria for the inclusion of shares of public companies on certain indices, including the Russell 2000, the S&P 500, the S&P MidCap 400, and the S&P SmallCap 600, to exclude companies with multiple classes of shares of common stock from being added to these indices. As a result, our dual class capital structure would make us ineligible for inclusion in any of these indices, and mutual funds, exchange-traded funds, and other investment vehicles that attempt to passively track these indices will not be investing in our stock. Beginning in 2017, MSCI, a leading stock index provider, opened public consultations on their treatment of no-vote and multi-class structures and temporarily barred new multi-class listings from certain of its indices; however, in October 2018, MSCI announced its decision to include equity securities “with unequal voting structures” in its indices and to launch a new index that specifically

includes voting rights in its eligibility criteria. These policies are still fairly new, and it remains unclear what effect, if any, they will have on the valuations of publicly traded companies excluded from the indices in the longer term, but it is possible that they may depress these valuations compared to those of other similar companies that are included. Furthermore, we cannot assure you that other stock indices will not take a similar approach to S&P Dow Jones or FTSE Russell in the future. Exclusion from indices could make our Class A common stock less attractive to investors and, as a result, the market price of our Class A common stock could be adversely affected.

Sales, directly or indirectly, of a substantial amount of our Class A common stock in the public markets by our existing security holders may cause the price of our Class A common stock to decline.

Sales of a substantial number of shares of our Class A common stock into the public market, particularly sales by our directors, executive officers, and principal stockholders, or the perception that these sales might occur, could cause the market price of our Class A common stock to decline. Many of our existing security holders have substantial unrecognized gains on the value of the equity they hold and may take steps to sell their shares or otherwise secure or limit their risk exposure to the value of their unrecognized gains on those shares. We are unable to predict the timing or effect of such sales on the market price of our Class A common stock.

All of the shares of Class A common stock sold in this offering will be freely tradable without restrictions or further registration under the Securities Act of 1933, as amended, or the Securities Act, except that any shares held by our affiliates, as defined in Rule 144 under the Securities Act, would only be able to be sold in compliance with Rule 144 and any applicable lock-up agreements described below.

In connection with this offering, we, all of our directors and executive officers, and holders of substantially all of our outstanding securities have entered into market standoff agreements with us or lock-up agreements with the underwriters that restrict our and their ability to sell or transfer shares of our capital, with respect to the company, for a period of days following the date of this prospectus.

If not otherwise early released, when the applicable market standoff and lock-up periods expire, we and our security holders subject to a lock-up agreement or market standoff agreement will be able to sell our shares freely in the public market, except that any shares held by our affiliates, as defined in Rule 144 under the Securities Act, would only be able to be sold in compliance with Rule 144. Sales of a substantial number of such shares upon expiration of the lock-up and market standoff agreements, or the perception that such sales may occur, or early release of these agreements, could cause our market price to fall or make it more difficult for you to sell your Class A common stock at a time and price that you deem appropriate.

In addition, as of December 31, 2020, we had stock options outstanding that, if fully exercised, would result in the issuance of shares of Class B common stock. All of the shares of Class B common stock issuable upon the exercise of stock options, and the shares of Class A common stock reserved for future issuance under our 2021 Equity Incentive Plan and 2021 Employee Stock Purchase Plan, will be registered for public resale under the Securities Act. Accordingly, these shares will be able to be freely sold in the public market upon issuance subject to existing lock-up or market standoff agreements and applicable vesting requirements.

Further, based on shares outstanding as of December 31, 2020, holders of shares of our Class B common stock will have rights after the completion of this offering, subject to certain conditions, to require us to file registration statements for the public resale of such shares or to include such shares in registration statements that we may file for us or other stockholders.

The dual class structure of our common stock will have the effect of concentrating voting control with our co-founders and co-Chief Executive Officers, Timothy Brown and Joseph Zwillinger, our other executive officers and directors, our principal stockholders, and their respective affiliates, which will limit or preclude your ability to influence corporate matters, including the election of directors and the approval of any change of control transaction.

Our Class B common stock has votes per share and our Class A common stock, which is the stock we are offering in this offering, has one vote per share. Immediately following the completion of this offering, our co-founders and co-Chief Executive Officers, Mr. Brown and Mr. Zwillinger, our other executive officers and directors,

our principal stockholders, and their respective affiliates will hold approximately of the shares of Class B common stock that are issued and outstanding. Immediately following the completion of this offering, these holders will represent approximately % of the voting power of our outstanding capital stock, assuming no exercise of the underwriters' option to purchase additional shares and no purchases of shares of Class A common stock in this offering by any of these holders.

These stockholders will have the ability to control the outcome of matters submitted to our stockholders for approval, including the election of our directors and the approval of any change of control transaction. This concentrated control will limit or preclude your ability to influence corporate matters for the foreseeable future, including the election of directors, amendments of our organizational documents, and any merger, consolidation, sale of all or substantially all of our assets, or other major corporate transaction requiring stockholder approval. In addition, this may prevent or discourage unsolicited acquisition proposals or offers for our capital stock that you may feel are in your best interest as one of our stockholders.

Future transfers by holders of Class B common stock will generally result in those shares converting to Class A common stock, subject to limited exceptions, such as certain transfers effected for estate planning purposes. The conversion of Class B common stock to Class A common stock will have the effect, over time, of increasing the relative voting power of those holders of Class B common stock who retain their shares in the long term. See the section titled "Description of Capital Stock—Class A and Class B Common Stock" for additional information.

We are subject to risks related to our Sustainable Public Equity Offering and associated disclosures.

In connection with the establishment of a framework for a Sustainable Public Equity Offering, or SPO, as described in the section titled "Sustainable Public Equity Offering", we have committed to meeting certain evaluation criteria across several ESG categories, reporting transparently across ESG practices and matters, and making meaningful progress on ESG practices and matters. We may not meet all or any of these criteria or metrics, either now or in the future, and such criteria may not meet your or any other party's expectations with respect to ESG outcomes. Further, the criteria will continue to be refined over time, and we cannot guarantee that we will be able to comply with any such modified criteria. The SPO evaluation criteria will be overseen by an Advisory Council, and there can be no guarantee that the Advisory Council will have suitable experience or credentials, will meet your expectations or requirements, or will be independent or subject to regulatory oversight. There can be no guarantee as to how the composition and operation of the Advisory Council and the scope and extent of the SPO evaluation criteria may develop over time, if at all.

In addition, while certain ESG metrics will be evaluated by one or more independent third-party assurance providers, such review process may not identify errors and may not protect us from potential liability under applicable securities laws. There can be no guarantee as to the suitability or reliability of the verification process, including the methodology used, and all or any aspect of such process may change over time. There can be no guarantee that an independent third-party assurance provider will have suitable experience or credentials, will meet your expectations or requirements, or will be independent or subject to regulatory oversight. In addition, the third-party verification report may not remain in place and may not reflect the potential impact of all risks related to the structure, market, and other factors that may affect the value of our Class A common stock. No such verification report is a recommendation to buy, sell or hold our Class A common stock and is only current as of the date that such report is issued.

There can be no guarantee that the SPO evaluation criteria or our business will be aligned with or otherwise satisfy, or continue to satisfy, whether in whole or in part, present or future investor criteria or expectations, standards, laws, regulations, industry guidelines, or stock exchange listing rules for "green," "sustainable," or other equivalently labelled products, processes, or services. In addition, there can be no guarantee that any information we may provide now or in the future in connection with or as a result of the SPO framework will be sufficient to enable a potential investor to satisfy any disclosure or reporting requirements that may be imposed on it from time to time.

If we fail to make meaningful progress on ESG practices and matters or to continue to report transparently across ESG practices and matters, our reputation could be harmed. We could also damage our reputation and the value of our brand if we fail to act responsibly in the areas in which we report and demonstrate that our commitment

to ESG principles enhances our overall financial performance. Any harm to our reputation resulting from our failure or perceived failure to meet the criteria for an SPO could also impact employee engagement and retention, the willingness of our supplier or manufacturers to do business with us, or investors' willingness to purchase or hold shares of our common stock, any of which could have an adverse effect on our business, results of operations, and financial condition.

The SPO is a new concept and there can be no guarantee as to how it will be regarded by potential investors, regulators, or other parties, or that it will be more broadly adopted. Moreover, even if we do meet the criteria for an SPO and make meaningful progress on ESG practices and matters and report transparently, investors and others may still be skeptical of an SPO or otherwise view it in a negative light, which could also harm our reputation and our brand.

Any failure by us to comply with applicable evaluation criteria, withdrawal of a verification report, lack of market confidence in the SPO process, or any failure by us to meet or continue to meet the investment requirements of certain environmentally focused investors may affect the value of our Class A common stock and/or have adverse consequences for investors with portfolio mandates to invest in green or sustainable assets.

Purchasers in this offering will experience immediate and substantial dilution in the book value of their investment.

The initial public offering price of our Class A common stock of $ per share is substantially higher than the pro forma as adjusted net tangible book value per share of our outstanding Class A common stock immediately after this offering. Therefore, if you purchase our Class A common stock in this offering, you will incur immediate dilution of $ in the pro forma as adjusted net tangible book value per share from the price you paid assuming that stock price. In addition, following this offering, purchasers who bought shares from us in the offering will have contributed % of the total consideration paid to us by our stockholders to purchase shares of Class A common stock to be sold by us in this offering, in exchange for acquiring approximately % of our total outstanding shares as of December 31, 2020, after giving effect to this offering. If the underwriters exercise their option to purchase additional shares, if we issue any additional stock options or warrants, if any outstanding stock options are exercised, if we issued restricted stock units that are settled into shares of Class A common stock, or if we issue any other securities or convertible debt in the future, investors will experience further dilution.

We will have broad discretion in the use of the net proceeds we receive in this offering and we may not use such proceeds in ways that prove to be effective.

We will have broad discretion in the application of the net proceeds we receive in this offering, including for any of the purposes described in the section titled "Use of Proceeds," and you will not have the opportunity as part of your investment decision to assess whether the net proceeds are being used appropriately. Because of the number and variability of factors that will determine our use of the net proceeds from this offering, their ultimate use may vary substantially from their currently intended use, and it is possible that a substantial portion of the net proceeds will be invested in a way that does not yield a favorable, or any, return for us. If we do not use the net proceeds that we receive in this offering effectively, our business, financial condition and results of operations could be harmed, and the market price for our Class A common stock could decline.

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

We have never declared or paid any cash dividends on our capital stock, and we do not intend to pay any cash dividends in the foreseeable future. We expect to retain future earnings, if any, to fund the development and growth of our business. Any future determination to pay dividends on our capital stock will be at the discretion of our board of directors. Accordingly, you must rely on the sale of your Class A common stock after price appreciation, which may never occur, as the only way to realize any future gain on your investment.

Additional stock issuances could result in significant dilution to our stockholders.

We may issue additional equity securities to raise capital, make acquisitions, or for a variety of other purposes. Additional issuances of our stock may be made pursuant to the exercise or conversion of new or existing convertible

debt securities, warrants, stock options, or other equity incentive awards to new and existing service providers. Any such issuances will result in dilution to existing holders of our stock. We rely on equity-based compensation as an important tool in recruiting and retaining employees. The amount of dilution due to equity-based compensation of our employees and other additional issuances could be substantial.

Delaware law, our status as a public benefit corporation, and provisions in our amended and restated certificate of incorporation and amended and restated bylaws could make a merger, tender offer, or proxy contest more difficult, limit attempts by our stockholders to replace or remove our current management and depress the market price of our Class A common stock.

Provisions in our amended and restated certificate of incorporation and our amended and restated bylaws that will be in effect immediately prior to the completion of this offering may discourage, delay or prevent a merger, acquisition or other change in control of us or tender offer that stockholders may consider favorable, including transactions in which stockholders might otherwise receive a premium for their shares. These provisions could also limit the price that investors might be willing to pay in the future for shares of our Class A common stock, thereby depressing the market price of our Class A common stock.

As a PBC, we may be less attractive as a takeover target than a traditional company and, therefore, your ability to realize a return on your investment through an acquisition of Allbirds may be limited. PBCs may also not be attractive targets for activists or hedge fund investors because new directors would still have to consider and give appropriate weight to the public benefit along with stockholder value, and stockholders can enforce this through derivative suits. Furthermore, by requiring the boards of directors of PBCs to consider additional constituencies other than maximizing stockholder value, Delaware PBC law could potentially make it easier for such a board to reject a hostile bid, even where the takeover would provide the greatest short-term financial yield to investors.

In addition, these provisions may frustrate or prevent any attempts by our stockholders to replace or remove our current management. Because our board of directors is responsible for appointing the members of our management team, these provisions could in turn affect any attempt by our stockholders to replace current members of our management team. Among others, these provisions include those that:

- provide for a dual class common stock structure in which holders of our Class B common stock may have the ability to control the outcome of matters requiring stockholder approval, including the election of directors and significant corporate transactions, such as a merger or other sale of our company or its assets, even if they own significantly less than a majority of the outstanding shares of our common stock;
- restrict the forum for certain litigation against us to Delaware or the federal courts, as applicable;
- provide that our board of directors has the exclusive right to expand the size of our board of directors and to elect directors to fill a vacancy created by the expansion of our board of directors or the resignation, death or removal of a director, which prevents stockholders from being able to fill vacancies on our board of directors;
- divide our board of directors into three classes, Class I, Class II, and Class III, with each class serving staggered three-year terms, which may delay the ability of stockholders to change the membership of a majority of our board of directors;
- provide that a special meeting of stockholders may be called only by the chair of our board of directors, a chief executive officer, or our board of directors, which may delay the ability of our stockholders to force consideration of a proposal or to take action, including the removal of directors;
- prohibit cumulative voting in the election of directors, which limits the ability of minority stockholders to elect director candidates;
- provide that our board of directors may alter our amended and restated bylaws without obtaining stockholder approval;

- require the approval of holders of at least two-thirds of the voting power of the shares of capital stock entitled to vote at an election of directors to adopt, amend, or repeal our amended and restated bylaws or repeal the provisions of our amended and restated certificate of incorporation regarding the election and removal of directors;
- require the approval of holders of at least two-thirds of the voting power of the shares of capital stock entitled to vote at an election of directors to amend or repeal any provisions of our amended and restated certificate of incorporation relating to our status as a PBC;
- require that stockholders must provide advance notice and additional disclosures in order to nominate individuals for election to our board of directors or to propose matters that can be acted upon at a stockholders' meeting, which may discourage or deter a potential acquirer from conducting a solicitation of proxies to elect the acquirer's own slate of directors or otherwise attempting to obtain control of our company; and
- authorize our board of directors to issue shares of preferred stock and to determine the terms of those shares, including preferences and voting rights, without stockholder approval, which could be used to significantly dilute the ownership of a hostile acquirer.

Moreover, because we are incorporated in Delaware, we are governed by the provisions of Section 203 of the Delaware General Corporation Law, or DGCL, which generally prohibits a person who owns in excess of 15% of our outstanding voting stock from merging or combining with us for a period of three years after the date of the transaction in which the person acquired in excess of 15% of our outstanding voting stock, unless the merger or combination is approved in a prescribed manner.

Our amended and restated certificate of incorporation will provide that the Court of Chancery of the State of Delaware will be the sole and exclusive forum for certain stockholder litigation matters and the U.S. federal district courts will be the exclusive forum for the resolution of any complaint asserting a cause of action arising under the Securities Act, which could limit our stockholders' ability to obtain a favorable judicial forum for disputes with us or our directors, officers, employees, or stockholders.

Our amended and restated certificate of incorporation will provide that, unless we otherwise consent in writing, (A) (1) any derivative action or proceeding brought on our behalf, (2) any action asserting a claim of breach of a fiduciary duty owed by any current or former director, officer, other employee or stockholder of Allbirds to us or our stockholders, (3) any action asserting a claim arising pursuant to any provision of the DGCL, our amended and restated certificate of incorporation, or our amended and restated bylaws (as either may be amended or restated) or as to which the DGCL confers exclusive jurisdiction on the Court of Chancery of the State of Delaware, or (4) any action asserting a claim governed by the internal affairs doctrine of the law of the State of Delaware shall, to the fullest extent permitted by law, be exclusively brought in the Court of Chancery of the State of Delaware or, if such court does not have subject matter jurisdiction thereof, the federal district court of the State of Delaware; and (B) the federal district courts of the United States shall be the exclusive forum for the resolution of any complaint asserting a cause of action arising under the Securities Act. Notwithstanding the foregoing, the exclusive forum provision shall not apply to claims seeking to enforce any liability or duty created by the Securities Exchange Act of 1934, or Exchange Act. The choice of forum provision may limit a stockholder's ability to bring a claim in a judicial forum that it finds favorable for disputes with us or our directors, officers, or other employees, which may discourage such lawsuits against us and our directors, officers, and other employees, although our stockholders will not be deemed to have waived our compliance with federal securities laws and the rules and regulations thereunder. Alternatively, if a court were to find the choice of forum provision contained in our amended and restated certificate of incorporation to be inapplicable or unenforceable in an action, we may incur additional costs associated with resolving such action in other jurisdictions, which could harm our business, financial condition, and results of operations. Any person or entity purchasing or otherwise acquiring or holding any interest in shares of our capital stock shall be deemed to have notice of and consented to the forum provisions in our amended and restated certificate of incorporation.

General Risk Factors

The requirements of being a public company may increase our costs, strain our resources, divert management's attention, and affect our ability to attract and retain executive management and qualified board members.

As a public company, we will be subject to the reporting requirements of the Exchange Act, the listing standards of , and other applicable securities rules and regulations. We expect that the requirements of these rules and regulations will continue to increase our legal, accounting, and financial compliance costs, make some activities more difficult, time-consuming, and costly, and place significant strain on our personnel, systems, and resources. Furthermore, several members of our management team do not have prior experience in running a public company. For example, the Exchange Act requires, among other things, that we file annual, quarterly, and current reports with respect to our business and results of operations. As a result of the complexity involved in complying with the rules and regulations applicable to public companies, our management's attention may be diverted from other business concerns, which could harm our business, financial condition, and results of operations. Although we have already hired additional employees to assist us in complying with these requirements, we may need to hire more employees in the future or engage outside consultants, which will increase our operating expenses.

In addition, changing laws, regulations, and standards relating to corporate governance and public disclosure are creating uncertainty for public companies, increasing legal and financial compliance costs, and making some activities more time-consuming. These laws, regulations, and standards are subject to varying interpretations, in many cases due to their lack of specificity, and, as a result, their application in practice may evolve over time as new guidance is provided by regulatory and governing bodies. This could result in continuing uncertainty regarding compliance matters and higher costs necessitated by ongoing revisions to disclosure and governance practices. We intend to invest substantial resources to comply with evolving laws, regulations, and standards, and this investment may result in increased general and administrative expenses and a diversion of management's time and attention from business operations to compliance activities. If our efforts to comply with new laws, regulations, and standards differ from the activities intended by regulatory or governing bodies due to ambiguities related to their application and practice, regulatory authorities may initiate legal proceedings against us, and our business may be harmed. We also expect that being a public company that is subject to these new rules and regulations will make it more expensive for us to obtain director and officer liability insurance, and we may be required to accept reduced coverage or incur substantially higher costs to obtain coverage. These factors could also make it more difficult for us to attract and retain qualified members of our board of directors, particularly members who can serve on our audit and compensation committees, and qualified executive officers.

As a result of the disclosure obligations required of a public company, our business and financial condition will become more visible, which may result in an increased risk of threatened or actual litigation, including by competitors and other third parties. If such claims are successful, our business, financial condition, and results of operations would be harmed, and even if the claims do not result in litigation or are resolved in our favor, these claims, and the time and resources necessary to resolve them, would divert the resources of our management and harm our business, financial condition, and results of operations.

As a result of being a public company, we are obligated to develop and maintain proper and effective internal control over financial reporting, and any failure to maintain the adequacy of these internal controls may adversely affect investor confidence in our company and, as a result, the value of our Class A common stock.

We will be required, pursuant to Section 404 of the Sarbanes-Oxley Act, or Section 404, to furnish a report by management on, among other things, the effectiveness of our internal control over financial reporting commencing with our second annual report on Form 10-K. This assessment will need to include disclosure of any material weaknesses identified by our management in our internal control over financial reporting. In addition, our independent registered public accounting firm will be required to attest to the effectiveness of our internal control over financial reporting in our first annual report required to be filed with the Securities and Exchange Commission, or SEC, following the date we are no longer an "emerging growth company." Our compliance with Section 404 will require that we incur substantial expenses and expend significant management efforts. We will need to hire additional accounting and financial staff with appropriate public company experience and technical accounting

knowledge and compile the system and process documentation necessary to perform the evaluation needed to comply with Section 404.

During the evaluation and testing process of our internal controls, if we identify one or more material weaknesses in our internal control over financial reporting, we will be unable to certify that our internal control over financial reporting is effective. We cannot assure you that there will not be material weaknesses or significant deficiencies in our internal control over financial reporting in the future. Any failure to maintain internal control over financial reporting could severely inhibit our ability to accurately report our financial condition or results of operations. If we are unable to conclude that our internal control over financial reporting is effective, or if our independent registered public accounting firm determines we have a material weakness or significant deficiency in our internal control over financial reporting, we could lose investor confidence in the accuracy and completeness of our financial reports, the market price of our Class A common stock could decline, and we could be subject to sanctions or investigations by the SEC or other regulatory authorities. Failure to remedy any material weakness in our internal control over financial reporting, or to implement or maintain other effective control systems required of public companies, could also restrict our future access to the capital markets.

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

We are an "emerging growth company," as defined in the Jumpstart Our Business Startups Act of 2012, or JOBS Act, and we may take advantage of certain exemptions from reporting requirements that are applicable to other public companies that are not "emerging growth companies," including the auditor attestation requirements of Section 404, reduced disclosure obligations regarding executive compensation in our periodic reports and proxy statements, and exemptions from the requirements of holding a non-binding advisory vote on executive compensation and stockholder approval of any golden parachute payments not previously approved. Pursuant to Section 107 of the JOBS Act, as an emerging growth company, we have elected to use the extended transition period for complying with new or revised accounting standards until those standards would otherwise apply to private companies. As a result, our consolidated financial statements may not be comparable to the financial statements of issuers who are required to comply with the effective dates for new or revised accounting standards that are applicable to public companies, which may make our Class A common stock less attractive to investors. In addition, if we cease to be an emerging growth company, we will no longer be able to use the extended transition period for complying with new or revised accounting standards.

We will remain an emerging growth company until the earliest of: (1) the last day of the fiscal year following the fifth anniversary of this offering; (2) the last day of the first fiscal year in which our annual gross revenue is $1.07 billion or more; (3) the date on which we have, during the previous rolling three-year period, issued more than $1 billion in non-convertible debt securities; and (4) the date we qualify as a "large accelerated filer," with at least $700 million of equity securities held by non-affiliates.

We cannot predict if investors will find our Class A common stock less attractive if we choose to rely on these exemptions. For example, if we do not adopt a new or revised accounting standard, our future results of operations may not be comparable to the results of operations of certain other companies in our industry that adopted such standards. If some investors find our Class A common stock less attractive as a result, there may be a less active trading market for our Class A common stock, and our stock price may be more volatile.

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

The trading market for our Class A common stock will depend in part on the research and reports that securities or industry analysts publish about us or our business, our market and our competitors. We do not have any control over these analysts. If few securities analysts commence coverage of us, or if industry analysts cease coverage of us, the trading price for our Class A common stock would be negatively affected. If one or more of the analysts who cover us downgrade our Class A common stock or publish inaccurate or unfavorable research about our business, our Class A 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, demand for our Class A common stock could decrease, which might cause our Class A common stock price and trading volume to decline.

We may incur losses from fraud or theft.

We have occasionally in the past incurred and may in the future incur losses from various types of fraud, including stolen credit card numbers, claims that a customer did not authorize a purchase, and merchant fraud. As a general matter, we are liable for fraudulent credit card transactions. Although we have measures in place to detect and reduce the occurrence of fraudulent activity on our digital platform, those measures may not always be effective. In addition to the direct costs of such losses, if the fraud is related to credit card transactions and becomes excessive, it could potentially result in us paying higher fees or affecting our ability to accept credit cards for payment. Our failure to adequately prevent fraudulent transactions could damage our reputation, result in litigation or regulatory action, and lead to expenses that could substantially impact our results of operations.

Additionally, we have occasionally in the past been, and may in the future be, subject to fraudulent purchases by individuals purchasing our products in bulk with the intention of unlawfully reselling such products at a premium. While we have taken steps to detect and prevent such practices, our failure to identify those activities may adversely affect our brand and reputation.

We have occasionally in the past incurred and may in the future incur losses from theft or “leakage” of our products in our stores or in our distribution centers. While we have taken steps to detect and prevent such issues, those steps may not always be effective. In addition to the direct costs of such losses, such theft or “leakage” of our products could result in lost revenue and unlawful reselling of our products, which could adversely affect our brand and reputation.

If our estimates or judgments relating to our critical accounting policies prove to be incorrect, our results of operations could be adversely affected.

The preparation of financial statements in conformity with generally accepted accounting principles in the United States requires management to make estimates and assumptions that affect the amounts reported in our consolidated financial statements and accompanying notes appearing elsewhere in this prospectus. We base our estimates on historical experience and on various other assumptions that we believe to be reasonable under the circumstances, as provided in the section titled “Management’s Discussion and Analysis of Financial Condition and Results of Operations—Critical Accounting Policies and Estimates.” The results of these estimates form the basis for making judgments about the carrying values of assets, liabilities, and equity, and the amount of revenue and expenses. Significant estimates and judgments involve: revenue recognition, stock-based compensation, and the fair value of our common stock. Our results of operations may be adversely affected if our assumptions change or if actual circumstances differ from those in our assumptions, which could cause our results of operations to fall below the expectations of securities analysts and investors, resulting in a decline in the market price of our Class A common stock.

We may be subject to periodic claims and litigation that could result in unexpected expenses and could ultimately be resolved against us.

From time to time, we may be involved in litigation and other proceedings, including matters related to product liability claims, stockholder class action and derivative claims, commercial disputes, and copyright infringement, challenging trademarks, and other intellectual property claims, as well as trade, regulatory, employment, and other claims related to our business. Any of these proceedings could result in significant settlement amounts, damages, fines, or other penalties, divert financial and management resources, and result in significant legal fees. An unfavorable outcome of any particular proceeding could exceed the limits of our insurance policies or the carriers may decline to fund such final settlements and/or judgments and could have an adverse impact on our business, financial condition, and results of operations. In addition, any proceeding could negatively impact our reputation among our customer and our brand image.

Extreme weather conditions, natural disasters, and other catastrophic events, including those caused by climate change, could negatively impact our results of operations and financial condition.

Extreme weather conditions and volatile changes in weather conditions in the areas in which our offices, retail stores, suppliers, customers, distribution centers, and vendors are located could adversely affect our results of operations and financial condition. Moreover, natural disasters such as earthquakes, hurricanes, tsunamis, floods, monsoons or wildfires, public health crises, such as pandemics and epidemics (including, for example, the COVID-19 pandemic), political crises, such as terrorist attacks, war and other political instability, or other catastrophic events, whether occurring in the United States or abroad, and their related consequences and effects, including energy shortages, could disrupt our operations, the operations of our vendors and other suppliers or result in economic instability that could negatively impact customer spending, any or all of which would negatively impact our results of operations and financial condition. For example, our principal offices are located in Northern California, an area which has a history of earthquakes and wildfires, and are thus vulnerable to damage or disruption. In particular, these types of events could impact our global supply chain, including the ability of vendors to provide raw materials where and when needed, the ability of third parties to manufacture and ship merchandise, and our ability to ship products to customers from or to the impacted region(s).

We may require additional capital to support business growth, and this capital might be unavailable or might be available only by diluting existing stockholders.

We intend to continue making investments to support our business growth and may require additional funds to support this growth. Our future capital requirements will depend on many factors, including our rate of revenue growth, the timing and extent of international expansion efforts and other growth initiatives, the expansion of our marketing activities and overall economic conditions. To the extent that current and anticipated future sources of liquidity are insufficient to fund our future business activities and requirements, we may need to engage in equity or debt financings to secure additional funds. If we raise additional funds through further issuances of equity or convertible debt securities, our existing stockholders could suffer significant dilution, and any new equity securities we issue could have rights, preferences and privileges superior to those of holders of our Class A 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. In addition, we may not be able to obtain additional financing on terms favorable to us, if at all. If we are unable to obtain adequate financing or financing on terms satisfactory to us, when we require it, our ability to continue to support our business growth and to respond to business challenges could be significantly limited, and our business and prospects could fail or be adversely affected.

SPECIAL NOTE REGARDING FORWARD-LOOKING STATEMENTS

This prospectus contains forward-looking statements about us and our industry that involve substantial risks and uncertainties. All statements other than statements of historical facts contained in this prospectus, including statements regarding our future results of operations, financial condition, business strategy and plans, and objectives of management for future operations, such as statements regarding the benefits and timing of the roll-out of new technology, are forward-looking statements. In some cases, you can identify forward-looking statements because they contain words such as "anticipate," "believe," "contemplate," "continue," "could," "estimate," "expect," "intend," "may," "plan," "potential," "predict," "project," "should," "target," "will," or "would" or the negative of these words or other similar terms or expressions. These forward-looking statements include, but are not limited to, statements concerning the following:

- our expectations regarding our net revenue, expenses, gross margin, adjusted EBITDA, payback period, and other results of operations;
- our ability to acquire new customers and successfully retain existing customers;
- our ability to gauge and adapt to fashion trends and changing consumer preferences in products, sustainability, price-points, and in-store and digital shopping experiences;
- our ability to achieve or sustain profitability;
- future investments in our business, our anticipated capital expenditures, and our estimates regarding our capital requirements;
- our ability to effectively develop and launch new, innovative, and updated products;
- our ability to effectively manage our inventory and supply chain, including with respect to environmental, social, and governance, or ESG, matters;
- our ability to effectively increase the number of and management our retail locations;
- the costs and success of our sales and marketing efforts, and our ability to promote our brand;
- our reliance on key personnel and our ability to identify, recruit, and retain skilled personnel;
- our ability to achieve the sustainability targets and goals that we have announced;
- our commitments to meeting certain threshold ESG criteria and reporting ESG practices in connection with our Sustainable Public Equity Offering;
- our expectations regarding ESG initiatives;
- our ability to effectively manage our growth, including any international expansion;
- our ability to protect our intellectual property rights and any costs associated therewith;
- our dependence on key suppliers and manufacturers;
- the effects of the COVID-19 pandemic or other public health crises;
- our focus on a specific public benefit purpose and potential resulting negative effects on our financial performance;
- our ability to compete effectively with existing competitors and new market entrants; and
- our total addressable market and the growth rates of the markets in which we compete.

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

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

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

MARKET, INDUSTRY, AND OTHER DATA

This prospectus contains statistical data, estimates, forecasts, and other information concerning our industry, including market position and the size and growth rates of the markets in which we participate, that are based on industry publications and reports. While we believe this information contained in this prospectus is reliable and is based on reasonable assumptions, this information involves a number of assumptions and limitations, and you are cautioned not to give undue weight to these estimates. We have not independently verified the accuracy or completeness of the data contained in these industry publications and reports. The industry in which we operate is subject to a high degree of uncertainty and risk due to a variety of factors, including those described in the section titled "Risk Factors." Among other items, certain of the market research included in this prospectus was published prior to the outbreak of COVID-19 and did not anticipate the pandemic or the impact it has had on our industry. We have utilized this pre-pandemic market research in the absence of updated sources. These and other factors could cause results to differ materially from those expressed in these publications and reports.

The sources of certain statistical data, estimates, and forecasts contained in this prospectus are the following independent industry publications or reports:

- 5W Public Relations, 5WPR 2020 Consumer Culture Report: Insight into the complexities of the modern consumer's motivations, influences and purchasing habits, published 2020;
- American Apparel and Footwear Association, ApparelStats & ShoeStats 2019, published 2019;
- Appnovation Technologies, Inc., The Digital Consumer: Shifting Expectations and Digital Readiness, published February 2021;
- Daniel J. Edelman Holdings, Inc., 2019 Edelman Trust Barometer Special Report: In Brands We Trust?, published June 2019;
- Deloitte, Global Millennial Survey 2020, published June 2020;
- Klarna, May 2021 survey;
- McKinsey & Company and Global Fashion Agenda, Fashion on Climate: How the Fashion Industry Can Urgently Act to Reduce Its Greenhouse Gas Emissions, published August 2020;
- McKinsey & Company, The State of Fashion 2021, published December 1, 2020;
- Quantis, Measuring Fashion: Environmental Impact of the Global Apparel and Footwear Industries Study, published 2018;
- Statista Inc., Apparel, footwear and accessories sales as percentages of total retail e-commerce sales in the United States from 2017 to 2024;
- Statista Inc., Apparel revenue United States from 2012 to 2025;
- Statista Inc., Apparel volume worldwide from 2012 to 2025;
- Statista Inc., Fashion eCommerce report 2020, published November 2020;
- Statista Inc., Footwear market size worldwide from 2020 to 2027;
- Statista Inc., Footwear Report 2020, published July 2020;
- Statista Inc., Footwear revenue United States from 2012 to 2025;
- Statista Inc., Global Apparel Market - Statistics & Facts, published January 22, 2021; and
- Statista Inc., Quantity of footwear produced worldwide from 2015 to 2019.

All references to McKinsey & Company or McKinsey throughout this prospectus refer to the publicly available sources listed above.

This prospectus includes references to our Net Promoter Score, which we use to measure our customers' brand loyalty and satisfaction, and can range from -100 to +100 based on the question: "How likely are you to recommend Allbirds to a friend?" Responses were collected from 0 (Not Likely) to 10 (Very Likely). Our Net Promoter Score is based on approximately 15,000 to 20,000 customer responses each quarter, which are collected in response to an email that is automatically generated 14 days after a purchase of our products and randomly distributed across our markets. Our Net Promoter Score was calculated by using the standard methodology of subtracting the percentage of customers who responded that they are not likely to recommend Allbirds (a score of 6 or lower) from the percentage of customers who responded that they are very likely to recommend Allbirds (a score of 9 or 10) and averaged across all geographic markets. The Net Promoter Score gives no weight to customers who declined to answer the survey question. This method is substantially consistent with how businesses across our industry and other industries typically calculate their Net Promoter Score.

This prospectus also includes references to our aided brand awareness, which we measure as the percentage of respondents who express knowledge of Allbirds when asked the open-ended question: "What footwear/apparel brands are you aware of?" and then being prompted with our brand name in response to the question: "Are you aware of any of the following brands?". We track aided brand awareness through surveys using third-party services and partner panels. These surveys typically consist of 25 questions and sample 1,800 complete responses from individuals in the United States each quarter. The identity of the respondents is confidential, but we collect information about certain respondent demographics on a voluntary basis through non-mandatory survey questions, which confirm that the respondents are representative of the U.S. demographic mix (census balanced). Surveys are sent out every week to about 150 individuals in order to eliminate bias due to timing of the study. We collect the data on a continuous basis and analyze survey results once the quarterly quota of complete responses is reached.

This prospectus also includes references to our Customer Satisfaction, or CSAT, rating, which we use to measure the satisfaction of people's interactions with our customer experience, or CX, team. The CSAT rating is based on responses to a survey that is automatically generated 24 hours after a customer or potential customer contacts our CX team through phone, e-mail, chat, or text message. To answer the question "How satisfied are you with the service you received from (Allbirds' CX employee name) today?", respondents can select from one to five stars. The CSAT rating is calculated as the percentage of four and five star responses out of the total number of responses. The CSAT rating gives no weight to those who decline to answer the survey questions. Our CSAT rating in 2020 was based on a total of approximately 40,000 responses following interactions of customers and potential customers in the United States, New Zealand, and Australia with our CX team (including seasonal CX team members).

We make references throughout this prospectus to the performance of our Boston Back Bay store, for which we conducted a case study. These results may not necessarily be indicative of the performance of our other stores, or stores we may open in the future.

Certain monetary amounts, percentages, and other figures included elsewhere in this prospectus have been subject to rounding adjustments. Accordingly, figures shown as totals in certain tables or charts may not be the arithmetic aggregation of the figures that precede them, and figures expressed as percentages in the text may not total 100% or, as applicable, when aggregated may not be the arithmetic aggregation of the percentages that precede them.

USE OF PROCEEDS

We estimate that we will receive net proceeds from this offering of approximately $ million (or approximately $ million if the underwriters exercise their option to purchase additional shares of our Class A common stock in full) assuming an initial public offering price of $ per share, the midpoint of the estimated price range set forth on the cover page of this prospectus, and after deducting estimated underwriting discounts and commissions and estimated offering expenses payable by us. We will not receive any proceeds from the sale of shares of our Class A common stock by the selling stockholders in this offering.

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

The principal purposes of this offering are to increase our capitalization and financial flexibility and create a public market for our Class A common stock. As of the date of this prospectus, we cannot specify with certainty all of the particular uses for the net proceeds we receive from this offering. However, we currently intend to use the net proceeds we receive from this offering for general corporate purposes, including working capital, operating expenses and capital expenditures. We may also use a portion of the net proceeds to acquire or invest in complementary businesses, products, services, or technologies. However, we do not have agreements or commitments to enter into any such acquisitions or investments at this time.

As of the date of this prospectus, we cannot specify with certainty the specific allocations or all of the particular uses for the net proceeds to be received upon completion of this offering. The expected use of net proceeds from this offering represents our intentions based upon our present plans and business conditions, which could change in the future as or plans and business conditions evolve. We may find it necessary or advisable to use the net proceeds for other purposes, and we will have broad discretion in the application and specific allocations of the net proceeds of this offering. We intend to invest the net proceeds we receive from this offering that are not used as described above in short- and intermediate-term, interest-bearing obligations, investment-grade instruments or other securities.

DIVIDEND POLICY

We have never declared or paid cash dividends on our capital stock. We currently intend to retain all available funds and future earnings, if any, to fund the development and expansion of our business, and we do not anticipate paying any cash dividends in the foreseeable future. Additionally, our credit agreement with JPMorgan Chase Bank, N.A. contains covenants that restrict our ability to pay dividends, and we may enter into agreements in the future that contain restrictions on the payment of cash dividends. Any future determination regarding the declaration and payment of dividends, if any, will be at the discretion of our board of directors and will depend on then-existing conditions, including our financial condition, results of operations, contractual restrictions, capital requirements, business prospects, and other factors our board of directors may deem relevant.

CAPITALIZATION

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

- on an actual basis;
- on a pro forma basis, reflecting (1) the automatic conversion of 70,990,919 shares of our convertible preferred stock outstanding as of December 31, 2020 into an equivalent number of shares of Class B common stock immediately prior to the completion of this offering, (2) the reclassification of our convertible preferred stock warrant liability to additional paid-in capital in connection with this offering, (3) the issuance of shares of our Class B common stock immediately prior to the completion of this offering upon the exercise of warrants outstanding as of December 31, 2020 with a weighted-average exercise price of $ per share, (4) the filing and effectiveness of our amended and restated certificate of incorporation that will be in effect immediately prior to the completion of this offering, and (5) the reclassification of all of our common stock outstanding as of December 31, 2020 into an equivalent number of shares of our Class B common stock; and
- on a pro forma as adjusted basis, reflecting (1) the pro forma items described immediately above and (2) our issuance and sale of shares of our Class A common stock in this offering at an assumed initial public offering price of $ per share, the midpoint of the price range set forth on the cover page of this prospectus, after deducting the estimated underwriting discounts and commissions and estimated offering expenses payable by us. We will not receive any proceeds from the sale of shares of our Class A common stock by the selling stockholders in this offering.

The pro forma and pro forma as adjusted information below is illustrative only, and our capitalization following the completion of this offering will be adjusted based on the actual initial public offering price and other terms of this offering determined at pricing. You should read the information set forth below together with all of the other information contained in this prospectus, including the section titled “Management’s Discussion and Analysis of Financial Condition and Results of Operations” and our consolidated financial statements and the related notes thereto.

	As of December 31, 2020		
	Actual	Pro Forma	Pro Forma as Adjusted[(1)]
	(in thousands, except share and per share data)		
Cash and cash equivalents	$ 126,551		
Convertible preferred stock, $0.0001 par value per share; 75,812,755 shares authorized, 70,990,919 shares issued and outstanding, actual; no shares authorized, issued, or outstanding, pro forma and pro forma as adjusted	204,049		
Stockholders' (deficit) equity:			
Common stock, $0.0001 par value per share; 154,379,258 shares authorized, 53,683,269 shares issued and outstanding, actual; no shares authorized, issued or outstanding, pro forma and pro forma as adjusted	5		
Class A common stock, $0.0001 par value per share; no shares authorized, issued or outstanding, actual; shares authorized, no shares issued and outstanding, pro forma; shares authorized, shares issued and outstanding, pro forma as adjusted	—		
Class B common stock, $0.0001 par value per share; no shares authorized, issued or outstanding, actual; shares authorized, shares issued and outstanding, pro forma and pro forma as adjusted	—		
Preferred stock, $0.0001 par value per share; no shares authorized, issued or outstanding, actual; shares authorized, no shares issued and outstanding, pro forma and pro forma as adjusted			
Additional paid-in capital	64,548		
Accumulated other comprehensive (loss) income	1,956		
Accumulated deficit	(92,016)		
Total stockholders' (deficit) equity:	(25,507)		
Total capitalization	178,542		

(1) Each $1.00 increase (decrease) in the assumed initial public offering price of $ per share of Class A common stock, the midpoint of the price range set forth on the cover page of this prospectus, would increase (decrease) the pro forma as adjusted amount of each of cash and cash equivalents and total stockholders' (deficit) equity by approximately $ million, assuming that the number of shares offered by us, as set forth on the cover page of this prospectus, remains the same and after deducting estimated underwriting discounts and commissions. Similarly, each increase (decrease) of 1,000,000 shares in the number of shares of Class A common stock offered by us would increase (decrease) the pro forma as adjusted amount of each of cash and cash equivalents and total stockholders' (deficit) equity by approximately $ million, assuming the assumed initial public offering price remains the same, and after deducting estimated underwriting discounts and commissions.

The outstanding share information in the table above is based on shares of our Class A common stock and shares of our Class B common stock (including our convertible preferred stock on an as-converted basis) outstanding as of December 31, 2020, and excludes:

- shares of our Class B common stock issuable upon the exercise of options to purchase shares of our Class B common stock issued under our 2015 Equity Incentive Plan, as amended, or 2015 Plan, outstanding as of December 31, 2020, with a weighted-average exercise price of $ per share;
- shares of our Class B common stock issuable upon the exercise of options to purchase shares of our Class B common stock issued under our 2015 Plan granted after December 31, 2020, with a weighted-average exercise price of $ per share;
- shares of our Class A common stock reserved for future issuance under our 2021 Equity Incentive Plan, which will become effective in connection with this offering, as well as any future increases,

including annual automatic evergreen increases, in the number of shares of our Class A common stock reserved for issuance thereunder, and any shares underlying stock awards outstanding under the 2015 Plan that expire or are repurchased, forfeited, canceled or withheld;

- shares of our Class A common stock reserved for future issuance under our Employee Stock Purchase Plan, which will become effective in connection with this offering, as well as any future increases, including annual automatic evergreen increases, in the number of shares of our Class A common stock reserved for issuance thereunder; and
- 157,580 shares of our Class B common stock issuable upon the exercise of a warrant outstanding as of December 31, 2020, with an exercise price of $0.074 per share.

DILUTION

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

As of December 31, 2020, we had a pro forma net tangible book value of $ million, or $ per share of common stock. Pro forma net tangible book value per share represents the amount of our total tangible assets less our total liabilities, divided by the number of shares of our common stock outstanding as of December 31, 2020, after giving effect to (1) the automatic conversion of 70,990,919 shares of our convertible preferred stock outstanding as of December 31, 2020 into an equivalent number of shares of Class B common stock immediately prior to the completion of this offering, (2) the reclassification of our convertible preferred stock warrant liability to additional paid-in capital in connection with this offering, (3) the issuance of shares of our Class B common stock immediately prior to the completion of this offering upon the exercise of warrants outstanding as of December 31, 2020 with a weighted-average exercise price of $ per share, (4) the filing and effectiveness of our amended and restated certificate of incorporation that will be in effect immediately prior to the completion of this offering, and (5) the reclassification of all of our common stock outstanding as of December 31, 2020 into an equivalent number of shares of our Class B common stock.

After giving further effect to our issuance and sale of shares of our Class A common stock in this offering at an assumed initial public offering price of $ per share, the midpoint of the price range set forth on the cover page of this prospectus, and after deducting the estimated underwriting discounts and commissions and estimated offering expenses payable by us, our pro forma as adjusted net tangible book value as of December 31, 2020 would have been approximately $ million, or approximately $ per share of common stock. This amount represents an immediate increase in pro forma net tangible book value of $ per share to our existing stockholders and an immediate dilution in pro forma net tangible book value of approximately $ per share to new investors purchasing shares of Class A common stock in this offering.

Dilution per share to new investors is determined by subtracting pro forma as adjusted net tangible book value per share after this offering from the initial public offering price per share paid by new investors. The following table illustrates this dilution (without giving effect to any exercise by the underwriters of their option to purchase additional shares of our Class A common stock):

Assumed initial public offering price per share		$
Pro forma net tangible book value per share as of December 31, 2020	$	
Increase in pro forma net tangible book value per share attributable to this offering		
Pro forma as adjusted net tangible book value per share after this offering		
Dilution per share to new investors in this offering		

Each $1.00 increase (decrease) in the assumed initial public offering price of $ per share, the midpoint of the price range set forth on the cover page of this prospectus, would increase (decrease) our pro forma as adjusted net tangible book value per share after this offering by approximately $, and dilution in pro forma net tangible book value per share to new investors by approximately $, assuming that the number of shares offered by us, as set forth on the cover page of this prospectus, remains the same, and after deducting the estimated underwriting discounts and commissions. Similarly, each increase (decrease) of 1,000,000 shares in the number of shares of Class A common stock offered by us would increase (decrease) our pro forma as adjusted net tangible book value per share after this offering by approximately $ per share and decrease (increase) the dilution to investors participating in this offering by approximately $ per share, assuming that the assumed initial public offering price remains the same, and after deducting the estimated underwriting discounts and commissions.

If the underwriters exercise their option to purchase additional shares of our Class A common stock in full, the pro forma as adjusted net tangible book value after the offering would be $ per share, the increase in pro forma net tangible book value per share to existing stockholders would be $ per share and the dilution per

share to new investors would be $ per share, in each case assuming an initial public offering price of $ per share, the midpoint of the price range set forth on the cover page of this prospectus.

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

	Shares Purchased		Total Consideration		Average Price Per Share
	Number	Percent	Amount	Percent	
Existing stockholders			$		$
New investors					
Total		100 %	$	100 %	$

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

If the underwriters exercise their option to purchase additional shares in full, our existing stockholders would own %, and new investors purchasing shares of our Class A common stock in this offering would own %, of the total number of shares of our Class A and Class B common stock outstanding immediately after the completion of this offering.

The outstanding share information in the table above is based on shares of our Class A common stock and shares of our Class B common stock (including our convertible preferred stock, on an as-converted basis) outstanding as of December 31, 2020, and excludes:

- shares of our Class B common stock issuable upon the exercise of options to purchase shares of our Class B common stock issued under our 2015 Equity Incentive Plan, as amended, or 2015 Plan, outstanding as of December 31, 2020, with a weighted-average exercise price of $ per share;
- shares of our Class B common stock issuable upon the exercise of options to purchase shares of our Class B common stock issued under our 2015 Plan granted after December 31, 2020, with a weighted-average exercise price of $ per share;
- shares of our Class A common stock reserved for future issuance under our 2021 Equity Incentive Plan, which will become effective in connection with this offering, as well as any future increases, including annual automatic evergreen increases, in the number of shares of our Class A common stock reserved for issuance thereunder, and any shares underlying stock awards outstanding under the 2015 Plan that expire or are repurchased, forfeited, canceled or withheld;
- shares of our Class A common stock reserved for future issuance under our Employee Stock Purchase Plan, which will become effective in connection with this offering, as well as any future increases, including annual automatic evergreen increases, in the number of shares of our Class A common stock reserved for issuance thereunder; and
- 157,580 shares of our Class B common stock issuable upon the exercise of a warrant outstanding as of December 31, 2020, with an exercise price of $0.074 per share.

To the extent any outstanding options are exercised, or new stock options are issued, under our equity incentive plans, or we issue additional equity or convertible debt securities in the future, there will be further dilution to investors participating in this offering.

MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS

You should read the following discussion and analysis together with the section titled "Prospectus Summary—Summary Consolidated Financial Data" and our consolidated financial statements and the related notes thereto included elsewhere in this prospectus. Some of the information contained in this discussion and analysis, including information with respect to our plans and strategy for our business, includes forward-looking statements that involve risks and uncertainties. Our actual results may differ materially from management's expectations as a result of various factors, including, but not limited to, those discussed in the sections entitled "Risk Factors" and "Special Note Regarding Forward Looking Statements."

Overview

Allbirds is a global lifestyle brand that innovates with naturally derived materials to make better footwear and apparel products in a better way, while treading lighter on our planet.

We began our journey in 2015 with three fundamental beliefs about the emerging generation of consumers: first, these consumers recognize that climate change is an existential threat to the human race; second, these consumers connect their purchase decisions with their impact on the planet, demanding more from businesses; and third, these consumers do not want to compromise between looking good, feeling good, and doing good.

When our founders established Allbirds, they set out to create a purpose-native company built upon a system that leverages nature in a responsible way—every aspect of our company is woven together with this mission, fueling a thriving financial business. While many businesses see tension between profit and purpose, we see opportunity. We became a public benefit corporation, or PBC, under Delaware law and earned our B Corporation, or B Corp, certification in 2016, codifying how we take into account the impact our actions have on all of our stakeholders, including the environment, our flock of employees, communities, consumers, and investors. The more sustainable we are, the better we believe our products and business will be. We are proud of the alignment of financial and environmental benefits from our work, and that we are able to serve as a driving force in a new age of sustainable enterprise.

We harness nature to find incredible innovations that create differentiated products so that our customers do not have to compromise between looking good, feeling good, and doing good for the planet. Our strength in development of naturally derived materials serves as a competitive advantage, as we create premium products that are sustainable and that we believe are better than synthetic alternatives across comfort, style, and performance. Our most iconic product, the Wool Runner, which TIME Magazine named the "World's Most Comfortable Shoe," features a distinctly simple design showcasing our sustainably-sourced merino wool combined with our innovative SweetFoam sole, made with the world's first carbon-negative green ethylene-vinyl acetate. We continue to innovate our materials with natural sources such as tree fiber, sugarcane, crab shells, and more. The product philosophy that drives our business remains the same: sustainability at the core to fuel performance, comfort, and beautiful design. By focusing on sustainable materials, we have unlocked a broad set of opportunities that the rest of the industry has largely ignored, while creating products our customers love to wear as they tread lighter. We believe our products are not just better, but also better for the planet, with an average pair of Allbirds shoes carrying a carbon footprint that is approximately 30% less than our estimated carbon footprint for a standard pair of sneakers, due to our use of renewable, natural materials and responsible manufacturing.

We couple this differentiated performance and impact of our shoes with a unique design language that has become synonymous with our brand. Beginning with the Wool Runners and woven across all of our products, we strip away unnecessary details, sparing our customer from becoming a walking billboard, leaving a touch of Allbirds verve to signify the association with our brand. This design approach "with the right amount of nothing" allows us to make stylish, comfortable, and high-performance products that our customers love.

We have achieved our rapid growth through a digitally-led vertical retail distribution strategy. We market directly to consumers via our localized multilingual digital platform and our physical footprint of 22 stores as of March 31, 2021. Through our robust distribution infrastructure, we are able to reach up to 2.5 billion people globally across 35 countries, increasing customer touchpoints and driving brand awareness, all while maintaining a carbon-

neutral supply chain since 2019. Our direct distribution model allows us to control our sales channels and build deep relationships with our customers by delivering high-quality products through a seamless and immersive brand experience, whether shopping on our website, on our app, or in one of our Allbirds stores. In 2020, our digital channel represented 89% of our sales, while stores accounted for the other 11% of our sales. Our stores serve as an effective and profitable source of new customer acquisition, increase awareness of our brand, and drive traffic to our digital platform.

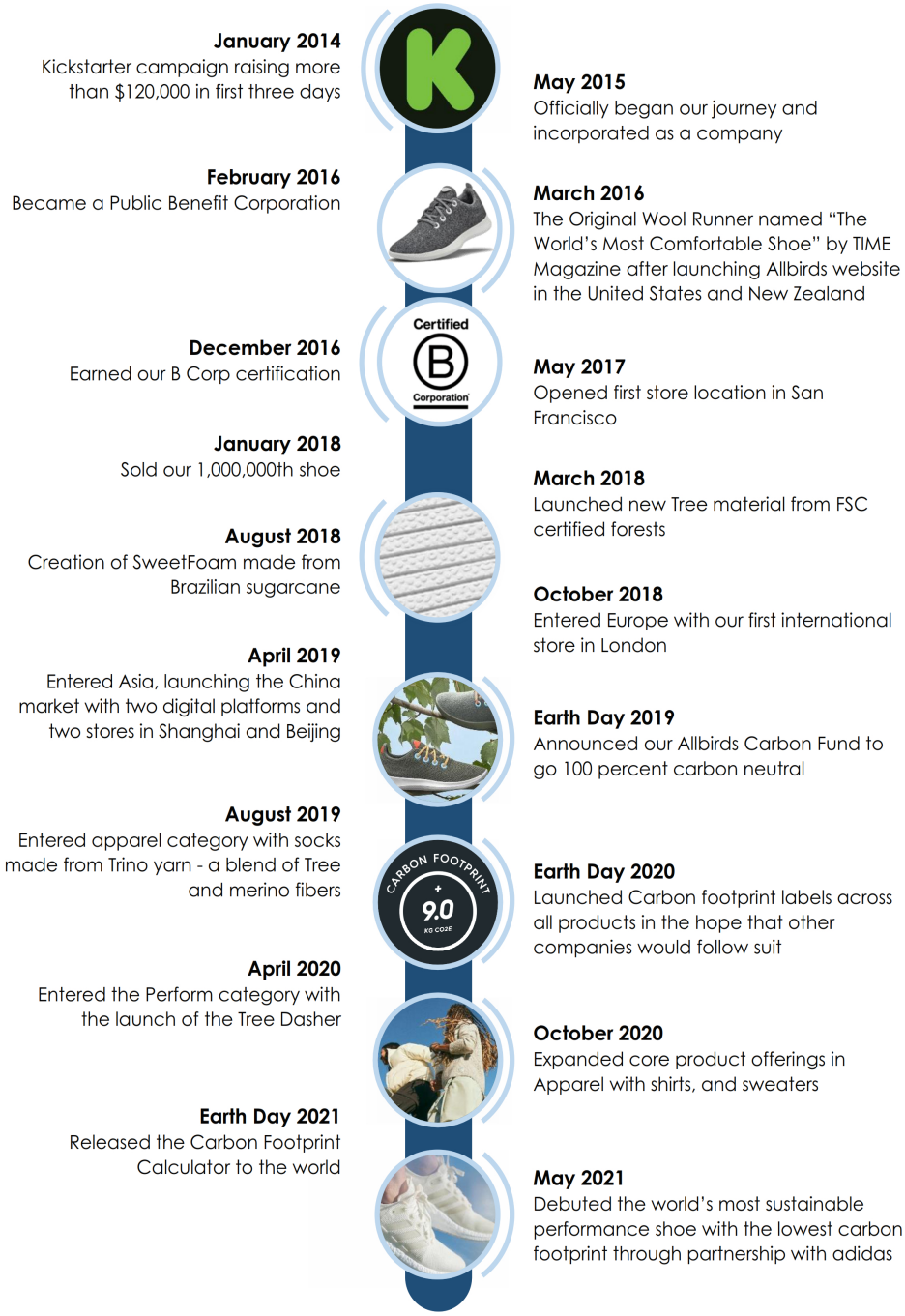
By serving consumers directly, we cut out the layers of costs associated with traditional wholesalers, creating a more efficient cost structure and higher gross margin, which allows us to deliver better products and a better experience to customers. We are able to gain deep visibility into what our customers want, from design and development through to purchase. We then close the loop by reinvesting back into product quality and materials science.

We believe these three aspects together resonate deeply with consumers: (1) a purpose-driven brand that represents all of our stakeholders; (2) innovative and differentiated products; and (3) a vertical distribution model. Our target consumers are a vast and rapidly growing segment of the population, which strives to live a more balanced, sustainable lifestyle through an understanding of the impact of their buying habits. Our purpose and mission, coupled with innovation and a vertically integrated business model, allow us to meet the call of our consumers across the globe.

Today, we are a high-growth company with a loyal and expanding customer base that has earned our brand the permission to expand beyond our casual footwear origins and enter adjacent categories such as performance running shoes and apparel. Our strong brand equity is fueled by our differentiated products created by sustainability-driven innovation. This sets us apart from other lifestyle brands—the unique affinity consumers have for our brand is validated by our high Net Promoter Score, which has consistently been 83 or higher since the first quarter of 2019 and was 86 for the first quarter of 2021. Approximately 53% of our net sales in 2020 came from repeat customers, which we define as customers who have made a prior purchase with us in any period. Furthermore, of our U.S. customers acquired between 2016 and 2019, the average lifetime spend of the top 25% is $446, demonstrating how our most loyal customers have made Allbirds a part of their lifestyle. See the section titled “Market, Industry, and Other Data” for additional information regarding Net Promoter Score.

How We Got Here Today

From day one, our vision has been to become a global lifestyle brand that makes better things in a better way, providing our customers exactly what they want, where they want it, and when they want it, all while treading lighter on the planet. We have proven our thesis that a purpose-driven idea can be scaled into a global business by creating superior products with sustainability as the underlying foundation for everything we do.



Over time, our business has transformed significantly while staying true to our original purpose. We have built our business around the idea that consumers buy great products, but are also looking for brands that support positive change, place comfort and versatility at the forefront of their design, and create a seamless customer experience. We

have methodically built the foundation for our business to ensure that our customers do not have to compromise between looking good, feeling good, and doing good for the planet.

Product Innovation Platform

Product innovation is built into our DNA and enables us to create new and beautiful materials from nature and leverage them across a broad range of products and categories—all without compromising comfort, sustainability, and style.

- Our expertise and supplier relationships have allowed us to work with new and innovative materials to complement our simple, versatile product designs.
- Since beginning our journey in 2015, we have built a palette of distinctive "Hero" materials that provide the foundation for our platform of products. We started with merino wool in 2015 before moving into other materials including tree, sugarcane, and crab shells. Over several years, we have carefully constructed a foundation in footwear that has proven our ability to develop high-quality, sustainable products with technical expertise.

Purpose-Driven Brand with an Inspirational Voice

Since establishing our structure as a PBC and earning our B Corp certification status in 2016, we have demonstrated to all of our stakeholders that sustainability is at the core of everything we do. Our global lifestyle brand, with nature as our inspiration, helps consumers to live life in a better balance without compromising on product quality or comfort.

- We have consistently demonstrated our commitment to people and the planet—inspiring with actions, not just words.
    - Our Earth Day campaigns, including our 2019 partnership with the National Audubon Society to release a limited-edition shoe supporting endangered birds, our 2019 announcement of the Allbirds Carbon Fund to go 100% carbon neutral, our carbon footprint labeling initiative that began in 2020, and our release of the Carbon Footprint Calculator in 2021, demonstrate our commitment to supporting sustainability and inspiring others to do the same.
    - Our Healthcare Donation campaign in March 2020, in which we donated $1.3 million dollars of our products to COVID-19 frontline workers, demonstrates our commitment to the communities we live in.
    - Our recent partnership with adidas in May 2021 to create the world's lowest carbon footprint running shoe at 2.94kg of carbon dioxide equivalent emissions demonstrates our willingness to push unconventional solutions that prioritize collaboration and put sustainability front and center.
- We also maintain an end-of-life program for products returned to us that cannot be resold by donating them to Soles4Souls, a non-profit organization that distributes footwear and clothing in developing countries. Since our first sale in 2016, we have donated more than 225,000 pairs of shoes to Soles4Souls.

Deep Connections with Our Repeat Customers Around the Globe

We believe consumer demand for purpose-driven brands is massive, and we have built a brand that engages our most loyal customers to spend more with us and spread the message of what our brand represents, both in the United States and abroad.

- Our product innovation engine and unwavering commitment to sustainability have enabled us to build authentic connections with our repeat customers.
    - We have sold our products to over four million customers since our founding. As of March 31, 2021, and we had two million people on our email list and nearly one million followers on social media.

- We have continued to grow our sales from repeat customers, with the percentage of total net sales from repeat customers increasing from 41% in 2018 to 53% in 2020.
- The average spend by a repeat customer in a given cohort is over 25% more in their second year as compared to what was spent in the first year, and the average spend by a repeat customer continues to increase each subsequent year.

- To build our global brand, we opened stores internationally and hired on-the-ground teams in Asia, Europe, and Oceania to learn more about new markets and localize our interactions.
  - 24% of our net revenue in 2020 came from outside the United States.
  - As of December 31, 2020, we had 134 employees outside of the United States.

Vertical Retail Distribution Strategy

Our digitally-led vertical retail distribution strategy combines our digital offerings with our stores so we can meet consumers where they are, delivering value and convenience, with our stores serving as brand beacons.

- Our company was born online—from the outset we developed a direct, convenient digital platform for our customers.
- We opened our first store in the United States in 2017 and have since been expanding our store fleet to reach more consumers. In 2018, we opened our first international store in London. As of December 31, 2020, we had 12 stores in the United States and 10 stores outside of the United States.
  - As of December 31, 2020, we had the ability to reach up to 2.5 billion consumers in 35 countries across our multilingual digital platform and 22 retail stores.

Robust Infrastructure Creating a Platform for Scale

Our vision from day one has been to be a global lifestyle brand that makes and delivers better products in a better way. Through careful investments and strategic partnerships, we have built a robust infrastructure with key investments in place across several functional areas that will enable our company to profitably scale.

- With 22 retail stores and nine distribution centers, we have created a global foundation on which we can continue to build.
  - Our supply chain is designed to allow our inventory to go from purchase order to ex-factory in as little as 45 days and our distribution network enables us to reach our 2.5 billion consumer footprint in a matter of days.
- Our technology infrastructure combines tried-and-true enterprise systems and custom technology stacks with an in-house data ecosystem designed to allow us to scale our systems and capture data effectively.
  - Our nine localized websites support seven languages.
  - We are continuing to find new ways to innovate with technology, including our native iOS app launch in late 2020, investments in radio-frequency identification, and personalized email campaigns targeting our over two million customer email list.

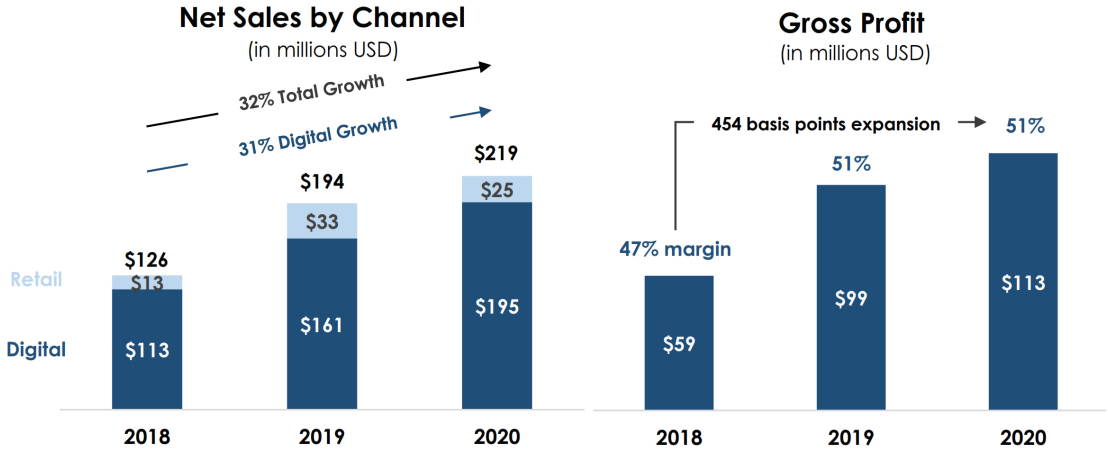
Recent Financial Performance

- We grew net revenue at a 32% compound annual growth rate from $126.0 million in 2018 to $219.3 million in 2020:
  - We achieved 13% year-over-year net revenue growth in 2020, recording a year-over-year revenue growth rate of 21% in our digital channel, which was partially offset by a 25% decline in our physical retail channel largely driven by the impact of store closures due to COVID-19; and

- We achieved 54% year-over-year net revenue growth in 2019, recording a year-over-year revenue growth rate of 42% in our digital channel and 157% year-over-year revenue growth in our physical retail channel as we grew from three to 14 retail locations.

- We increased gross margin by 454 basis points from 46.9% in 2018 to 51.4% in 2020 due to favorable product and business mix, executing on accretive product innovation, achieving economies of scale with manufacturers and key service providers, and increasing the efficiency of our global supply chain.

- We reported net losses of $14.5 million and $25.9 million and adjusted EBITDA of $(1.3) million and $(15.4) million in 2019 and 2020, respectively.



Adjusted EBITDA is a measure that is not calculated in accordance with generally accepted accounting principles in the United States, or GAAP. See the section titled "—Non-GAAP Financial Measure" below for the definition of adjusted EBITDA, as well as a reconciliation of adjusted EBITDA to net loss, the most directly comparable GAAP financial measure.

Key Factors Affecting Our Performance

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

Ability to Increase Brand Awareness and Drive Efficient Customer Acquisition

The ability to communicate our mission of making better things in a better way is integral to our success in engaging new customers and introducing them to our products and brand. Allbirds is still relatively unknown, with aided brand awareness of 11% in the United States, underscoring a large opportunity to scale our customer base and drive future growth. Our continued focus on elevating our product offerings combined with our differentiated brand approach and authenticity is critical to attracting new customers and increasing closet share. Further, we must continue to emphasize our commitment to people, the planet, and our investors in order to further increase our reach and highlight the integrity of our brand. See the section titled "Market, Industry, and Other Data" for additional information regarding aided brand awareness.

As we continue to scale and build our global brand awareness, our goal is to acquire new customers in a cost-effective way. We will continue to invest in customer acquisition while the underlying customer unit economics indicate the return on investment is strong. We assess our performance by comparing the contribution profit we generate from customers to customer acquisition cost, or CAC. Contribution profit is defined as gross profit, which is burdened by variable costs including shipping and fulfillment fees, less any merchant processing fees. We define CAC as total marketing expense for a given period divided by the new customers acquired during that period. We define new customers acquired based on new personal identifiers provided at the time of purchase. We have

consistently achieved contribution profit in excess of CAC on a customer's first purchase for each annual cohort since inception.

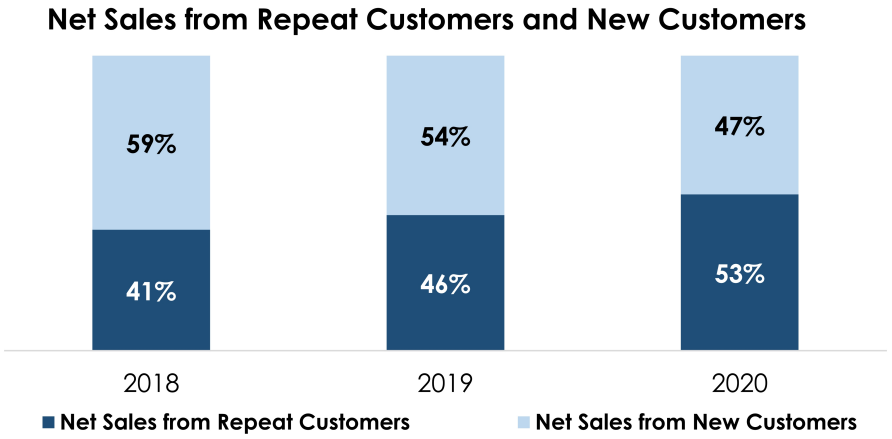
As our average order value further expands from a strong level of $124 on a gross basis in 2020, we expect to continue to generate a contribution profit from our customers that exceeds the upfront acquisition cost on a customer's first purchase and continues to grow over time as our customers engage in repeat purchases.

The continued execution of our customer acquisition strategy is key to acquiring more customers and driving growth and profitability for our business. Our ability to acquire more customers depends significantly on a number of factors, including the level and pattern of consumer spending in the product categories in which we operate and our ability to expand our brand awareness.

Continued Growth Within Existing Customer Base and Increasing Closet Share

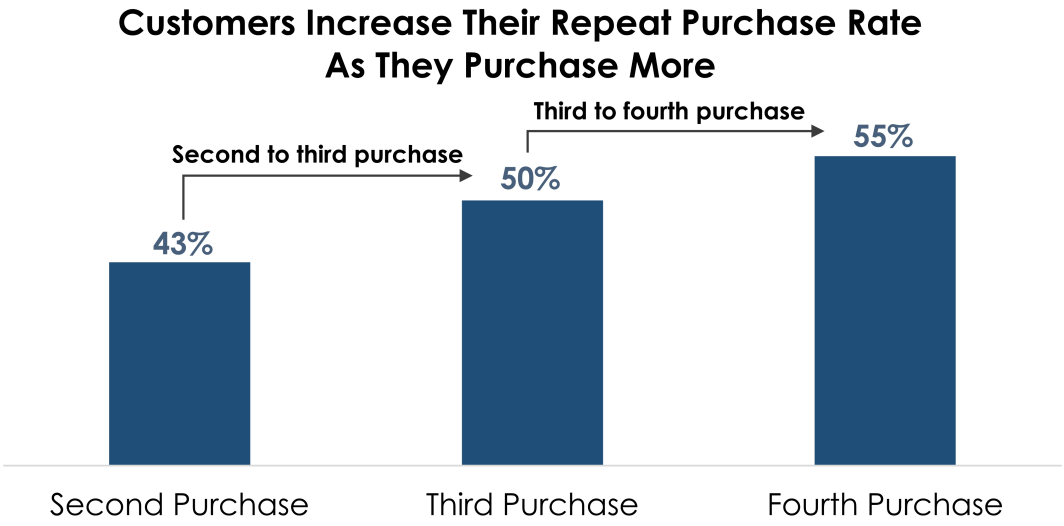
In addition to seeking to acquire new customers, we continuously seek ways to engage with our large and growing base of over four million existing customers. We aim to grow our closet share within our existing customer base, especially as we expand into new product categories and line extensions. We believe we must continue to innovate with new products in order to drive consumer engagement, increase closet share, and expand beyond the footwear category to move up the body with apparel. At the same time, it is critical that we maintain our long-trusted commitment to offering the most comfortable, high performance, and sustainable products. Our continued growth within our existing customer base will depend in part on our ability to continue to innovate with new products appealing to our existing customers.

Engaging and retaining our customers with new products, experiences, and innovations is key to our profitable growth strategy. Our digitally-native vertical distribution strategy allows us to perform meaningful analysis to aid in measuring our success in this area. We have continued to grow our sales from repeat customers, with the percentage of total net sales from repeat customers increasing from 41% in 2018 to 53% in 2020.



We intend to grow our customers' repeat purchases going forward by continuing to innovate our product offerings, expand our assortment, and deliver a great shopping experience across digital and physical retail channels, and we have continued to engage with customers and grow their loyalty with us over time. Of our U.S. customers acquired between 2016 and 2019, approximately 43% of such customers returned for a second purchase by December 31, 2020. After a second purchase, 50% of those customers purchased again, and after a third purchase, 55% of those customers purchased again. Our repeat customers not only continue to repeat purchase with us, but the average spend by a repeat customer in a given cohort is over 25% more in their second year as compared to what was spent in the first year, and the average spend by a repeat customer continues to increase each subsequent year. This increasing loyalty of repeat customers is displayed in the chart below. Furthermore, of these customers, the average lifetime spend of the top 25% is $446, demonstrating how our most loyal customers have made Allbirds a

part of their lifestyle. Based on how we have historically seen our cohorts perform, we believe our newer cohorts will continue to grow lifetime spend in line with our longer dated cohorts.



Execution of Our Vertical Retail Distribution Strategy and Continued Growth of Our Store Fleet

Our long-term growth strategy relies on our ability to grow across various channels, including digitally and in our stores. We believe this seamless consumer buying experience is important to meeting the needs of our growing customer base while also growing revenue. Our digital sales in 2020 grew by 21% compared to 2019, while retail sales in 2020 fell by 25% compared to 2019 primarily due to the impact of store closures due to COVID-19. In 2020, our retail sales made up 11% of our total net revenue, down from 17% in 2019.

We believe that growing our store footprint in the United States and internationally will help grow brand awareness, allow us to be in closer proximity to new customers, and drive profitable growth. With strong pre-COVID-19 unit economics, our store operations have historically been highly profitable, capital-efficient, and provided strong investment returns. All U.S. stores that were operating in 2019 generated approximately $4.3 million average unit volume, or AUV, in their first 12 months of operation, including the stores that had their first 12 months of sales affected by COVID-19 after March 2020. In 2020, our retail operations were disrupted by the impact of the COVID-19 pandemic. We expect our stores to rebound to pre-COVID levels over time following the broader reopening of the economy. Based on this pre-COVID performance, we believe our new stores will be highly profitable, have attractive payback periods, serve as good capital investments, and be positioned well to take advantage of physical retail's recovery from the pandemic. We also expect net revenue and gross margin to benefit from increased sales through our physical retail channel, which benefits from a lower return rate and decreased shipping costs. We have also seen a corresponding increase in digital traffic and digital sales as a result of store builds in new markets.

As an example of the benefits of our vertical retail distribution strategy, our Boston Back Bay store achieved standalone payback within eight months. Furthermore, in the three months after our Boston Back Bay store opened in March 2019, the Boston DMA region saw a 15% increase in website traffic, an 83% increase in new customers and, ultimately, a 77% increase in overall net sales, as compared to a comparable control market.

We believe our omni-channel growth strategy will continue to require investment in store build outs, field infrastructure and technology to ensure that our model reaches new customers, runs in a cost-efficient manner, and provides continued innovation in the customer buying experience.

Growing Our Product Innovation Platform

Innovation has been core to the Allbirds brand since our inception in 2015. Our future innovation and product pipeline will depend, in part, on our ability to apply our expertise in materials science to source and commercialize materials that are sustainable, durable, and comfortable. Our success in leveraging these materials in our products is partially reliant on the ability of our manufacturing and supply chain partners to produce and distribute these materials at scale. It also takes months of testing before we commercialize new materials and products, which could cause delays in our existing growth plans. In addition, these initiatives may require ongoing investments which may lead to additional expenses that could delay our ability to achieve near-term profitability.

Ability to Scale Infrastructure for Profitable Growth

To grow our business, we intend to continue to improve our operational efficiency and thoughtfully optimize our infrastructure. Our ability to scale relies upon our supply chain infrastructure. Our investments in direct and meaningful relationships with all of our partners, from raw materials suppliers to Tier 1 manufacturers and logistics providers, allowed us to improve gross margin despite a difficult cost climate due to the COVID-19 pandemic. We will continue to make similar investments in developing partnerships across the full supply chain. Most importantly, we are firmly committed to reducing our carbon footprint and our environmental impact. This commitment may require current and future investments, which may result in higher expenses.

Macroeconomic Trends

Consumers are increasingly becoming more conscious of the products they purchase and are seeking brands that are responsible and purpose-driven. Consumers' increasing care in the products and brands they trust have contributed to significant demand for our products. Our status as a PBC and a B Corp highlight our commitment to sustainability and our purpose while providing an objective reference point for consumers. As a purpose-native company, we believe we are well-positioned at the intersection of key macro trends impacting our industry. However, changes in macro-level consumer spending trends, including as a result of the COVID-19 pandemic, could result in fluctuations in our results of operations.

Seasonality

Our business is affected by general seasonal trends common to the retail footwear and apparel industry, with sales peaking during the end-of-year holiday period that typically falls within our fourth quarter.

Impact of COVID-19

The COVID-19 pandemic has caused general business disruption worldwide beginning in January 2020. We have remained agile in both strategy and execution throughout this period and our results to date have reflected these efforts, as evidenced below.

Outpaced Growth vs. Category

Despite the challenging backdrop for the footwear category, our 2020 sales increased from 2019. Based on global sales values and estimates reported by Statista, the total footwear category shrunk by approximately 17% from 2019 to 2020. We, on the other hand, were able to maintain 13% topline growth, driven, in part, by the successful launch of our performance running shoe, the Tree Dasher.

Store Closures and Limited Operating Hours

The COVID-19 pandemic created significant disruptions for our physical stores, the majority of which were closed between late March 2020 and July 2020. Across all of 2020, our stores were closed for approximately 20% of the total number of days we expected to operate, and our open stores had reduced operating hours and restricted guest occupancy levels. In addition, our decision to support our retail employees through the pandemic and store closures created significant strains on operating margins during the period. As a digitally-native brand, we were able to avoid massive disruptions to our business performance through the pandemic due to the strength of our digitally-led vertical retail strategy, but the performance of our retail stores in 2020 significantly lagged behind 2019

performance. Despite re-opening delays, we are now back on track to resume our store rollout strategy in 2021. Store re-openings have improved our retail performance, but 2021 same-store sales as of March 31, 2021 remain below 2019 levels. The possible sustained spread or resurgence of the pandemic, and any government response thereto, increases the uncertainty regarding future economic conditions that will impact our business in the future.

Gross Margin

Despite headwinds in manufacturing, shipping, and logistics, we were able to expand our gross margin by approximately 40 basis points in 2020, driven by favorable product mix shift and a decline in cost of revenue, highlighting our business' resiliency and flexibility. We believe that as we continue to scale, our upfront investments in materials science and sustainable manufacturing processes will result in greater economies of scale which will ultimately improve our gross profitability.

Product Development

Despite volatile customer demand and sourcing and logistics headwinds, we were able to continue to drive product diversity and innovation through our performance line launch in 2020. All of our planned product launches in 2020 remained on track, and we also debuted our first performance running shoe, the Tree Dasher, in April 2020. With its success, we have demonstrated the strength of our key sustainable materials partners who were instrumental in helping us navigate the supply chain disruptions caused by the pandemic. Our performance line also fits with growing consumer trends towards more comfortable, versatile products as more people continue to work at home following the pandemic.

Components of Results of Operations

Net Revenue

We generate net revenue primarily through sales of our products in our directly owned digital and physical retail channels. The digital channel includes direct sales to consumers through our websites and mobile app, and the physical retail channel includes sales through our owned stores. Substantially all of our sales are through directly owned channels. Net revenue consists of sales of our products and shipping revenue, net of allowances for returns, discounts, and any taxes collected from customers.

Cost of Revenue

Cost of revenue consists primarily of the cost of purchased inventory, inbound and outbound shipping costs, import duties, and distribution center and related equipment costs. Shipping costs to receive products from our suppliers are included in the cost of inventory and recognized as cost of revenue upon sale of products to our customers.

Gross Profit and Gross Margin

Gross profit represents net revenue less cost of revenue. Gross margin is gross profit expressed as a percentage of net revenue. Our gross margin may in the future fluctuate from period to period based on a number of factors, including business outcomes, the mix of products we sell, the channels through which we sell our products, the innovation initiatives we undertake in each product category, cost drivers, such as product promotions, commodity prices and transportation rates, and manufacturing costs, among other factors. Our expectation is that the combination of our strategy and growth initiatives will result in both topline expansion and operational leverage, leading to a strong gross margin profile.

Operating Expense

Selling, general, and administrative expense

Selling, general, and administrative expense consists of salaries, stock-based compensation, benefits, payroll taxes, bonuses, and other related costs, which we refer to as personnel and related expenses (including for store employees), as well as third-party consulting and contractor expenses, including non-employee stock-based

compensation expense. Selling, general, and administrative expense also includes rent expense and associated utilities for office and retail locations, depreciation and amortization expense, software costs, third-party professional fees, and costs related to other office functions. We anticipate that we will incur additional costs for personnel and related expenses and third-party professional fees related to preparation to become and operate as a public company and expect our selling, general, and administrative expense to increase in absolute dollars as we continue to grow our business.

Marketing expense

Marketing expense consists of advertising costs incurred to acquire new customers, retain existing customers, and build our brand awareness. We expect marketing expense to continue to increase in absolute dollars as we continue to expand our brand awareness, introduce new product innovations across multiple product categories, and implement new marketing strategies.

Interest Expense

Interest expense primarily consists of interest expense associated with our credit agreement with JPMorgan Chase Bank, N.A., or the Credit Agreement.

Other Expense

Other expense consists of gain or loss on foreign currency driven by our international operations and changes in the fair value of our preferred stock warrant liability. This relates to mark to market accounting for our preferred stock warrant liabilities, and will fluctuate as the value of the underlying preferred equity increases or decreases.

Income Tax (Provision) Benefit

Our 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 record deferred tax assets and liabilities based on differences between the book and tax bases of assets and liabilities. The deferred tax assets and liabilities are calculated by applying enacted tax rates and laws to taxable years in which such differences are expected to reverse. Because we are currently in a pre-tax book loss and expect to be in a taxable loss position in the near term, a valuation allowance was maintained against the deferred tax assets in the United States, China, Hong Kong, and South Korea in 2020.

Results of Operations

The following table sets forth our consolidated statements of operations data for each of the periods indicated:

	Years Ended December 31,	
	2019	2020
	(in thousands)	
Statements of Operations Data:		
Net revenue	$ 193,673	$ 219,296
Cost of revenue	94,839	106,555
Gross profit	98,834	112,741
Operating expense:		
Selling, general, and administrative expense[1][2]	63,485	86,694
Marketing expense	44,362	55,271
Total operating expense	107,847	141,965
Loss from operations	(9,013)	(29,224)
Interest expense	(96)	(297)
Other expense	(1,743)	(452)
Loss before provision for income taxes	(10,852)	(29,973)
Income tax (provision) benefit	(3,675)	4,113
Net loss	$ (14,527)	$ (25,860)
Other comprehensive loss (income):		
Foreign currency translation (loss) gain	(37)	2,245
Total comprehensive loss	$ (14,564)	$ (23,615)

(1) Includes stock-based compensation expense of $4.2 million and $6.6 million for the years ended December 31, 2019 and 2020, respectively.
(2) Includes depreciation and amortization expense of $3.4 million and $7.1 million for the years ended December 31, 2019 and 2020, respectively.

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

	Years Ended December 31,	
	2019	2020
Statements of Operations Data, as a Percentage of Net Revenue:		
Net revenue	100.0 %	100.0 %
Cost of revenue	49.0 %	48.6 %
Gross profit	51.0 %	51.4 %
Operating expense:		
Selling, general, and administrative expense	32.8 %	39.5 %
Marketing expense	22.9 %	25.2 %
Total operating expense	55.7 %	64.7 %
Loss from operations	(4.7)%	(13.3)%
Interest expense	0.0 %	(0.1)%
Other expense	(0.9)%	(0.2)%
Loss before provision for income taxes	(5.6)%	(13.7)%
Income tax (provision) benefit	(1.9)%	1.9 %
Net loss	(7.5)%	(11.8)%
Items of other comprehensive loss (income):		
Foreign currency translation (loss) gain	(0.0)%	1.0 %
Total comprehensive loss	(7.5)%	(10.8)%

Comparison of December 31, 2019 and December 31, 2020

Net Revenue

	Years Ended December 31,		
	2019	2020	% Change
	(dollars in thousands)		
Net revenue	$ 193,673	$ 219,296	13.2 %

Net revenue increased $25.6 million, or 13.2%, for 2020 compared to 2019. Our sales growth year-over-year was primarily driven by increases in average order value and number of orders from our digital channel. This was partially offset by a decrease in retail net revenue driven by temporary closures as a result of COVID-19, as well as reduced operating hours and restricted guest occupancy levels.

Cost of Revenue, Gross Profit, and Gross Margin

	Years Ended December 31,		
	2019	2020	% Change
	(dollars in thousands)		
Cost of revenue	$ 94,839	$ 106,555	12.4 %
Gross profit	98,834	112,741	14.1 %
Gross margin	51.0 %	51.4 %	0.8 %

Cost of revenue increased by $11.7 million, or 12.4%, in 2020 compared to 2019. The increase was primarily driven by an increase in the total number of orders in 2020 compared to 2019. Our gross margin improved by approximately 40 basis points in 2020 compared to 2019, primarily due to favorable product mix and a decrease in cost of revenue. This was partially offset by headwinds in manufacturing, shipping, and logistics costs as a result of COVID-19.

Operating Expenses

	Years Ended December 31,		
	2019	2020	% Change
	(dollars in thousands)		
Operating expense:			
Selling, general, and administrative expense	63,485	86,694	36.6 %
Marketing expense	$ 44,362	$ 55,271	24.6 %
Total operating expense	$ 107,847	$ 141,965	31.6 %

Selling, general, and administrative expense

Selling, general, and administrative expense increased $23.2 million, or 36.6%, in 2020 compared to 2019. The increase was primarily driven by increases in personnel and related expenses of $13.8 million, depreciation and amortization of $3.7 million, and rent expense of $2.5 million, as a result of an increased number of employees and an increased number of retail stores in operation.

Marketing expense

Marketing expense increased $10.9 million, or 24.6%, in 2020 compared to 2019. The increase was primarily driven by increased digital advertising expenses as a result of the more competitive, higher-media cost environment and the consumer migration to eCommerce due to physical retail restrictions.

Interest Expense

	Years Ended December 31,		
	2019	2020	% Change
	(dollars in thousands)		
Interest expense	$ (96)	$ (297)	209.4%

Interest expense increased $0.2 million, or 209.4%, in 2020 compared to 2019. The increase was primarily driven by increased interest expense related to our Credit Agreement, partially offset by an increase in interest income.

Other Expense

	Years Ended December 31,		
	2019	2020	% Change
	(dollars in thousands)		
Other expense	$ (1,743)	$ (452)	(74.1)%

Other expense decreased $1.3 million, or 74.1%, in 2020 compared to 2019. The decrease was primarily driven by decreased warrant liability expense of $2.1 million, partially offset by increased losses on foreign currency translation of $0.8 million.

Income Tax (Provision) Benefit

	Years Ended December 31,		
	2019	2020	% Change
	(dollars in thousands)		
Income tax (provision) benefit	$ (3,675)	$ 4,113	211.9 %

Income tax provision decreased by $7.8 million, or 211.9%, in 2020 compared to 2019, resulting in an income tax benefit, primarily due to a decrease in the current tax provision of $4.4 million and a decrease in the deferred tax provision of $3.4 million.

Non-GAAP Financial Measure

We include adjusted EBITDA in this prospectus because it is an important measure upon which our management assesses our operating performance and because we believe it facilitates operating performance comparison from period to period by excluding differences primarily caused by the impact of stock-based compensation expense, depreciation and amortization, other expense (consisting of changes in fair value of our preferred stock warrant liability and gains or losses on foreign currency), interest expense, and provision for income taxes. Because adjusted EBITDA facilitates internal comparisons of our historical operating performance on a more consistent basis, we also use it for our business planning purposes. In addition, we believe adjusted EBITDA is widely used by investors, securities analysts, ratings agencies, and other parties in evaluating companies in our industry as a measure of operational performance.

Adjusted EBITDA should not be considered as an alternative to net loss or any other measure of financial performance calculated and presented in accordance with or GAAP. There are a number of limitations related to the use of adjusted EBITDA rather than net loss, which is the most directly comparable GAAP measure. Some of these limitations are that adjusted EBITDA:

- does not reflect stock-based compensation expenses, including common stock warrant expense, and therefore does not include all of our compensation costs;
- excludes depreciation and amortization expense and, although these are non-cash expenses, the assets being depreciated may have to be replaced in the future, increasing our cash requirements;
- does not reflect interest expense, or the cash required to service our debt, which reduces cash available to us;
- does not reflect other income (expense) that may increase or decrease cash available to us; and
- does not reflect income tax expense or benefit that reduce cash available to us.

Further, other companies, including companies in our industry, may calculate adjusted EBITDA differently, which reduces its usefulness as a comparative measure. Because of these limitations, we consider, and you should consider, adjusted EBITDA together with other operating and financial performance measures presented in accordance with GAAP.

The following table presents a reconciliation of adjusted EBITDA to its most comparable GAAP measure, net loss:

	Years Ended December 31,	
	2019	2020
	(in thousands)	
Net loss	$ (14,527)	$ (25,860)
Add (deduct):		
Stock-based compensation, including common stock warrant expense	4,318	6,684
Depreciation and amortization	3,378	7,110
Other expense	1,743	452
Interest expense	96	297
Income tax provision (benefit)	3,675	(4,113)
Adjusted EBITDA	$ (1,317)	$ (15,430)

Adjusted EBITDA decreased $14.1 million in 2020 compared to 2019. The decrease was primarily driven by higher selling, general, and administrative expense and increased marketing expense.

The following table presents adjusted EBITDA as a percentage of net revenue:

	Years Ended December 31,	
	2019	2020
Adjusted EBITDA, as a Percentage of Net Revenue:		
Adjusted EBITDA	(0.7)%	(7.0)%

Liquidity and Capital Resources

As of December 31, 2020, we had cash and cash equivalents of $126.6 million. Our operations have been funded primarily through cash flows from the sale of our products and net proceeds from private sales of equity securities.

In February 2019, we entered into the Credit Agreement. The Credit Agreement is an asset-based loan with a revolving line of credit of up to $40.0 million and an optional accordion of up to $35.0 million. The Credit Agreement has a maturity date of February 20, 2024. As of December 31, 2020, we had no outstanding balances under the Credit Agreement. See Note 9 to our consolidated financial statements included elsewhere in this prospectus for more information regarding the Credit Agreement.

We believe our existing cash and cash equivalent balances, cash flow from operations, and amounts available for borrowing under our Credit Agreement will be sufficient to meet our working capital and capital expenditure needs for at least the next 12 months. Our future capital requirements may vary materially from those currently planned and will depend on many factors, including our revenue growth rate, our ability to scale across categories and geographies and increase retail stores, our ability to execute on new marketing initiatives, the timing and extent of spending to support growth initiatives, the market adoption of new products, and overall market conditions. To the extent that current and anticipated future sources of liquidity are insufficient to fund our future business activities and requirements, we may be required to seek additional equity or debt financing. The sale of additional equity would result in additional dilution to our stockholders. The incurrence of additional debt financing would result in debt service obligations and the instruments governing such debt could provide for operating and financing covenants that would restrict our operations. There can be no assurances that we will be able to raise additional capital when needed or on terms acceptable to us. The inability to raise capital if needed would adversely affect our ability to achieve our business objectives.

Cash Flows

	Years Ended December 31,	
	2019	2020
	(in thousands)	
Net cash provided by (used in) operating activities	$ 42	$ (32,113)
Net cash used in investing activities	(15,178)	(18,746)
Net cash provided by financing activities	25,704	102,189
Effect of foreign exchange rate changes on cash and cash equivalents	(37)	909
Net increase in cash, cash equivalents, and restricted cash	$ 10,531	$ 52,239

Net Cash Provided By (Used In) Operating Activities

During 2019, net cash provided by operating activities was $0.0 million, which consisted of a net loss of $14.5 million, partially offset by non-cash charges of $11.8 million and a net change of $2.7 million in our operating assets and liabilities. The change in operating assets and liabilities was primarily driven by an increase of $16.1 million in accounts payable and accrued expenses largely due to an increase of $8.1 million in accounts payable due to the timing of payments, an increase of $4.5 million in sales tax accruals, an increase of $1.8 million in accrued

compensation liabilities due to an increase in headcount, and an increase of $1.5 million in accrued sales return allowance. In addition, the change in operating assets and liabilities was also driven by an increase of $10.8 million in inventory, an increase of $4.7 million in prepaid and other current assets largely due to an increase in taxes receivable.

During 2020, net cash used in operating activities was $32.1 million, which consisted of a net loss of $25.9 million, partially offset by non-cash charges of $13.1 million and a net change of $19.4 million in our operating assets and liabilities. The change in operating assets and liabilities is primarily due to an increase of $13.9 million in inventory to support our growth and product expansion, an increase of $8.8 million in prepaid and other current assets largely due to an increase in taxes receivable, an increase of $1.3 million in accounts payable due to the timing of payments, and an increase of $1.9 million in other long-term liabilities primarily due to an increase in deferred rent liabilities.

Net Cash Used In Investing Activities

Net cash used in investing activities primarily relates to capital expenditures to support our growth and investment in property, plant, and equipment.

Net cash used in investing activities in 2019 and 2020 was $15.2 million and $18.7 million, respectively, and consisted primarily of cash outflows for the purchases of property, plant, and equipment, primarily to support the opening of retail stores.

Net Cash Provided By Financing Activities

Net cash provided by financing activities in 2019 and 2020 was $25.7 million and $102.2 million, respectively, primarily due to the net proceeds from issuances of our convertible preferred stock.

Contractual Obligations and Commitments

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

	Years Ended December 31,				
	Payments due by period				
	Total	Less than 1 Year	1-3 Years	3-5 Years	More than 5 Years
	(in thousands)				
Operating lease commitments	$ 50,940	$ 10,073	$ 15,249	$ 12,782	$ 12,836
Inventory purchase obligations	3,125	3,125	—	—	—
Total	$ 54,065	$ 13,198	$ 15,249	$ 12,782	$ 12,836

The commitment amounts in the table above are associated with contracts that are enforceable, legally binding, and specify all significant terms. Our operating lease commitments relate primarily to our retail and office locations. Inventory purchase obligations relate to a supplier agreement that requires us, through our manufacturers, to purchase a minimum quantity of materials in the next year.

Off-Balance Sheet Arrangements

We did not have during the periods presented, and we do not currently have, any off-balance sheet financing arrangements or any relationships with unconsolidated entities or financial partnerships, including entities sometimes referred to as structured finance or special purpose entities, that were established for the purpose of facilitating off-balance sheet arrangements or other contractually narrow or limited purposes.

Critical Accounting Policies and Estimates

Our consolidated financial statements and the related notes thereto included elsewhere in this prospectus are prepared in accordance with GAAP. The preparation of our consolidated financial statements in conformity with GAAP requires us to make estimates and assumptions that affect the reported amounts of assets, liabilities, revenue,

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 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 following accounting policies involve a high degree of judgment and complexity. Accordingly, these are the policies we believe are the most critical to aid in fully understanding and evaluating our financial condition and results of our operations. See Note 2 to our consolidated financial statements included elsewhere in this prospectus for a description of our other significant accounting policies.

Revenue Recognition

Our primary source of revenue is from sales of shoes and apparel products. We determine revenue recognition in accordance with Financial Accounting Standards Board Accounting Standards Codification Topic 606, Revenue from Contracts with Customers, or Topic 606. We recognize revenue when control passes to the customer. This occurs at the time products are shipped to customers for orders placed online, and at the point of sale for retail sales in the store, which is when the performance obligation is satisfied. As customers may return products, we record a reserve for estimated product returns in each reporting period as a reduction of net revenue, which is based on historical return trends. We record the expected customer refund liability as a reduction to revenue, and the expected inventory right of recovery as a reduction of cost of revenue. If actual return costs differ from previous estimates, the amount of the liability and corresponding revenue are adjusted in the period in which such differences occur.

Stock-Based Compensation

Stock-based compensation expense related to stock awards is recognized based on the fair value of the awards granted. The fair value of each option award is estimated on the grant date using the Black-Scholes option pricing model. 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 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 option awards represent management's best estimates. These estimates involve inherent uncertainties and the application of management's judgment. The related stock-based compensation expense is recognized on a straight-line basis over the requisite service period of the awards. We account for forfeitures as they occur instead of estimating the number of awards expected to be forfeited.

These assumptions and estimates are as follows:

Fair value of common stock. As our common stock is not publicly traded, the fair value was determined by our board of directors, with input from management and valuation reports prepared by third-party valuation specialists. Stock-based compensation for financial reporting purposes is measured based on updated estimates of fair value when appropriate, such as when additional relevant information related to the estimate becomes available in a valuation report issued as of a subsequent date.

Expected dividend yield. We have never declared or paid any cash dividends and do not presently plan to pay cash dividends in the foreseeable future. As a result, an expected dividend yield of zero percent was used.

Expected volatility. As we do not have a trading history for our common stock, the expected volatility was estimated by taking the average historic price volatility for industry peers, consisting of several public companies in our industry which are either similar in size, stage of life cycle, or financial leverage, over a period equivalent to the expected term of the awards.

Expected term. The expected term of options represents the period of time that options are expected to be outstanding. Our historical stock option exercise experience does not provide a reasonable basis upon which to estimate an expected term due to a lack of sufficient data. For stock options granted to employees, we estimate the expected term by using the simplified method. The simplified method calculates the expected term as the average of the time-to-vesting and the contractual life of the options. For stock options granted to non-employees, the expected term equals the contractual term of the option.

Risk-free interest rate. The risk-free interest rate for the expected term of the options was based on the U.S. Treasury yield curve in effect at the time of the grant.

We will continue to use judgment in evaluating the assumptions related to our stock-based compensation on a prospective basis. As we continue to accumulate additional data related to our common stock, we may refine our estimation process, which could materially impact our future stock-based compensation expense.

Fair Value of Common Stock

Prior to this offering, given the absence of a public trading market of our common stock and in accordance with the American Institute of Certified Public Accountants Accounting and Valuation Guide, Valuation of Privately-Held Company Equity Securities Issued as Compensation, our board of directors exercised reasonable judgment and considered numerous and subjective factors to determine the best estimate of fair value of our common stock, including:

- independent third-party valuations of our common stock;
- the prices at which our common and convertible preferred stock were sold to outside or existing investors;
- the rights, preferences, and privileges of our convertible preferred stock relative to those of our common stock;
- our results of operations, financial position, and capital resources;
- industry outlook;
- the lack of marketability of our common stock;
- the fact that the option grants involve illiquid securities in a private company;
- the likelihood of achieving a liquidity event, such as an initial public offering or a sale of our company, given prevailing market conditions;
- the history and nature of our business, industry trends, and competitive environment; and
- general economic outlook including economic growth, inflation and unemployment, interest rate environment, and global economic trends.

In valuing our common stock, our board of directors determined the equity value of our business using various valuation methods including the sale of preferred stock to unrelated third parties, combinations of income, and market approaches with input from management. The income approach estimates value based on the expectation of future cash flows that a company will generate. These future cash flows are discounted to their present values using a discount rate derived from an analysis of the cost of capital of comparable publicly traded companies in our industry or similar business operations as of each valuation date and is adjusted to reflect the risks inherent in our cash flows. For each valuation, the equity value determined by the income and market approaches was then allocated to the common stock using either the option pricing method, or OPM, or a hybrid method. The hybrid method is a hybrid of the probability weighted expected return method, or PWERM, and the OPM.

The OPM is based on a Black-Scholes option pricing model, which allows for the identification of a range of possible future outcomes, each with an associated probability. The OPM is appropriate to use when the range of possible future outcomes is difficult to predict and thus creates highly speculative forecasts. PWERM involves a forward-looking analysis of the possible future outcomes of the enterprise. This method is particularly useful when discrete future outcomes can be predicted at a relatively high confidence level with a probability distribution. Discrete future outcomes considered under the PWERM include an initial public offering, as well as non-initial public offering market-based outcomes. Determining the fair value of the enterprise using the PWERM requires us to develop assumptions and estimates for both the probability of an initial public offering liquidity event and stay private outcomes, as well as the values we expect those outcomes could yield. Our common stock valuations prior to

March 2021 were based on the OPM. Beginning in March 2021, we valued our common stock based on a hybrid method of the PWERM and the OPM.

In addition, we considered any secondary transactions involving our capital stock. In our evaluation of those transactions, we considered the facts and circumstances of each transaction to determine the extent to which they represented a fair value exchange. Factors considered include transaction volume, timing, whether the transactions occurred among willing and unrelated parties, and whether the transactions involved investors with access to our financial information.

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

For valuations after the completion of this offering, our board of directors will determine the fair value of each share of underlying common stock based on the closing price of our common stock on as reported on the date of grant. Future expense amounts for any particular period could be affected by changes in our assumptions or market conditions.

Based on the assumed initial public offering price per share of $, the midpoint of the price range set forth on the cover page of the prospectus, the aggregate intrinsic value of our outstanding stock options as of December 31, 2020 was $ million, with $ million related to vested stock options.

Quantitative and Qualitative 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. These risks include the following:

Interest Rate Risk

As of December 31, 2020, we had cash and cash equivalents of $126.6 million. Interest-earning instruments carry a degree of interest rate risk. We do not enter into investments for trading or speculative purposes and have not used any derivative financial instruments to manage our interest rate risk exposure. As of December 31, 2020, a hypothetical 10% change in interest rates would not have resulted in a material impact on our consolidated financial statements.

Foreign Currency Risk

Our net revenue is primarily denominated in U.S. dollars, with some denominated in foreign currencies, and a portion of our operating expenses are incurred outside the United States, denominated in foreign currencies. Accordingly, our results of operations are subject to fluctuations due to changes in foreign currency exchange rates, particularly changes in the euro, Chinese yuan, British pound, and New Zealand dollar. Additionally, fluctuations in foreign currency exchange rates may cause us to recognize transaction gains and losses in our consolidated statements of operations. As the impact of foreign currency exchange rates has not been material to our historical results of operations, we have not entered into derivative or hedging transactions, but we may do so in the future if our exposure to foreign currency becomes more significant. As of December 31, 2020, a hypothetical 10% change in the relative value of the U.S. dollar to other currencies would not have had a material effect on our results of operations.

Inflation Risk

Inflationary factors such as increases in the cost of our products and overhead costs may adversely affect our results of operations. Although we do not believe that inflation has had a material impact on our financial position or results of operations to date, a high rate of inflation in the future may have an adverse effect on our ability to

maintain current levels of gross margin and selling, general, and administrative expenses as a percentage of net revenue if the selling prices of our products do not increase with these increased costs.

Recent Accounting Pronouncements

For information on recent accounting pronouncements, see Note 2 to our consolidated financial statements included elsewhere in this prospectus.

Emerging Growth Company Status

We are an "emerging growth company," as defined in the Jumpstart Our Business Startups Act of 2012, or JOBS Act, and we may take advantage of certain exemptions from various reporting requirements that are applicable to other public companies that are not emerging growth companies. We may take advantage of these exemptions until we are no longer an emerging growth company. Section 107 of the JOBS Act provides that an emerging growth company can take advantage of the extended transition period afforded by the JOBS Act for the implementation of new or revised accounting standards. We have elected to use the extended transition period for complying with new or revised accounting standards and, as a result of this election, our financial statements may not be comparable to companies that comply with public company effective dates. We may take advantage of these exemptions up until the last day of the fiscal year following the fifth anniversary of this offering or such earlier time that we are no longer an emerging growth company. We would cease to be an emerging growth company if we have more than $1.07 billion in annual gross revenue, we have more than $700.0 million in market value of our Class A stock held by non-affiliates (and we have been a public company for at least 12 months and have filed one annual report on Form 10-K) or we issue more than $1.0 billion of non-convertible debt securities over a three-year period.

BUSINESS

Mission, Vision, and Purpose

We make better things in a better way, through nature—products that people feel good in and feel good about.

We aim to reverse climate change through better business by empowering people to make better, more conscious decisions for themselves as well as the planet.

Who We Are

Allbirds is a global lifestyle brand that innovates with naturally derived materials to make better footwear and apparel products in a better way, while treading lighter on our planet.

We began our journey in 2015 with three fundamental beliefs about the emerging generation of consumers: first, these consumers recognize that climate change is an existential threat to the human race; second, these consumers connect their purchase decisions with their impact on the planet, demanding more from businesses; and third, these consumers do not want to compromise between looking good, feeling good, and doing good.

When our founders established Allbirds, they set out to create a purpose-native company built upon a system that leverages nature in a responsible way—every aspect of our company is woven together with this mission, fueling a thriving financial business. While many businesses see tension between profit and purpose, we see opportunity. We became a public benefit corporation, or PBC, under Delaware law and earned our B Corporation, or B Corp, certification in 2016, codifying how we take into account the impact our actions have on all of our stakeholders, including the environment, our flock of employees, communities, consumers, and investors. The more sustainable we are, the better we believe our products and business will be. We are proud of the alignment of financial and environmental benefits from our work, and that we are able to serve as a driving force in a new age of sustainable enterprise.

We harness nature to find incredible innovations that create differentiated products so that our customers do not have to compromise between looking good, feeling good, and doing good for the planet. Our strength in development of naturally derived materials serves as a competitive advantage, as we create premium products that are sustainable and that we believe are better than synthetic alternatives across comfort, style, and performance. Our most iconic product, the Wool Runner, which TIME Magazine named the “World’s Most Comfortable Shoe,” features a distinctly simple design showcasing our sustainably-sourced merino wool combined with our innovative SweetFoam sole, made with the world’s first carbon-negative green ethylene-vinyl acetate, or EVA. We continue to innovate our materials with natural sources such as tree fiber, sugarcane, crab shells, and more. The product philosophy that drives our business remains the same: sustainability at the core to fuel performance, comfort, and beautiful design. By focusing on sustainable materials, we have unlocked a broad set of opportunities that the rest of the industry has largely ignored, while creating products our customers love to wear as they tread lighter. We believe our products are not just better, but also better for the planet, with an average pair of Allbirds shoes carrying a carbon footprint that is approximately 30% less than our estimated carbon footprint for a standard pair of sneakers, due to our use of renewable, natural materials and responsible manufacturing.

We couple this differentiated performance and impact of our shoes with a unique design language that has become synonymous with our brand. Beginning with the Wool Runners and woven across all of our products, we strip away unnecessary details, sparing our customer from becoming a walking billboard, leaving a touch of Allbirds verve to signify the association with our brand. This design approach “with the right amount of nothing” allows us to make stylish, comfortable, and high-performance products that our customers love.

We have achieved our rapid growth through a digitally-led vertical retail distribution strategy. We market directly to consumers via our localized multilingual digital platform and our physical footprint of 22 stores as of March 31, 2021. Through our robust distribution infrastructure, we are able to reach up to 2.5 billion people globally across 35 countries, increasing customer touchpoints and driving brand awareness, all while maintaining a carbon-neutral supply chain since 2019. Our direct distribution model allows us to control our sales channels and build deep relationships with our customers by delivering high-quality products through a seamless and immersive brand

experience, whether shopping on our website, on our app, or in one of our Allbirds stores. In 2020, our digital channel represented 89% of our sales, while stores accounted for the other 11% of our sales. Our stores serve as an effective and profitable source of new customer acquisition, increase awareness of our brand, and drive traffic to our digital platform.

By serving consumers directly, we cut out the layers of costs associated with traditional wholesalers, creating a more efficient cost structure and higher gross margin, which allows us to deliver better products and a better experience to customers. We are able to gain deep visibility into what our customers want, from design and development through to purchase. We then close the loop by reinvesting back into product quality and materials science.

We believe these three aspects together resonate deeply with consumers: (1) a purpose-driven brand that represents all of our stakeholders; (2) innovative and differentiated products; and (3) a vertical distribution model. Our target consumers are a vast and rapidly growing segment of the population, which strives to live a more balanced, sustainable lifestyle through an understanding of the impact of their buying habits. Our purpose and mission, coupled with innovation and a vertically integrated business model, allow us to meet the call of our consumers across the globe.

Today, we are a high-growth company with a loyal and expanding customer base that has earned our brand the permission to expand beyond our casual footwear origins and enter adjacent categories such as performance running shoes and apparel. Our strong brand equity is fueled by our differentiated products created by sustainability-driven innovation. This sets us apart from other lifestyle brands—the unique affinity consumers have for our brand is validated by our high Net Promoter Score, which has consistently been 83 or higher since the first quarter of 2019 and was 86 for the first quarter of 2021. Approximately 53% of our net sales in 2020 came from repeat customers, which we define as customers who have made a prior purchase with us in any period. Furthermore, of our U.S. customers acquired between 2016 and 2019, the average lifetime spend of the top 25% is $446, demonstrating how our most loyal customers have made Allbirds a part of their lifestyle. See the section titled “Market, Industry, and Other Data” for additional information regarding Net Promoter Score.

Given the size of our market and the broad set of our target consumers, we believe our core strengths will propel us into the future. We will continue to bring to market world-leading product innovations, build a global brand that attracts and inspires a loyal and evangelical customer community, serve that community effectively through a digitally-enabled, cross-channel experience, and delight our customers through the delivery of products on time and in a cost-effective manner, all while treading lighter on the planet.

Since our founding in 2015, we have sold more than eight million pairs of shoes to over four million customers globally, including 3.3 million customers in the United States. Our rapid growth validates our value proposition and compelling business model, as evidenced by our business results:

- Grew net revenue from $126.0 million in 2018 to $219.3 million in 2020, representing a compound annual growth rate, or CAGR, of 31.9%;
- Grew our digital revenue from $113.2 million in 2018 to $194.6 million in 2020, representing a CAGR of 31.1%;
- Grew our store footprint from three in 2018 to 22 in 2020;
- Grew our U.S. and international revenue by $52.5 million and $40.7 million, respectively, from 2018 to 2020, representing a CAGR of 20.8% and 112.4%, respectively;
- Increased gross margin by 454 basis points from 46.9% in 2018 to 51.4% in 2020;
- Generated net losses of $14.5 million and $25.9 million in 2019 and 2020, respectively; and
- Generated adjusted EBITDA of $(1.3) million and $(15.4) million in 2019 and 2020, respectively.

These business results support our thesis that the more sustainable we are, the better our products and business perform and the better we can serve our stakeholders. We are proud that our purpose-native company is proving capable of serving the needs of the next generation of consumers while delivering financial results and treading lighter on the planet.

Our Industry

Our Market Opportunity

In 2020, consumers worldwide spent an estimated $1.8 trillion on footwear and apparel, comprised of approximately $1.5 trillion on apparel and a projected $366 billion on footwear, with the U.S. portion of this total spend reaching approximately $342 billion, based on data from Statista. In 2018, the average American consumer spent more than $1,100 on footwear and apparel and bought approximately seven pairs of shoes and 68 pieces of clothing, according to the American Apparel and Footwear Association.

We Stand at the Intersection of Changing Industry and Consumer Trends

We believe there are three trends that influence how consumers make their purchase decisions today.

- *Brands that are responsible and purpose-driven.* An increasing number of consumers want to align with brands that are responsible and purpose-driven. More than ever, people are scrutinizing the products they purchase and what the brands they select represent. Surveys suggest that consumers, and younger generations, including Gen-Z and Millennials in particular, are becoming increasingly focused on product origins and buying from companies that share their values. More than 60% of consumers have stated that environmental impact is an important factor in their purchasing decisions based on a 2020 McKinsey study, and more than 80% of consumers insist that they must be able to "trust the brand to do what is right," according to a 2019 consumer survey conducted by Edelman. More than 60% of consumers say it is important for the companies they buy from to align with their beliefs and values, according to 5W Public Relations' 2020 Consumer Culture Report. As part of this shift toward conscious consumerism, consumers are looking for brands that are purpose-native and authentically sustainable, as customers demand transparency with respect to the products they buy. Furthermore, consumers are increasingly signaling their values to the world with what they choose to wear, simultaneously representing the brands they align with and serving as ambassadors for the brand. Footwear, and sneakers in particular, are the ultimate expression of one's values, further emphasizing the importance of a brand's values in the consumer's eyes.

  In addition to conscious consumerism, our unique positioning as a global lifestyle brand addresses two of the most important issues for younger generations—(1) health and wellness and (2) sustainability—in a way incumbent brands are unable to do. According to Deloitte's 2020 Global Millennial Survey, when respondents were asked to choose the top-three most concerning challenges facing society, "health care/disease prevention" and "climate change/protecting the environment" were two of the most commonly listed. While incumbent footwear and apparel brands are able to help consumers work toward their health and wellness goals with performance-focused products, these brands must reverse-engineer sustainability into their products to back-solve for this critical consumer requirement. These brands are constrained by synthetic, off-the-shelf materials, entrenched supply chains, and compressed margins via wholesale distribution. We are able to take a fresh approach by building naturally beautiful products from the molecular level up, directly sourcing and innovating through our materials, and offering customers "more shoe for their buck" through our vertical distribution strategy. Our brand's natural performance products uniquely address both (1) health and wellness and (2) sustainability, enabling consumers to perform their best while also treading lighter on the planet.

- *Great products that adapt to the "new normal."* We believe there has been a continued shift to wardrobe casualization, accelerated by the COVID-19 pandemic, whereby the lines have blurred between work, home, gym, and play. This casualization has demanded increasing versatility from consumers' wardrobes, requiring footwear and apparel that are stylish, comfortable, and functional across a variety of use occasions. Per a survey by Klarna in 2021, nearly half of American employees are planning to wear more comfortable clothes to work than they did before the pandemic. As workplaces continue to move towards a

more casual and/or remote environment, we believe consumers will place more value on versatility and comfort.

- *A seamless, cross-channel buying experience that delivers value and convenience.* Consumers are increasingly looking for the ability to interact with brands both digitally and physically. According to Statista, apparel, footwear, and accessories represented 29.5% of total U.S. eCommerce retail sales in 2020 and are expected to increase to approximately 32.2% by 2024. Additionally, based on a 2021 consumer survey conducted by Appnovation, approximately 80% of consumers expected or hoped that brands would adopt digital solutions to better serve their consumers. Through the use of cross-channel experiences, vertically integrated brands are uniquely positioned to deliver a better and more convenient experience.

Allbirds was founded with and has grown with these consumer trends in mind, and we believe we stand perfectly at their intersection. These trends have moved faster than any of us could have expected, and we believe this positions us to be successful for years to come. Our commitment to doing better things in a better way aligns with the demands of the next generation of consumers. Our sustainable materials innovation and simple, comfortable designs will allow us to continue to build closet share and grow revenue with new and existing customers, and our vertical retail model meets customers where and when they want to shop, all while treading lighter on the planet.

How We and Our Customers are Reducing the Environmental Impact of the Footwear and Apparel Industry

According to Statista, over 24 billion pairs of shoes were produced and 180 billion pieces of clothing were sold in 2019. The global footwear and apparel industry relies on fossil fuels to power factories, produce materials, and ship products. Based on a 2018 analysis by Quantis, roughly 57% of footwear and 64% of apparel is made from synthetic materials, mostly plastic, and as a result, most of what consumers wear is derived from oil. The global fashion industry accounted for approximately 4% of global greenhouse gas, or GHG, emissions in 2018, or 2.1 billion tonnes of carbon dioxide equivalent emissions, or CO_2e, and over 70% of these emissions were related to upstream activities like materials production, preparation, and processing, according to a 2020 McKinsey and Global Fashion Agenda report.

The 2015 Paris Agreement set the goal to limit global warming to well below 2° Celsius, preferably to 1.5° Celsius, compared to pre-industrial levels. Under its current trajectory, the fashion industry is expected to fall short of meeting the 1.5° Celsius target by 50%, according to a 2020 McKinsey and Global Fashion Agenda report. The pace of change must accelerate in order for the industry to be compatible with planetary boundaries, and Allbirds offers a blueprint for how to get there.

We estimate that a standard pair of sneakers results in a carbon footprint of 14.1 kg of CO_2e. Today, through our use of renewable, natural materials and responsible manufacturing, the average pair of Allbirds shoes has a carbon footprint that is 30% less than our estimated carbon footprint for a standard pair of sneakers, and we offset the entirety of the rest to provide our customers with carbon-neutral products. Furthermore, we believe in the power of selective industry collaboration to accelerate progress, as evident by our partnership with adidas to unveil the world's lowest carbon footprint running shoe at 2.94kg of CO_2e in May 2021. This partnership, as well as our decision to open up the carbon-negative, green EVA used to make SweetFoam, and our carbon footprint methodology demonstrates our ability to scale our impact to the broader industry and beyond, while extending our brand's leadership as a sustainability innovator.

We are inspired by the impact we can have on the planet. By offering footwear that is less carbon-intensive and doing our part to offset the rest of our carbon impact, every product we sell contributes to our success as a business and reduces the impact of our industry. If we assume all 24 billion pairs of shoes produced by the industry in 2019 had a 30% lower carbon footprint relative to our estimate of the carbon footprint of a standard sneaker, the industry would have saved 98 million tonnes of CO_2e, which is equivalent to taking 21 million cars off the road in the same timeframe. We intend to drive our emissions down further as described in the section titled "Environmental, Social, and Governance."

Why We've Been Successful So Far

Allbirds has developed five core strengths that have enabled our success and given us a durable, competitive advantage. Using these core strengths outlined below, we created something new: an industry-redefining global lifestyle brand built around sustainability with best-in-class materials innovation capabilities and a unique approach to bringing our products to consumers around the globe.

- ***Product Innovation Based on Materials R&D and Simple, Purposeful Design***

  Innovation is built into our culture, and our product innovation platform starts with natural materials. With meticulous attention, we have examined every component that goes into our products to ensure we deliver design, comfort, and performance, all enabled by novel technologies and materials derived from nature. For example, in 2018, with the help of our partner, Braskem S.A., the petrochemical company and a leading biopolymers producer, we pioneered a carbon-negative green EVA made with Brazilian sugarcane, as an alternative to traditional EVA made from petroleum. We used this new carbon-negative green EVA to create SweetFoam, which is now in all of our shoe soles. This is just one example of many from our track record of nature-based innovations, along with materials made from wool, tree, crab shells, and more. As we have scaled and built our commercialization capabilities, our innovation has created a virtuous cycle of research and development. As we have grown our business and consistently launched products relying on materials from nature, we have increasingly become a partner of choice for those in the innovation ecosystem. That translates to partners seeking us out to utilize their novel developments, and allows us to extend our advantage in sourcing and commercializing differentiated materials that reduce our impact on the planet.

  With materials at our product platform's core, we are able to extend into new categories and develop new innovations across the body leveraging our versatile, distinctly simple design, and a focus on performance and comfort. Our emphasis on design that removes unnecessary details to highlight our "Hero" materials allows us to capitalize on existing designs. Between our major materials innovations, we deliver product newness and brand excitement from incremental launches across color, pattern, exclusive partnerships, and additional features. Within our footwear line, we can leverage existing shoe sole tooling by modifying upper designs to create entirely new styles, transforming iconic styles into franchises. We did this with our first performance running product, the Tree Dasher, by extending that revolutionary midsole and outsole unit to the Wool Dasher Mizzle (weather-resistant), Tree Dasher Relay (laceless design), and our Allbirds x Staple collaboration (inside-out design). In between these larger product extensions, we utilize color and partnerships to deliver expressive and novel looks, bringing periodic freshness to our line. We believe this approach to reinventing classic silhouettes creates timeless product style that reduces potential fashion risk that other companies fall prey to.

  We intentionally launched into the footwear category first given its technical nature, building credibility and trust with consumers before moving up the body into apparel. We believe our foundation in comfort and simple design, coupled with our success in manufacturing high-quality, sustainable footwear gives us a distinct advantage as we expand into adjacent categories.

- ***Purpose-Driven Lifestyle Brand with an Inspirational Voice***

  Our brand inspires consumers to live life in better balance, which creates deep affinity and loyalty with our growing base of customers. For our customers, balance is not having to compromise between looking good, feeling good, and doing good for the planet. We spent years developing high-quality products while also pioneering sustainable practices in product development. Our commitment to environmental conservation and sustainability is built into our DNA as both a PBC under Delaware law and a certified B Corp. Through these efforts, we have been able to cultivate an authentic brand supported by a community that loves our products because they fit perfectly into their everyday lives. Based on our internal studies, we believe our brand is seen as more sustainable, innovative, and having higher quality products compared to other major footwear brands, while also being more sustainable, comfortable, and better designed compared to other direct-to-consumer brands. Furthermore, much of what makes our brand distinctive is the thought

leadership and conversations we enable within the broader industry about the impact of the products we make. Our campaigns around labeling each product's carbon footprint and challenging our competitors to do the same are just some of the examples that exemplify our brand leadership. We also maintain an end-of-life program for products returned to us that cannot be resold by donating them to Soles4Souls, a non-profit organization that distributes footwear and clothing in developing countries.

- ***Deep Connection with Our Community of Customers***

  By making great products and telling the story of an inspirational, purpose-driven brand, we have formed a deep connection with our community of customers. We have sold our products to over four million customers since our founding. As of March 31, 2021, we had two million people on our email list and nearly one million followers on social media. Our high Net Promoter Score, which has consistently been 83 or higher since the first quarter of 2019 and was 86 for the first quarter of 2021, demonstrates our strong following and growing brand advocates who love Allbirds. Approximately 53% of our net sales in 2020 came from repeat customers. This is true globally, as our customers span 35 countries, and 24% of our net revenue in 2020 came from outside the United States. See the section entitled "Market, Industry, and Other Data" for additional information regarding Net Promoter Score.

  As a brand with a digitally-led vertical retail distribution strategy, we are able to own the customer experience, which allows us to use data to determine who our customers are, what is important to them, and what products are most relevant and when, allowing us to create a strong connection with our customers. We have learned that our customers live an active and curious lifestyle, care about health and well-being, prioritize quality over price, frequently purchase products online, live in urban center settings, and appreciate socially conscious brands. In addition to communicating more effectively with our customers, these insights allow us to meet customers' needs through the creation of new products and enhancements to our existing line. Further, to illustrate the importance of engaging our customer base, the average spend by a repeat customer in a given cohort is over 25% more in their second year as compared to what was spent in the first year, and the average spend by a repeat customer continues to increase each subsequent year.

  Consumers are increasingly expressing their values directly through what they buy from cars to food, but particularly footwear and apparel due to its direct connection to personal expression. We strive to build a strong connection with each customer that purchases, wears, or gifts our products, based on their trust in our brand to do what is right. This was exemplified during our Healthcare Donation campaign in March 2020 during the COVID-19 pandemic, where we donated $1.3 million of products to frontline healthcare workers, of which almost $800,000 was initiated by our customers through matching donations. Furthermore, we maintain an end-of-life program for products returned to us that cannot be resold by donating them to Soles4Souls, a non-profit organization that distributes footwear and clothing in developing countries. This program resonates with our core customers, who appreciate the fact that this extends the life of our products, reduces the impact on our planet, and supports those in need.

- ***Global Vertical Retail Distribution Strategy that Melds Digital with Physical***

  Our digitally-led vertical retail distribution strategy combines our digital offerings with our stores so we can meet consumers where they are, delivering value and convenience. Our direct distribution to customers in 35 countries and across our 22 store locations as of March 31, 2021 enables us to own the customer experience, driving deeper brand engagement and loyalty, and effectively managing inventory, while also realizing better margins. Coupled with our resonant brand and products, our distribution model has enabled us to generate approximately 98% of our gross sales at full price for the entirety of our history. Vertical retail not only allows us to better understand our customers, but also enables us to cut out the layers of costs associated with traditional wholesalers, creating a more efficient cost structure. Ultimately, we believe this provides unmatched value to customers, enabling us to deliver better products and a better experience to customers, one that competitors relying on wholesale distribution cannot afford to deliver at our price point.

  Our digital commerce experience is complemented by a thriving retail store fleet. With strong pre-COVID-19 unit economics, our store operations have historically been highly profitable, capital-efficient,

and provided strong investment returns. All U.S. stores that were operating in 2019 generated approximately $4.3 million in average unit volume, or AUV, in their first 12 months of operation, including the stores that had their first 12 months of sales affected by COVID-19 after March 2020. Based on this pre-COVID performance, we believe our new stores will be highly profitable, have attractive payback periods, serve as good capital investments, and be positioned well to take advantage of physical retail's recovery from the pandemic. While our store channel already generates strong results on a standalone basis, the real power of our vertical retail strategy is the synergy between the physical and digital sides of our business. This synergy takes the form of increased brand awareness and website traffic in the regions where we open new stores, driving an overall lift in sales.

As an example of the benefits of our vertical retail distribution strategy, our Boston Back Bay store achieved standalone payback within eight months. Furthermore, in the three months after our Boston Back Bay store opened in March 2019, the Boston DMA region saw a 15% increase in website traffic, an 83% increase in new customers and, ultimately, a 77% increase in overall net sales, as compared to a comparable control market.

- ***Unique and Agile Infrastructure with Key Investments in Place to Scale***

  Our vision from day one has been to be a global lifestyle brand that makes and delivers better products in a better way. Through careful investments and strategic partnerships, we have built a robust infrastructure with key investments in place across several functional areas that will enable our company to profitably scale.

  - *Supply chain.* Our supply chain infrastructure is advanced compared to other brands of similar age and size. The unique relationships we have with our vendors give us agility to respond to consumer demands, where inventory can go from purchase order to ex-factory in as little as 45 days. Our investments in direct and meaningful relationships with all our partners, from raw materials suppliers to Tier 1 manufacturers and logistics providers, also allowed us to improve gross margin despite a difficult cost climate due to the COVID-19 pandemic. Our distribution network, comprised of nine distribution centers across eight countries, puts us close to the consumer, allowing us to reach up to 2.5 billion people across 35 countries in a matter of days with quick, reliable service.

  - *Technology.* Our current technology infrastructure is nimble and enables us to scale globally at a lower cost than large incumbents. We have married tried-and-true enterprise systems with custom-built technology stacks tailored to our needs. Because we started our business with a modern technology stack, we are able to rely on partners such as Shopify to more effectively scale, in contrast to incumbents who are saddled with legacy systems.

  - *Localized teams with market expertise.* We have hired on-the-ground teams in China, Germany, Japan, New Zealand, South Korea, and the United Kingdom who understand their market's consumers and are able to localize our approach. Localizing brands globally can be difficult, and we have invested early in order to do so effectively, establishing a set of internal marketing and distribution capabilities that we believe will allow us to grow steadily around the world.

Experienced and Passionate Team Who Believes in Our Vision

Underlying our five core strengths is our unique, purpose-driven culture that starts with the vision of our co-founders and our "flock" of passionate employees. This culture is underpinned by an authentic approach that recognizes the environment as a critical stakeholder, as documented in our certificate of incorporation as a PBC and certified through our B Corp status. We believe great employees stand with brands that have values they can align with, and Allbirds is filled with a diverse group of people who believe in our mission. Our flock's passion is seen every single day in the ideas they bring to creating new and innovative products and running a sustainable and successful business.

Why We Will Continue to be Successful

Our intention is to be a high-growth, profitable business that consistently delivers great outcomes for our stakeholders. To do this, we believe it is vital to have a clear long-term growth strategy that translates into near-term growth initiatives.

Our long-term strategy to fulfill this vision has five strategic pillars:

- **Make** the world's most comfortable shoes and apparel, powered by world-leading sustainable materials innovation and design;
- **Build** a global brand that attracts a large, loyal community of customers who love our products;
- **Inspire** that community of customers to keep coming back and to serve as our biggest advocates;
- **Serve** that community through a digitally-enabled and seamless cross-channel experience; and
- **Deliver** the highest quality products on time at a great value to our customers through a low-carbon, technology-enabled, consumer-focused supply chain.

Threading through these five strategic pillars is our commitment to tread lighter and have a positive impact on all stakeholders, including the environment, our flock of employees, communities, consumers, and investors.

In the near term, this strategy will manifest itself in the following five growth initiatives:

- ***Innovate and Make Great New Products with Natural, Sustainable Materials***

Our product platform allows us to consistently deliver new and differentiated products, fulfilling new use cases in new categories to grow our closet share. We think about our innovation platform in the following ways:

  - *New materials*. Starting with wool and quickly expanding to tree, sugarcane, and crab shells, materials innovation and research and development is in our DNA, and we continuously seek out new opportunities to bring nature to life in our products. Our successful track record of commercializing and bringing to market new innovations has made us a desirable partner for many outside R&D companies and vendors, allowing us to be first to market with novel materials while accelerating development timelines and reducing costs. A recent example is our collaboration with Natural Fiber Welding, Inc. to commercialize a 100% natural, plant-based leather-alternative. As we continue to build our library of materials, we plan to create new, differentiated products, as well as leverage new materials across our existing product platforms by refreshing our classic silhouettes.
  - *Expand footwear.* New materials innovations unlock potential for differentiated styles and use occasions, which create opportunities to make new footwear franchises. Our versatile, simple designs with "Hero" materials allow us to expand our core product families. For example, we have expanded upon the original Wool Runner with new styles, colors, weather-proof treatment, and exclusive design partnerships to generate brand attachment, turning a single product (and its tooling) into a family of products that drive repeat engagement for our customers. We plan to grow footwear sales by broadening and deepening our assortment across end uses including functional casual occasions and performance athletics, while also introducing new style, fit, and size ranges to give customers more choices.
  - *Broaden our apparel offerings*. Our foundation in natural materials, comfort, and sustainability translates into the ability to create great products, not just in shoes, but in a number of apparel categories that complement our footwear line. We teased our entry into apparel with socks in 2019, and today have a small assortment of tees, sweaters, jackets, and underwear. Our expertise with materials allows us to expand in basics and functional casual apparel, and has significant application to natural performance apparel, which we believe will be a complementary offering to our newly established credibility in performance footwear. Our design philosophy for this category is to develop products that are visually athletic and technically designed, with a versatile casual style that can cross into daily life. We have several offerings currently

under development which will empower our customers to explore and appreciate the great outdoors, better connecting with nature.

- ***Raise Awareness and Grow Our Customer Community***

We are still a young brand with aided brand awareness of 11% in the United States as of the end of the first quarter of 2021, which provides significant whitespace for growth as we introduce ourselves to new consumers. Our recent marketing efforts, including our expansion into TV advertising, collectively drove a 250 basis points increase in our aided brand awareness relative to the fourth quarter of 2020, affirming the success of our marketing strategy. See the section titled "Market, Industry, and Other Data" for additional information regarding aided brand awareness.

We are focused on increasing awareness through the following tactics:

- *Thought leadership moments.* We will continue to be leaders in the fight against climate change, from open-sourcing our Carbon Footprint methodology to vocally challenging copycat brands to copy our sustainability practices and not just our designs. This has helped to amplify our voice and introduce us to new customers who connect with the values of our brand.

- *Community.* In 2020, we formalized our community marketing efforts by launching the Allgood Collective, a global community of ambassadors who promote the power of collective action as a force for good, embracing the Allbirds brand and products as a vehicle for positive change. We partner with leaders and organizers from diverse backgrounds and with interests that intersect health, creativity, and sustainability. The Allgood Collective is how we personify and extend our mission and values into tangible experiences, encouraging meaningful conversations and strengthening our relationship with our existing fans while also allowing us to reach and engage new groups of people.

- *Expanding our brand beacon through physical touchpoints*. Our stores are situated in high-traffic, popular locations and serve as billboards while providing an immersive and tactile introduction to the brand. A hands on experience is important because we do best when we convey the luxurious feel of our materials. Historically, we have seen significant awareness boosts in store markets and efficient new customer acquisition, and we expect this trend to continue with the rollout of additional locations throughout the world.

- *Full-funnel marketing*. We are at a scale now where it is effective to broaden our marketing funnel from emphasizing direct, digital conversion marketing to a full-funnel approach that utilizes TV and other mediums. A broader marketing strategy enables us to showcase our beautiful products and mission to a larger audience. We anticipate this will result in expanding our consumer reach to a wider population, showcasing a broader array of products, and taking consumers through the entire brand journey, from awareness through consideration to conversion. As we increase awareness, add stores, and broaden our product assortment, we believe this full-funnel approach will increase marketing efficiency.

- ***Deepen Engagement with Our Community of Customers***

As a digitally-native vertical retailer that directly engages with consumers, we have carefully cultivated every aspect of our customer experience. We have the opportunity, taking insights from our data ecosystem, to further unlock customer loyalty and lifetime value through personalized experiences and product innovation. We see an opportunity to increase purchase frequency by providing our customers exactly what they want, where they want it, when they want it.

- *Product.* Increased product offerings provide more opportunities to buy, greater breadth to meet wardrobe needs, and more reasons to engage with us.

- *Personalization*. Investments in our marketing technology and customer relationships allow us to personalize each customer's experiences, showing them more of what they want, when they want it.

- *Proximity.* Our extensive distribution network, native app, and expanding retail footprint all bring us closer to the customer, increasing access to our brand and product whenever and wherever they want it. Furthermore, we have a significant opportunity to integrate the customer experience across our digital platform and stores by expanding on capabilities such as Buy-Online-Pickup-In-Store and Ship-from-Store in the short to medium term.

By deepening our relationships with our repeat customers, we believe we are well-positioned to capture a greater share of the approximately seven pairs of shoes and 68 pieces of clothing that the average American bought in 2018 and realize substantial growth in our business.

- ***Expand Vertical Retail Distribution to Meet Our Customers Where They Are***

We have seen the early benefits of our vertical retail approach and have the blueprint for making this successful, while continuing to grow our digital channel through personalization.

- *Increase store fleet*. We have just scratched the surface of our store potential, particularly in the United States, with 22 stores globally as of March 31, 2021. With strong pre-COVID-19 unit economics, our store operations have historically been capital efficient and provided strong investment returns. We are in the early phase of a ramp towards hundreds of potential locations in the future, with strong unit economics. Furthermore, as our store fleet expands, we expect our growth to accelerate, as compared to 2020, through more efficient customer acquisition, while also receiving the benefit of increasing digital traffic as more people learn about our brand through our stores. Based on our stores' pre-COVID-19 performance, we believe our new stores will also be highly profitable, have attractive payback periods, serve as good capital investments, and be positioned well to take advantage of physical retail's recovery from the pandemic.

- *Grow within our existing international markets*. The early investments in our international operations have given us traction in key markets across Europe, Asia, and Oceania that complement our core North American business and provide us with a global platform to share our product, brand, and values. Opportunities exist beyond our current reach, but the majority of our growth outside of the United States in the near term will come from the group of 35 countries we serve today. In 2020, 24% of our net revenue came from outside the United States, signaling a strong foundation from which to scale our business globally. With local teams already on the ground in our largest markets, and an expanding list of offerings to ensure product-market fit, we believe these new regions are positioned to accelerate growth. We intend to continue to make strategic investments in these markets by opening new stores and further localizing the digital experience.

- *Further personalize and grow digital*. Complementing our store rollout strategy and growing global footprint, our digital channels should accelerate growth as they are the most accessible ways for new and existing customers to purchase our products. New customers who are exposed to the brand for the first time can learn about our story and product offerings, while our investments in marketing technology enables us to personalize and tailor our engagement with our existing customers, targeting more of what they want, when they want it, particularly as our product offerings increase. The more we interact with both new and existing customers, the more data and insights we gather about customer behavior, which will feed our personalization efforts. We expect the combination of all these elements to further drive website and mobile app traffic, conversion, and revenue.

- ***Optimize Infrastructure for Profitable Growth***

We have spent the past five years investing in a foundation for materials and product innovation, global reach, and cross-channel distribution. With much of this global infrastructure built, we can now scale our business to use the full capacity of the supply chain and technology in place, including store fleet expansion and international growth, all of which should result in margin expansion, operational leverage, and profitable growth. We believe we

have the key investments in place that will enable us to reach our vision of becoming a scaled global brand. We will continue to strategically invest in our business while driving operational excellence.

- *Innovation-focused partner network.* We continue to optimize our supply across sourcing, manufacturing, distribution, logistics, and fulfillment to reduce carbon emissions, provide flexible production lead times, shorten go-to-market timelines, and maximize product and logistics cost efficiencies.

- *Technology-led efficiency improvements.* We will continue to leverage our modern technology approach to improve efficiency and reduce complexity via improved inventory management and analytics, and a more streamlined go-to-market process. Inventory improvements should enable us to maintain high levels of full-price sell through, while minimizing write-offs and lost sales from stock-outs. Additionally, digital product tools allow us to shorten the development cycle, increase the pace of development, and decrease overall go-to-market timelines so we can deliver what our customers want, faster.

Commitment to Profitable Growth

Our commitment to tread lighter and have a large positive impact on all of our stakeholders requires financial discipline and a focus on profitable growth. Our expectation is that the combination of our strategy and growth initiatives will result in both topline expansion and operational leverage, leading to a strong margin profile and a robust bottom line. If executed as we anticipate, the impact of the growth drivers should manifest in:

- gross margin improvement due to lower costs related to scale and favorable product, channel, and geographic mixes;

- marketing efficiency improvement, as a percentage of sales, due to favorable channel mix, greater awareness, and less reliance on new customer acquisition as a driver of revenue growth; and

- operating expense improvement, as a percentage of sales, due to scale and leveraging historical infrastructure investments as we grow.

Our core strengths work in unison to allow us to make better things in a better way, tread lighter, and help our consumers to live life in better balance. Our core strengths also create a competitive moat that sets us apart from competitors. Starting from our materials science innovation and versatile, distinctly simple designs, we have built a powerful product innovation platform that allows us to continue to create new and differentiated products and grow closet share. Our superior products are backed by a global lifestyle brand and a vertical distribution strategy that offer our repeat customers value, convenience, and peace of mind. Underlying our business are our dedicated employees, supply chain capabilities, and technology that allow us to profitably grow our business and have a positive impact on the world.

Our Products

Allbirds started in 2016 with a single offering, the Wool Runner, which TIME named “The World’s Most Comfortable Shoe.” Since our initial launch, we have methodically built our product development engine through a fully-integrated team across strategy, sustainability, design, sourcing, development, and production, both in our U.S. headquarters and within our manufacturing and supply chain innovation partners, combining to deliver the same product philosophy and design principles that created our iconic Wool Runner: sustainability at the core with distinctly simple design and performance comfort in mind.

allbirds
The Product Platform

Wool

Super fine ultra soft merino wool

- Breathable
- Temperature regulating
- Moisture-wicking

Tree

Responsibly-sourced tree fiber

- Durable & breathable
- Flexible and lightweight
- Silky smooth

SweetFoam

World's first sugarcane-based sole in all our footwear

- Bouncy Comfort
- Cushioned shapibility
- Made with carbon-negative Green EVA

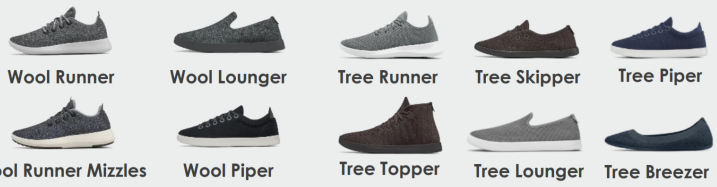
Trino

Proprietary fiber made from combination of tree and merino wool

- Soft & breathable
- Silky smooth
- Moisture-wicking

FOOTWEAR

Lifestyle
Everyday classic casual footwear for moving through daily life with versatility, comfort, and style.



Wool Runner · Wool Lounger · Tree Runner · Tree Skipper · Tree Piper
Wool Runner Mizzles · Wool Piper · Tree Topper · Tree Lounger · Tree Breezer

Perform
Best for traditional athletic activities with natural materials engineered for technical performance.

Wool Dasher Mizzles · Tree Dasher Relay · Tree Dasher

APPAREL & BASICS

Lifestyle
Designed for everyday life with the flexibility to meet needs from the time you wake up to the moment you fall asleep.

Tees · Sweaters & Jackets · Socks · Underwear

Perform
Visually athletic and technically designed, with a versatile casual style that can cross into daily life.

Perform Socks

And more in 2021

Today, we offer almost 50 products across Footwear and Apparel within our Lifestyle and Perform categories. Each product adheres to our three product design principles, creating an evergreen, fad-resistant product that never goes out of style.

- ***Footwear***

Footwear has historically represented the vast majority of our revenue and has been the foundation of our brand since the launch of our original and distinctly-recognizable Wool Runner, setting the standard for our product platform strategy. We think of each new style launch as a franchise where each new design can be leveraged across new materials innovations, colors, partnerships, and adjacent stylings to create freshness for the brand and our customers.

Our Footwear offering currently has two categories: Lifestyle and Perform.

- *Lifeystyle.* Our Lifestyle category includes a broad range of everyday casual footwear, elevated classic silhouettes enhanced by natural materials for moving through daily life with versatility and comfort. Our Lifestyle footwear platforms currently include the Runner, Lounger, Skipper, Topper, Breezer, and Piper made from Wool and Tree materials, while our Mizzle styles are enhanced by Puddle Guard, a bio-TPU membrane that makes our products weather repellent.
- *Perform.* Our Performance category launched in April 2020 with the introduction of our first performance running shoe, the Tree Dasher, delivering high levels of technical performance through natural materials. The success of the Tree Dasher was followed up by our Wool Dasher Mizzle, which incorporates our Puddle Guard technology for athletic activities in the winter, and the laceless Tree Dasher Relay for a different look, feel, and design. With the success of the Dasher platform, we see this category as a major growth opportunity as we continue to grow across the Performance space into new run options, Trail, Train, and beyond.

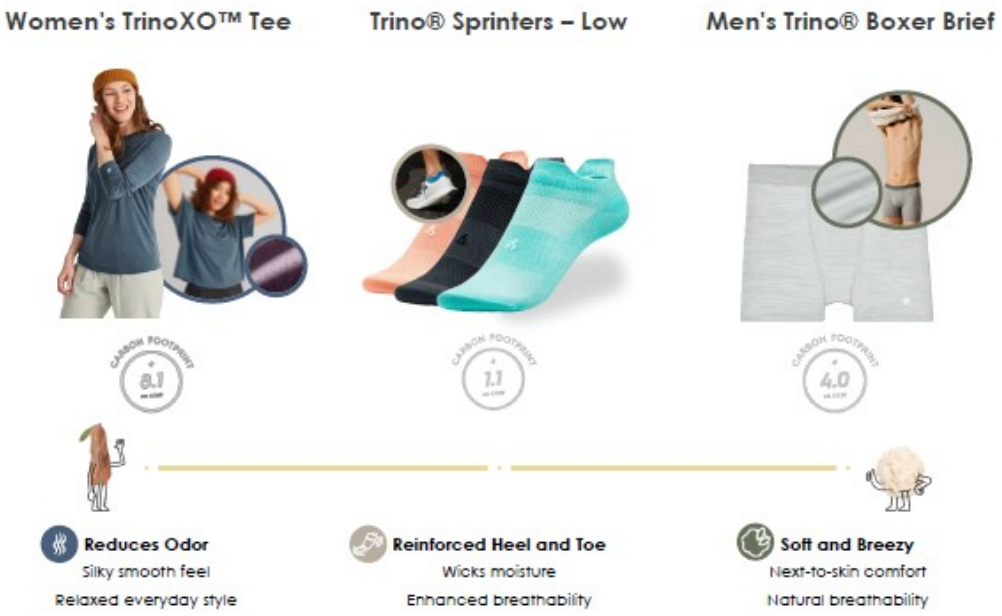
- ***Apparel and Basics***

Our unique technical expertise in footwear and materials research and development has provided us consumer credibility for our entry into apparel. As a global lifestyle brand with footwear at our core, we began our entry into apparel in 2019 with the development of our Trino socks, which are made from a proprietary mix of our foundational Tree and Wool "Hero" materials.

Our ever-expanding line of apparel offerings currently include tees, jackets, and sweaters plus basics including socks and underwear. Our apparel offerings leverage our leading naturally derived materials innovation to re-imagine products in a category that has been historically reliant on synthetics and poor environmentally performing products and supply chains.

Our Apparel offering currently has two categories: Lifestyle and Perform.

- *Lifestyle.* This category includes apparel designed for everyday life with the flexibility to meet our customers' needs from the time they wake up to the moment they fall asleep. Like the footwear category, our natural materials offer exceptional 'next-to-skin' comfort and enhanced functionality across the apparel line. We teased this category with the introduction of Trino as a material when we launched our sock line in 2019, and have since expanded this category with underwear, tees, jackets, and sweaters in late 2020.
- *Perform.* With the success of our Perform footwear products, our next logical move was to apply our technical expertise and learnings into athletic apparel. Our design philosophy for this category is to develop products that are visually athletic and technically designed, with a versatile casual style that can cross into daily life. To date, we have launched the Sprinter and Pacer sock lines within Performance Apparel. We have several offerings currently under development which will empower our customers to explore and appreciate the great outdoors, better connecting with nature.



Materials and Innovation

Our innovation approach is to leverage materials that are both more sustainable than synthetic alternatives and also have real, tangible performance benefits that can easily be experienced and appreciated by customers, such as comfort, temperature regulation, and odor control. We have developed a unique, systemized approach to using natural materials R&D to create differentiated products that unlock value for our customer and are measurably better for the planet. This authenticity stands in contrast to legacy companies that claim sustainability by inserting a small amount of natural or recycled materials in their products.

Materials research and development is led by our Innovation team, which draws on its deep expertise in biomaterials commercialization and polymer science. Additionally, we collaborate with experts in the fields of biomechanics, polymer development, green chemistry, biotechnology, and sustainable venture investment to extend the innovation ecosystem beyond our employees and supply base. Our process of bringing these materials to market is executed in close coordination with our Product Development team to ensure that products utilizing these novel materials meet or exceed our customers' quality and performance standards before it is ready for commercialization.

In the five years since our initial launch, we have already built a palette of distinctive “Hero” materials platforms that provide the foundation for our product innovation.

- ***Wool:*** superfine merino wool platform sourced from the New Zealand Merino Company, or NZM. The fibers we use are 20% to 30% of the diameter of a human hair, which creates an ultrasoft textile typically

reserved for fine suiting fabrics. Our proprietary textile blends comfort and performance with the naturally occurring benefits of temperature regulation, moisture management, and odor control. 100% of our wool is ZQ certified, the highest standard in sheep welfare, and is the same wool used in high-quality designer men's suits.

- ***Tree:*** a cellulosic fiber textile platform sourced mainly from eucalyptus plantations that combines a soft hand feel that is cool to the touch with a silk-like aesthetic. Compared to traditional materials like cotton, our tree fiber represents a 95% reduction in water usage. We source 100% of our fiber from farms certified by the Forest Stewardship Council, or FSC, which is the world's leading standard in responsible forest management. In 2019, we received a Leadership Award from the Forest Stewardship Council for bringing to market the first FSC-certified footwear collection.

- ***SweetFoam:*** a novel footwear cushioning technology featuring the world's first sugarcane-based, carbon-negative EVA conceived of and pioneered by Allbirds in collaboration with our materials supplier. We use SweetFoam to replace conventional EVA, a rubber-like foam derived from petroleum that most shoe soles today are made of. For each tonne of green EVA produced, the process removes 1.2 tonnes of CO_2 from the atmosphere, as compared to traditional EVA which emits 1.8 tonnes of CO_2e.

- ***Trino:*** a unique blend of our Wool and Tree that takes the best properties of both to create a soft, breathable fiber that serves as the foundation for apparel products. We then took it a step further and created TrinoXO, which features a naturally derived, anti-odor technology based on chitosan, which is made from discarded waste from the seafood industry, including crab shells and the second most abundant biopolymer on earth.

- ***Plant Leather:*** a highly tunable, plant-based, petroleum-free alternative leather platform. In February 2021, we announced our collaboration with Natural Fiber Welding, Inc., or NFW, a sustainable materials innovator. We are currently working with NFW to introduce Plant Leather into our products. Plant Leather acts and looks like leather, but has up to 40 times less carbon impact compared to animal leather and up to 17 times less carbon impact compared to other synthetic leathers derived from petroleum.

Surrounding our "Hero" materials are additional developments that support and enhance the functionality of the core materials. These include: Puddle Guard, a bio-TPU membrane that makes our products weather repellent; recycled water bottles, used to make our shoelaces; and castor bean oil, replacing synthetic materials in the insole.

We continuously refine our "Hero" materials to further enhance the customer experience, with each iteration seeking to improve upon the comfort, versatility, and performance of the previous materials. These innovations and the products we've developed along with them have received high-profile recognition, including being named among TIME Magazine's Best Inventions of 2018 and 2020 and featured among Fast Company's "World Changing Ideas" in 2019, 2020, and 2021 and "Innovation by Design" in 2018 and 2020. In addition, we will continue looking for opportunities to share our innovations and create impactful partnerships, as evidenced by our contribution of SweetFoam to the footwear industry and our partnership with adidas to create the world's lowest carbon footprint running shoe.

Community Research

Our customers are at the heart of our disciplined approach to new product creation. We conduct detailed research to better understand our customers' lives, wardrobes, and perspectives. Our research team visits our customers in their homes, building empathy and providing better product context. Through our research and customer feedback, we have continuously made tweaks to evolve our products and develop entirely new products that people have wanted. One example is the launch of our Wool Runner Mizzle, which was the result of customers wanting a Wool Runner that was better-equipped to handle winter weather and rainy terrains. This led us to create a weather-proof winter boot version of the Wool Runner, with natural rubber traction to keep users from slipping in the elements while still keeping the comfort and design of our original Wool Runner. We believe that these rich insights and human-centered design drive our growth and set us apart.

Keeping a constant pulse on our in-market products is equally important to us. We actively engage a community of more than 1,000 customers in product and brand research, leverage a physical "Test Nest" testing space in our

San Francisco Hayes Valley retail location for in-person product feedback and ideas. We also use data analytics to glean product insights from our global retail teams that have regular first-hand experience with our customers. We have also built a robust product wear testing program to learn from real users and refine our products throughout the development phase ahead of launch.

People (Our Flock)

One of our key stakeholders is our employees, who we call our flock. Doing right by our people is as important as doing right for our customers, stockholders, and the planet. We are building a high performance, learning organization in which we can drive great business results while nurturing a culture of connection and belonging. Our people are what will allow us to achieve sustainable, healthy growth in our business and a positive impact on our planet.

As of December 31, 2020, we employed approximately ’birds, of whom were located in the United States. of our ’birds work in one of our corporate offices, work in retail, and work in customer experience. We also hire seasonal employees in retail and customer experience, primarily during the peak holiday selling season.

- ***Culture and Our Commitment to Diversity, Equity, Inclusion, and Belonging***

  We are committed to diversity, equity, inclusion, and belonging and believe our success as a company is dependent upon our ability to integrate tangible, measurable practices to ensure all voices are heard. We support five employee resource groups—Ladybirds (our women’s group), Queerbirds (our LGBTQ+ group), Birds of All Feathers (our multicultural group), Moms and Pops (our parents’ group), and Everybird (in our U.K. office focused on racial and gender equality)—to encourage employees to come together and support each other through connection, education and community. We track and measure our diversity and representation quarterly. As of December 31, 2020, people of color and women made up 45% and 54%, respectively, of our workforce.

  We are proud of our Glassdoor score of 4.5 as of May 2021 and humbled to be included in the Forbes’ America’s Best Startup Employers list in 2020 and 2021, taking the top spot in 2020.

- ***Global Talent Development and Engagement***

  We enable the flock to operate at their highest potential by building critical skills and leadership capabilities across all levels. We train our global retail and customer support teams to deliver incredible customer experiences and drive sales, while maintaining our vision globally and localizing content through collaborative review processes.

  As Allbirds scales to a global organization, we have implemented critical organizational structures and managerial capabilities, including building an executive leadership team with deep expertise across retail, consumer, and eCommerce, and intentionally implementing a structure appropriate for our scale. We conduct bi-annual surveys to collect feedback and understand employee sentiment and engagement, and host inclusive leadership training sessions.

- ***Our Response to COVID***

  Since March 2020, we have been closely monitoring the volatile COVID-19 landscape, with the health and safety of our flock top of mind. We acted swiftly in response to the crisis by temporarily closing most of our facilities, including the majority of our stores, and worked to implement various pay protection frameworks for retail employees. For example, when our U.S. stores temporarily closed in March 2020, we guaranteed pay and benefits to affected employees through July 30, 2020. As those stores reopened, we kept the pay guarantee in place to support our retail employees in case a store needed to close again for any reason, including closures related to civil unrest.

  We also offer a variety of resources to support our flock’s emotional and physical well-being during the pandemic, including helpful internal tools and resources, free access to telehealth therapists, and a wellness

program with a variety of virtual classes. We will continue to prioritize the safety of our flock through the pandemic and are closely monitoring the situation in every market which we serve. We will temporarily close stores and restrict operations as necessary, based upon information from government and health officials.

- ***Total Rewards***

  Our total rewards strategy is focused on providing compensation and benefits that allow us to attract, engage, and retain a talented and diverse workforce. Compensation is based on an employee's role and their geographic location. We believe in "pay for performance" and have incentive programs in place for our associate directors and above in corporate based on business performance, and all of our retail flock based on store performance and customer experience. Since 2020, we have formally included sustainability goals in our corporate incentive program.

  We conduct and have committed to conducting annual reviews of pay equity. Our 2020 pay equity review, which considered job level, performance, and experience across gender globally and ethnicity in the United States, did not find statistically significant pay differences across gender or ethnicity.

  Our benefits are designed to help employees and their families stay healthy, meet their financial goals, protect their income and help them balance their work and personal lives. These benefits include health and wellness, paid time off, employee assistance, competitive pay, career growth opportunities, paid volunteer time, product discounts, and a culture of recognition. We also believe giving back to the community is central to our culture, so included in our benefits are 16 hours of paid time off each year for full-time employees to perform volunteer activities during business hours.

Marketing Strategy and Brand

From the start, our goal to inspire people to live life in better balance has been central to our marketing. Our customers associate our brand with our mission and sustainability, supported by high-quality product experiences powered by our materials innovation, and our track record of striving to do what is right for all of our stakeholders. With an aided brand awareness in the United States of 11% as of the end of the first quarter of 2021 and an industry-leading Net Promoter Score, which has consistently been 83 or higher since the first quarter of 2019 and was 86 for the first quarter of 2021, we have created a strong foundation with a significant opportunity to grow, as we continue to "say hello" to most of the world for the first time. Our recent marketing efforts, including our expansion into TV advertising, collectively drove a 250 basis points increase in our aided brand awareness relative to the fourth quarter of 2020, affirming the success of our marketing strategy. See the section titled "Market, Industry, and Other Data" for additional information regarding aided brand awareness and Net Promoter Score.

Given our mission to reverse climate change through better business, we are increasingly driving the conversation in the footwear and apparel space on what product creation should look like in the future. With each new natural-based invention, we create novel products, both of which generate earned media. These products engage our current customers and attract new ones. Product partnerships extend the brand to meet new segments of our customer target profile. Our community of brand ambassadors–the Allgood Collective–is at the center of this product creation process. Ambassadors in the Allgood Collective receive benefits such as early access to new products, use of our retail stores for special events, and carbon offsets credits, which help authentically share our story and mission with customers through actions and activities that leverage and celebrate our products.

As a vertically integrated company that has a direct relationship with our customers, we couple the organic marketing approach described above with our vast data ecosystem, to construct a well-balanced and diversified marketing funnel that consistently drives return on advertising spend that works well for our financial model today and as we scale.

We are focused on increasing brand awareness and consumer touchpoints through the following marketing initiatives:

Spreading Our Message

- *Word-of-mouth*

  When Allbirds first launched, our brand growth was fueled in large part by word-of-mouth. Our early adopters told our story to their friends, gifted products to family members, and raved about us on their social media channels. Celebrities and high-profile individuals have often been sighted wearing our products, including current and former presidents of the United States, which has generated buzz in the media, further helping fuel the growth we've seen over the last several years. Our products and purpose continue to inspire our customers, fueling our continued success.

- *Thought leadership and PR*

  Much of what makes our brand distinctive is the thought leadership and innovation that drives our product development and storytelling. In 2020, we started labeling each of our products with their carbon footprint, as a way to hold ourselves accountable to reducing our emissions, and to start a broader conversation in the industry about the impact of the things we make. On Earth Day 2021, we challenged our competitors to track their carbon emissions with bespoke tools that we have developed with third parties and published, open sourcing our Life Cycle Assessment Tool. Our transparent communication and bold thought leadership establishes trust with our customers, allowing us to educate and empower.

- *Partnerships*

  Partnerships allow us to engage customers at the edges of our brand territory. We have done so consistently through exciting product collaborations with brands like adidas and designers like Jeff Staple and Bráulio Amado. We will continue to leverage partnerships with key brands and tastemakers to unlock new communities and engage our purpose across the footwear industry.

  Recognizing that it will take a change across the industry to help reverse climate change, we partnered with adidas to create the world's lowest carbon footprint performance shoe. This reflects our belief that our industry has been running the wrong race, and instead we should be harnessing competition to break records that benefit the planet.

- *Community*

  To deepen our relationship with consumers, we launched the Allgood Collective community in 2020. The Allgood Collective is a growing global community of individuals who promote the power of collective action as a force for good and who act as brand ambassadors for us. As of December 31, 2020, we had over ambassadors who were part of our Allgood Collective. Over time, we aim to build a community of more than 1,000 Allgood Collective Ambassadors in order to expand this community's capacity and capability to organize events, create educational platforms, provide input into our programs, and drive thought leadership in the footwear and apparel category. Most importantly, this community will co-design products with us, and enhance our brand storytelling.

Extending Our Reach and Connecting with Our Customers

- *Digital and performance marketing*

  Digital marketing is a key channel within our overall marketing funnel. It is a significant part of our consumer acquisition strategy and powerful way in which we engage with existing customers. Our digital platform, which generated 89% of our sales in 2020, allows us to create personalized experiences with our customers and deepen customer knowledge of our products and mission. In addition, we continue to balance our new customer acquisition digital spend across channels. We have begun to rely less on social media, instead diversifying into podcasts, out-of-home, theatre, and community and retail marketing. We

rely on robust customer data encompassing purchase habits and demographic profiles to customize our strategy around email marketing and other communication touchpoints, and personalize offers and drive deeper engagement. Our in-house data capabilities allow us to run dynamic experiments to drive efficiency across channels. We have also developed an in-house creative studio in our Shanghai office, bringing content creation in and allowing us to produce high quality global assets that fuel our traditional performance marketing activities.

- *TV and other media*

  TV as an advertising channel is relatively new to us, with our first multi-million dollar TV campaign commencing in January 2021. Early signs in the United States and Europe have indicated that this channel increases brand awareness, allowing us to expand our customer reach and introduce our brand to new customers for the first time. We expect these efficient investments in TV to fill the top of our marketing funnel and drive customers from awareness to conversion. Our TV creative approach is inspirational, irreverent, unassuming, and relays our products' natural materials benefits.

- *Stores as physical brand beacons*

  Our stores are situated in high-traffic, popular locations and serve as billboards while providing an immersive and tactile introduction to the brand. As we continue to build our store footprint into new geographic regions and cities, we should be able to reach new populations and penetrate new markets quickly. Furthermore, our Allgood Collective Ambassadors are able to leverage our stores as spaces for events and community gatherings, giving even more reasons for people to visit our stores and learn about our brand.

- *Customer experience*

  Our global Customer Experience, or CX, team operates across all our markets and is an important touchpoint to create customer connection and drive retention and loyalty. We deliver exceptional service with a focus on educating our customers on our offerings, helping them find the product best suited to their needs, and resolving their issues. In 2020, our CX teams that serve customers and potential customers in the United States, New Zealand, and Australia achieved a Customer Satisfaction rating of 96%, based on our post-support interaction survey. Establishing this relationship with our customers, along with tech-enabled tools, has created a data-driven feedback loop, providing customer insights to help guide product development, real-time demand planning, and brand messaging. See the section titled "Market, Industry, and Other Data" for additional information regarding Customer Satisfaction rating.

Digitally-Led Vertical Retail

We reach our customers directly through our digitally-led vertical retail distribution strategy, which combines our digital offerings with our stores so we can meet consumers where they are, delivering value and convenience. An additional benefit of our vertical retail distribution strategy is control of our price; during the lifetime of our company through March 31, 2021, we generated approximately 98% of our gross sales at full, undiscounted prices.

- ***Digital***

  For the years ended December 31, 2020 and 2019, we generated 89% and 83%, respectively, of our net revenue through our digital channel. Our website supports seven languages and reaches 2.5 billion people globally to showcase the entire breadth of our product portfolio, the materials that create our portfolio, and our branded content. The seamless online experience from search to order to fulfillment creates the convenient shopping experience that our customers desire. In addition, our digital platform allows us to educate our customers on both our products and our mission, leveraging content from our research on sustainability innovation and our commitment to reversing climate change through better business. Complementary to our online presence, our mobile app allows customers to virtually try on footwear, purchase exclusive product drops, and gain early access to our new product launches, creating further engagement between our brand and our customer.

Substantially all of our sales are through company owned-and-operated channels with the exception of a small portion of digital sales that flow through select online marketplaces, which enables us to reach more customers in China. We have also had short-term partnerships with other brands and distributors to sell our products to either to quickly enter a new market or reach a different customer population, leveraging the resources of our partners. Sales through these ancillary channels represent an immaterial percentage of our overall sales.

Utilizing the marketing approach outlined in the previous section, we invest heavily in optimizing our website to create a convenient and fun shopping experience that resonates with customers. This process relies on our Engineering and Digital Product Management teams to understand purchase pathways and leverage modern technology to increase purchase conversion.

Finally, the data ecosystem we have invested in allows us to find patterns in our customers' purchase behaviors and create personalized recommendations via email and other communications to further engage existing customers.

- ***Physical Retail***

  For the years ended December 31, 2020 and 2019, we generated 11% and 17%, respectively, of our net revenue through our physical retail channel. As of March 31, 2021, our physical retail channel included our 22 company-operated stores spread across seven countries and 19 cities and areas, as well as our temporary pop-up store locations. With strong pre-COVID-19 unit economics, our store operations have historically been highly profitable, capital-efficient and provided strong investment returns. All U.S. stores that were operating in 2019 generated approximately $4.3 million in AUV in their first 12 months of operation, including the stores that had their first 12 months of sales affected by the COVID-19 pandemic after March 2020. Based on this pre-COVID performance, we believe our new stores will be highly profitable, have attractive payback periods, serve as good capital investments, and be positioned well to take advantage of physical retail's recovery from the pandemic. In addition to performing well as standalone entities, our locations serve as brand beacons, increasing brand awareness and site traffic, and driving an overall lift in the business within the regions they operate.

  Our physical retail channel also enables us to offer cross-platform shopping which fulfills customer needs. Endless aisle allows us to fulfill a customers' request for items that are not available in store, minimizing lost sales and optimizing a store's footprint while still being able to provide the full product breadth to our customers. Currently enabled in select locations in China, we offer ship-from-store, which allows us to optimize for delivery time and costs, as well as buy-online-pick-up-in-store, which gives customers the flexibility to receive their product in ways that are most convenient to them. Furthermore, physical retail locations give us the ability to host in-person events, accelerate community marketing, and provide customers another reason to interact with our brand.

Technology

Since our inception, we have aspired to leverage modern technology across physical and digital channels. Our current technology infrastructure is nimble and enables us to scale globally at a lower cost than large incumbents. We have married tried-and-true enterprise systems with custom-built technology stacks tailored to our needs. Because we started our business with a modern technology stack, we are able to rely on partners such as Shopify to more effectively scale. We have benefited from investments in digital customer experience, data analytics and science, back office business applications, and data security. As a result, we can now reach up to 2.5 billion people across 35 countries with our products via digital and retail stores with the capability to expand further.

- ***Cloud-First***

  We have grown our business with a Cloud-First approach, allowing us to execute and innovate with speed and agility. Our proprietary technology stack of machine learning, data models, cross-selling capabilities, and component-based front-end architecture is focused on areas where we can be uniquely innovative. We integrate our technology innovations with other leading SaaS solutions to create differentiated experiences

and capabilities. By leveraging solutions created outside of Allbirds, we can solve common business challenges significantly faster and at a fraction of the cost of doing so internally. The strategy also allows our resources to focus where they can uniquely create value for our customers and other stakeholders.

- ***Digital Customer Experience***

  We obsess about our customers, demonstrated by the seamless and personalized digital experiences we have created for them. Our website is available in 35 countries and seven languages with localized payment and shipping options. Our highly-rated mobile app allows customers to virtually try on footwear, purchase limited product drops, and have early access to our new products. To create these experiences, we leverage a common core set of APIs and tools that enable localization and speed-to-market. Furthermore, we have invested in marketing technology with our in-house Customer 360 platform giving us capabilities to tailor interactions with our customers on-site, as well as to enable smart communication with our customers to drive deeper engagement and repeat sales. We anticipate that our approach will drive improvements in customer engagement, website conversion, and customer lifetime value.

- ***Data Analytics and Data Science***

  Data-driven thinking, analysis, and decision-making is an integral part of the Allbirds culture. We have a sophisticated data infrastructure and toolset that allows our global teams to make informed decisions across key aspects of the business. Our data is vast and growing rapidly, giving us deeper understanding to continuously optimize our business. This data, coupled with advanced data science and analytics, powers many areas of our business including marketing, customer relationship management, personalization, inventory planning, logistics, and product investment decisions.

- ***Back Office Business Applications***

  We made early investments in a global enterprise resource planning platform, commerce, order management, and customer service systems to scale globally. This enabled us to build reusable technology and business processes such as procure-to-pay and order-to-cash that are leveraged across geographies, allowing us to rapidly grow our global footprint. With these foundations in place, we developed additional tools to give our global teams capabilities such as content and merchandising management to make them more efficient, ensuring our customers have a great experience at every interaction with Allbirds. These investments also help us scale merchandise planning capabilities, as well as to optimize logistics decisions to minimize cost.

- ***Supply Chain and Logistics Technology***

  Within the next 12 months, we expect to complete the rollout of new technology that standardizes procure-to-pay and store replenishment business processes across our retail stores, nine Tier 1 manufacturers, and nine freight partners. Our investments in our supply chain are intended to give us the ability to track inventory more accurately and efficiently, resulting in lower costs due to manual labor and shrinkage, and better serve customers by providing real-time SKU availability across our locations.

- ***Data Security***

  Protecting our customer data, employee data, and intellectual property is a responsibility we take very seriously and is essential to keep the confidence and trust of all our stakeholders. We employ multi-factor authentication, a suite of security tools, systems monitoring and alerting, audit logs, and controls across our major systems, corporate devices, and business processes to protect and secure sensitive data. Security is a shared responsibility across the organization. We regularly train our employees on and simulate social engineering and phishing attacks to find our risk areas so we can mitigate them. As the sophistication of attackers grows, we will continue to adapt and invest in new security capabilities.

Supply Chain and Operations

Our unique combination of sourcing, manufacturing, and distribution capabilities create a foundation from which we can continue to innovate and scale across the globe. We believe our supply chain infrastructure is advanced compared to other brands of similar age and size. The unique relationships we have with our vendors give us agility to respond to consumer demands, where inventory can go from purchase order to ex-factory in as little as 45 days. Our investments in direct and meaningful relationships with all our partners, from raw materials suppliers to Tier 1 manufacturers and logistics providers, also allowed us to improve gross margin despite a difficult cost climate due to the COVID-19 pandemic. Our distribution network, comprised of nine distribution centers across eight countries (the United States, Canada, the United Kingdom, the Netherlands, China, Japan, South Korea, and New Zealand), puts us close to the customer, allowing us to reach up to 2.5 billion people across 35 countries in a matter of days with quick, reliable service.

- ***Materials Sourcing***

  Our supply chain infrastructure and relationships lay a foundation for seeking the highest standards for innovation and craftsmanship, yielding high quality, premium products for our customers. Unlike most footwear and apparel brands which pick from a set of predetermined, off-the-shelf materials, we have approached materials sourcing from the fiber and molecular level up, beginning with the farms and a greater focus towards the inputs to the materials we use through our direct supplier relationships. This process generates higher quality inputs, while also providing greater traceability, helping ensure that our supply chain remains aligned with our brand values. Because of the high standards we promise our consumers, we both partner with certification bodies and do our own work to ensure our suppliers are meeting standards for quality, ethical practices, and environmental sustainability. This often means that we develop relationships with producers of base resins for soles, and with the farmers of our base fibers used in both shoes and apparel. For example, our relationship with NZM, the company behind the ZQ Merino and ZQRx (regenerative agriculture) certifications allows us to ensure that we utilize the highest quality merino wool. Similarly, we have developed relationships with the FSC to certify tree fibers, natural (hevea) rubber, and paper.

  We aim to use synthetic materials in limited quantities and have structured our sourcing operations with a clear preference for natural substitutes. We work with a diverse but small group of less than 20 suppliers across Asia, Oceania, and South America for our materials, such as fibers, resins, yarns, and fabrics.

- ***Manufacturing***

  Due to our thoughtfully-curated product offering, we have carefully selected a tight group of Tier 1 factories as our partners to help us make world-class products, helping to develop the technical expertise needed to work with our sustainable materials via an extensive iteration process. We have established deep long-standing relationships by directly partnering with their development, commercialization, manufacturing, and quality teams from ideation through production, and have embedded our employees within some key factories to oversee the product process. Our relationship-based approach has helped us be nimble and drive flexibility and agility to react to changes in macroeconomic conditions, customer demand, or internal priorities, as evident during the COVID-19 pandemic where we experienced minimal disruptions to our manufacturing effectiveness across our entire factory base.

  Our footwear products are primarily manufactured in Korea and Vietnam across four vendors, with the ability to scale up manufacturing in China as a potential alternative. Our apparel and other non-footwear products are primarily manufactured in Vietnam and Peru, with China, the United States, and Indonesia supporting a smaller subset across six vendors.

  We require that all partners sign our supplier code of conduct which draws upon internationally recognized standards in order to advance social and environmental responsibility. Allbirds also expects supplier factories to undertake an onsite social assessment by an independent, third-party social assessment firm. Social assessments ensure suppliers meet our expectations with regards to working conditions as specified in our supplier code of conduct. Furthermore, we have a sourcing and production team based in Ho Chi

Minh City, Vietnam focused on ensuring our materials and finished goods are produced with high quality while meeting our social and environmental standards.

- ***Logistics and Distribution***

  From the beginning, we prioritized the customer experience by establishing distribution centers in all of our key markets. We have nine distribution centers in eight countries, giving us the ability to reach up to 2.5 billion people across 35 countries. Each region has its own distribution center to manage pick, pack, and ship activities, including retail fulfillment and returns management. We rely solely on third-party logistics providers for these distribution centers, as well as last-mile carriers to distribute finished products from our warehouse locations to our stores and individual orders directly to consumers. Our U.S. business is serviced through two different locations in Kentucky and California that enable eCommerce click-to-home of three to five business days on average while minimizing transportation cost and carbon impact. Having two distribution centers in the United States allows us to reduce shipping distance, costs, delivery, and our carbon footprint. Our entire supply chain has been carbon neutral since 2019. In almost all of our major markets, we directly interface with major parcel and freight carriers to drive cost and process efficiencies.

Competition

The market in which we primarily operate in is highly competitive. Our competitors include athletic and leisure footwear companies, and athletic and leisure apparel companies. While this market is highly fragmented, many of our competitors are larger, with strong worldwide brand recognition, and have substantially greater resources than us. In addition, access to offshore manufacturing and the growth of eCommerce have made it easier for new companies to enter the markets in which we compete, further increasing competition in the footwear and apparel industry.

We believe we are well-positioned to compete in this industry given our unique combination of innovative materials and products, purpose-driven lifestyle brand, deep connection with our community of customers, global vertical retail distribution offering, and infrastructure ready for scale.

Public Benefit Corporation Status

As a demonstration of our long-term commitment to environmental conservation, our board of directors and stockholders elected in February 2016 to amend our certificate of incorporation to become a PBC under Delaware law. PBCs are a relatively new class of corporations that are intended to produce a public benefit and to operate in a responsible and sustainable manner.

Under Delaware law, a PBC is required to identify in its certificate of incorporation the public benefit or benefits it will promote and its directors have a duty to manage the affairs of the corporation in a manner that balances the pecuniary interests of the corporation's stockholders, the best interests of those materially affected by the corporation's conduct, and the specific public benefit or public benefits identified in the corporation's certificate of incorporation. A PBC is also required to assess its benefit performance internally and to disclose to its stockholders at least biennially a report detailing the corporation's success in meeting its public benefit objectives.

As provided in our certificate of incorporation, the public benefit that we promote, and pursuant to which we manage our company, is environmental conservation. See the section titled "Description of Capital Stock—Anti-Takeover Effects of Delaware Law and Our Certificate of Incorporation and Bylaws—Public Benefit Corporation Status" for additional information.

Certified B Corporation Status

While not required by Delaware law or our PBC status, we have elected to have our social and environmental performance, accountability, and transparency assessed against the proprietary criteria established by B Lab, Inc., or B Lab, an independent non-profit organization. We were first designated as a B Corp in 2016. The term "B Corp" does not refer to a particular form of legal entity, but instead refers to a company that has been certified by B Lab as meeting the social and environmental performance, accountability and transparency standards set by B Lab.

In order to be designated as a B Corp, companies are required to undertake a comprehensive and objective assessment of their positive impact on society and the environment. The assessment evaluates how a company's operations and business model impacts its workers, customers, suppliers, community, and the environment using a 200-point scale. While the assessment varies depending on a company's size (number of employees), sector, and location, representative indicators in the assessment include payment above a living wage, employee benefits, stakeholder engagement, supporting underserved suppliers and environmental benefits from a company's products or services. After completing the assessment, B Lab will verify the company's score to determine if it meets the 80-point minimum bar for certification. The review process includes a phone review, a random selection of indicators for verifying documentation and a random selection of company locations for onsite reviews, including employee interviews and facility tours. The median score is 50.9, compared to our latest recertification score of 89.4, which increased from our initial score of 81.9 in 2016 despite the growing size and complexity of our business during those years. Once certified, every B Corp must make its assessment score transparent on B Lab's website.

Acceptance as a B Corp and continued certification is at the sole discretion of B Lab. To maintain our certification, we are required to update our assessment and verify our updated score with B Lab every three years. To maintain our status as a B Corp, we will need to update our current certification no later than January 2023.

Facilities

Our corporate headquarters is located in San Francisco, California, where we lease approximately 6,000 square feet of space under a lease that expires in September 2021, as well as 33,000 square feet of space under a lease that expires in December 2026. We designed, constructed, and currently use our corporate headquarters for innovation around sustainability, product design and development, operations, marketing, technology, customer experience, as well as our other supporting teams. In addition to our corporate headquarters, we have satellite office locations in London, Shanghai, Tokyo, and Seoul where we lease or have co-working arrangements that total approximately 12,000 square feet of office space, and we anticipate leasing an additional 3,000 square feet of space in San Diego, California under a new lease later this year.

As of March 31, 2021, we also leased property in select cities around the world that serve as our 22 retail locations, totaling approximately 64,000 square feet, as set forth below.

City / Area	# of Stores
Amsterdam	1
Auckland	1
Austin	1
Beijing	1
Berlin	1
Boston	1
Chengdu	1
Chicago	1
Guangzhou	1
London	2
Los Angeles County	1
New York City	1
Philadelphia	1
San Diego	1
San Francisco Bay Area	3
Seattle	1
Shanghai	1
Tokyo	1
Washington, D.C.	1
Total	22

We believe our facilities are adequate and suitable for our current needs, and that should it be needed, suitable additional or alternative space will be available to accommodate our operations.

Intellectual Property

We rely on a combination of trademarks, copyrights, trade secrets, design and utility patents, license agreements, confidentiality procedures, non-disclosure agreements, employee non-disclosure and invention assignment agreements, and other legal and contractual rights to establish and protect our proprietary rights.

We have trademark rights in our name and other brand indicia and have trademark registrations for select marks in the United States and other jurisdictions around the world. We also have registered domain names for websites that we use in our business, such as allbirds.com and similar variations. Further, we have developed internal practices around ongoing trademark and design patent registration pursuant to which we register brand names and product names, product designs, taglines, and logos to the extent we determine appropriate and cost-effective.

We control access to and use of our proprietary and other confidential information through the use of internal and external controls, including contractual protections with employees, contractors, customers, and partners. It is our practice to enter into confidentiality and invention assignment agreements (or similar agreements) with our employees, consultants, and contractors involved in the development of intellectual property on our behalf. We also enter into confidentiality agreements with other third parties in order to limit access to, and disclosure and use of, our confidential information and proprietary information.

We intend to pursue additional intellectual property protection to the extent we believe it would be beneficial and cost effective. Despite our efforts to protect our intellectual property rights, they may not be respected in the future or may be invalidated, circumvented, or challenged. For additional information, see the section titled “Risk Factors—Risks Related to Intellectual Property, Information Technology, and Data Security and Privacy—Our failure or inability to protect or enforce our intellectual property rights could diminish the value of our brand and weaken our competitive position.”

Legal Proceedings

From time to time, we may be subject to legal proceedings, claims, and government investigations in the ordinary course of business. We have received, and may in the future continue to receive, claims arising from: our products, such as consumer claims and personal injury claims; our workforce, our technology, and business processes, such as worker classification and patent claims; and our intellectual property, such as trademarks and copyright infringement claims. The results of any current or future litigation cannot be predicted with certainty, and regardless of the outcome, litigation can have an adverse impact on us because of defense and settlement costs, diversion of management resources, harm to our brand and reputation, and other factors.

Government Regulations

In the United States and the other jurisdictions in which we operate, we are subject to labor and employment laws, laws governing advertising, privacy and data security, product labeling and compliance, safety regulations, and other laws, including consumer protection regulations that apply to retailers and/or the promotion and sale of merchandise and the operation of our retail stores, manufacturing-related facilities and distribution centers. Our products, which are predominantly manufactured in countries other than the United States and which are sold in 35 countries across the world, may be subject to tariffs, treaties, and various trade agreements, as well as laws affecting the importation of consumer goods. We monitor changes in these laws and believe we are in material compliance with applicable laws.

Seasonality

Our business is affected by general seasonal trends common to the retail footwear and apparel industry, with sales peaking during the end-of-year holiday period that typically falls within our fourth quarter. In 2020 and 2019, we generated 36% and 35% of our full year net revenue in the fourth quarter, respectively.

ENVIRONMENTAL, SOCIAL, AND GOVERNANCE

Environmental

For most of shoe-wearing history, humans have used materials found in nature to protect their feet. It's only in recent times that shoe manufacturers have turned to extractive, petroleum-based materials like plastic. In short, most shoes are made from plastic, plastic comes from oil, and fossil fuels are driving the climate crisis. According to a 2020 McKinsey and Global Fashion Agenda report, the global fashion industry accounted for approximately 4% of global greenhouse gas emissions in 2018, or 2.1 billion tonnes of carbon dioxide equivalent emissions, or CO_2e, and over 70% of those emissions were related to upstream activities like materials production, preparation, and processing. The 2015 Paris Agreement set the goal to limit global warming to well below 2° Celsius, preferably to 1.5° Celsius, compared to pre-industrial levels. Under its current trajectory, the fashion industry is expected to fall short of meeting the 1.5° Celsius target by 50%, according to a 2020 McKinsey and Global Fashion Agenda report. The pace of change must accelerate in order for the industry to be compatible with planetary boundaries, and Allbirds offers a blueprint for how to get there. We believe that natural, sustainability-driven innovation can be better for the environment, while also enabling us to create better products for our customers. Furthermore, we believe our industry's ability to capture hearts and minds of consumers is a unique and essential asset in the fight against climate change.

Our intention is to **reverse climate change through better business.** We believe that climate change is an existential threat and the number one issue facing humanity and the global economy. Solving the climate crisis will require every constituent to do their part. How we address it collectively will define the future not only for businesses but for all communities, governments, environments and species. Climate change is a complex issue that can be summarized simply: the climate is changing because humans are releasing too many greenhouse gases into the atmosphere. Our approach to addressing the climate impact of our business is scientific and data driven—we first **measure, then reduce, and finally offset** the entirety of our emissions.

Measure

Allbirds measures CO_2e produced in making our products and running our business—because you can't reduce what you don't measure. The information we gather not only informs product design and development, but enables us to identify hotspots in our value chain with the highest emissions and prioritize efforts in areas we can have the most impact.

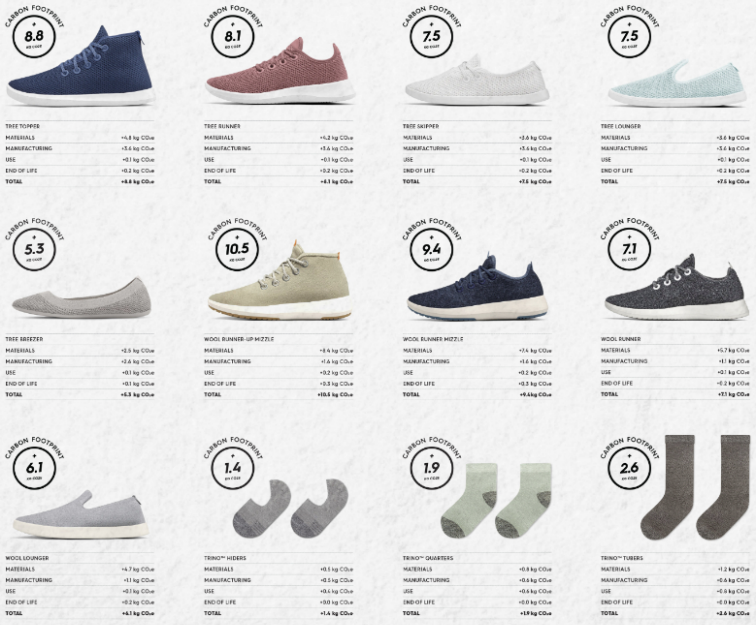
We use a Life Cycle Assessment, or LCA, methodology to measure the emissions created across the lifetime of our products, including raw materials production, manufacturing, transportation, product use, and end of life. Our LCA methodology has been built in partnership with external experts, and has been third-party verified to meet ISO 14067 standards, the international standard for quantifying, monitoring, reporting and validating greenhouse gas emissions.

In 2020, we began labeling each of our products with its carbon footprint. We did this for two reasons: to hold ourselves accountable to reducing our impact over time, and to help our customers develop a sense for the climate impact of the things they buy. According to a survey we conducted of 1,300 U.S. customers in 2020, 92% of our customers trust us to deliver reliable information, tools, and advice around sustainability. We empower people to make better decisions for the planet by providing them with objective and quantitative information about the impact of the product they're buying.

Our goal is to inspire other brands to follow suit, so that one day customers can compare carbon footprints of products just like they compare nutrition labels on food. This would create a productive "race to the top" where brands compete to have the lowest carbon footprint products. In service of this future, we have published our LCA methodology, detailed methodology, and our labeling system for anyone to download and implement in their own business, and have specifically shared these resources with the 15 largest fashion brands to invite them along on our journey. Several large companies have announced commitments to label products with carbon footprints, and we're eager for more organizations to do the same.

WHAT'S YOUR FOOTPRINT?

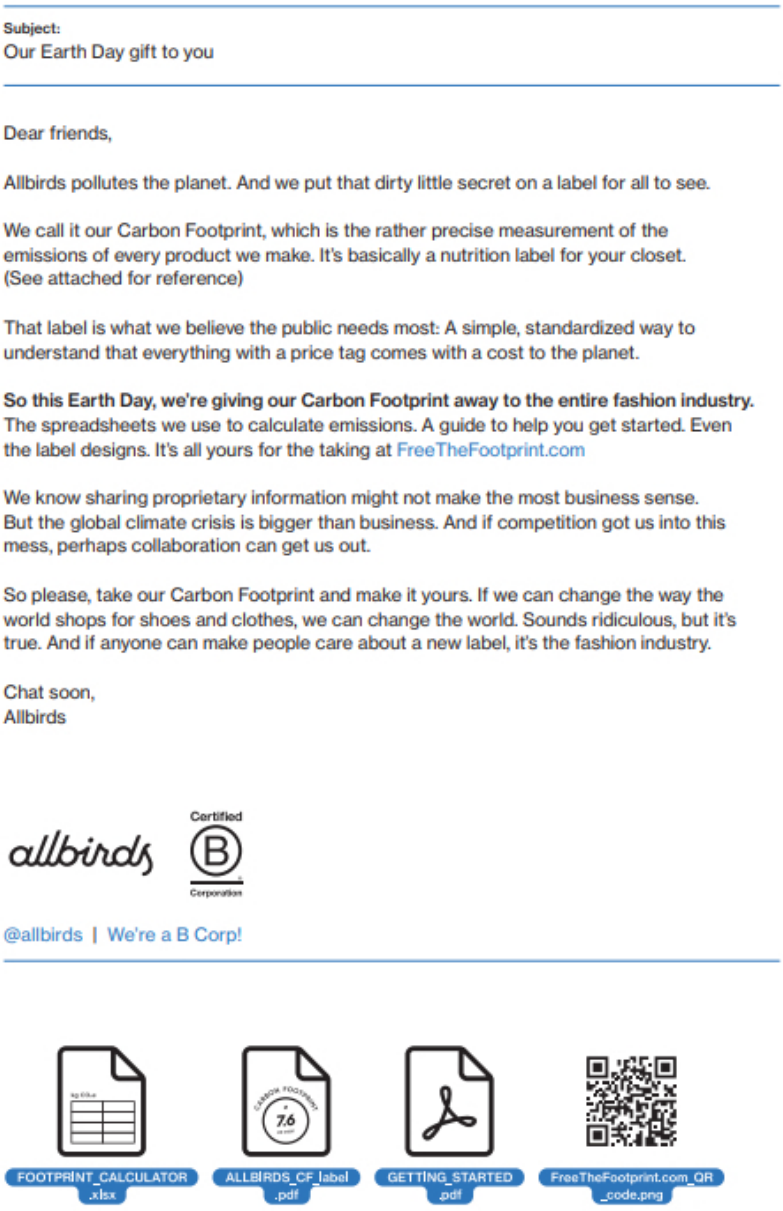
If we're going to solve the climate crisis, we need to hold each other accountable. Adding our carbon footprint to every product is a first step towards making it easier for all of us to know our impact.



Allbirds footwear weighted average is 7.6 kg CO_2e. A standard sneaker is 12.5 kg CO_2e.

allbirds

Allbirds transportation emissions are calculated separately and our entire carbon footprint is offset to zero.



Subject:
Our Earth Day gift to you

Dear friends,

Allbirds pollutes the planet. And we put that dirty little secret on a label for all to see.

We call it our Carbon Footprint, which is the rather precise measurement of the emissions of every product we make. It's basically a nutrition label for your closet. (See attached for reference)

That label is what we believe the public needs most: A simple, standardized way to understand that everything with a price tag comes with a cost to the planet.

So this Earth Day, we're giving our Carbon Footprint away to the entire fashion industry. The spreadsheets we use to calculate emissions. A guide to help you get started. Even the label designs. It's all yours for the taking at FreeTheFootprint.com

We know sharing proprietary information might not make the most business sense. But the global climate crisis is bigger than business. And if competition got us into this mess, perhaps collaboration can get us out.

So please, take our Carbon Footprint and make it yours. If we can change the way the world shops for shoes and clothes, we can change the world. Sounds ridiculous, but it's true. And if anyone can make people care about a new label, it's the fashion industry.

Chat soon,
Allbirds

allbirds Certified B Corporation

@allbirds | We're a B Corp!

Reduce

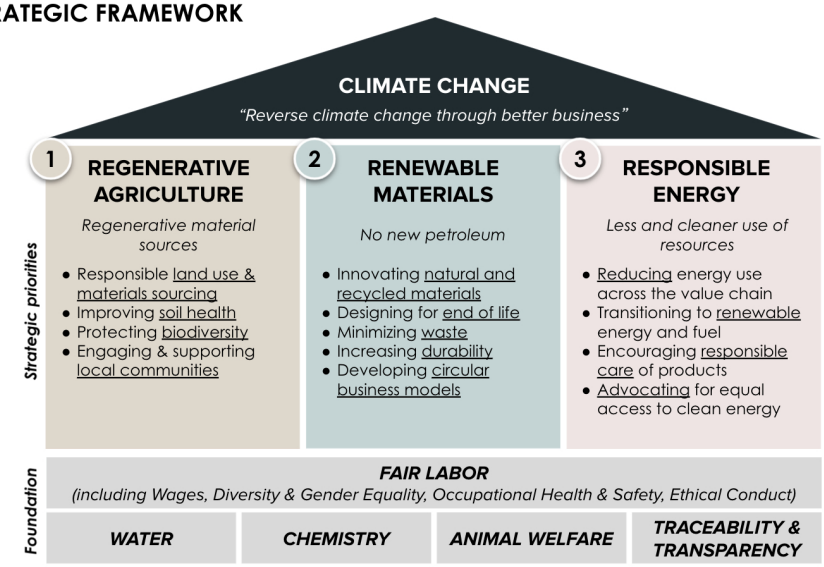
By using natural, renewable materials in place of petroleum-based synthetics and responsible manufacturing practices, Allbirds produces footwear today with approximately 30% less emissions than our estimated carbon footprint for a standard sneaker. If we assume all 24 billion pairs of shoes produced by the industry in 2019 had a 30% lower carbon footprint relative to our estimate of the carbon footprint of a standard sneaker, the industry would have saved 98 million tonnes of CO_2e, which is equivalent to taking 21 million cars off the road in the same timeframe. In 2020 alone, we reduced the weighted average carbon footprint of our top 10 products by 8.5%, as

compared to 2019. In 2021, we teamed up with adidas to create a pair of performance running shoes with a carbon footprint of 2.94kg of CO_2e—about ¼ the carbon footprint of standard sneakers.

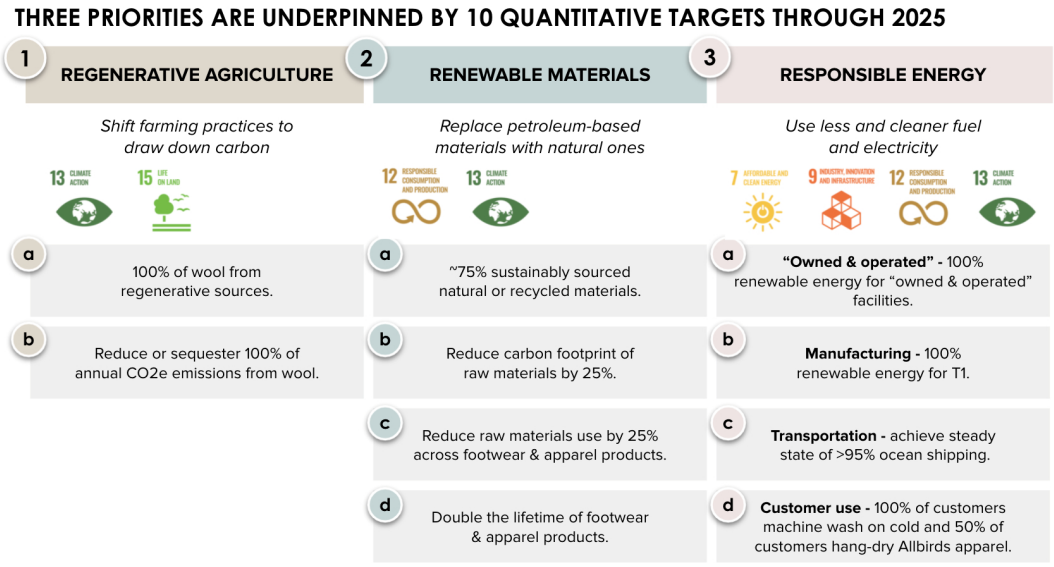
We are able to produce lower-impact products because sustainability is a key design principle woven throughout the product development process, not an add-on at the end. At the very beginning of the product creation process, we integrate key sustainability constraints like target carbon footprint and preferred materials composition in addition to standard practices like establishing target profit margins. Our Sustainability Team is embedded within the broader Product Team, alongside Product Strategy and Merchandising, and Product Design, to ensure that sustainability is considered at every key milestone. We believe that great products must be sustainable, which does not require a compromise between looking good, feeling good, and doing good.

To continue to lead the industry, and to build a business that is compatible with less than 1.5° Celsius warming, we have an ambitious plan to dramatically reduce the per unit carbon footprint for each of our products by 50% by the end of 2025 and by 95% by 2030, in each case, relative to a baseline of what our average carbon emissions would be per unit in 2025 without any further action to limit emissions. Our plan to help reverse climate change has three strategic priorities: Regenerative Agriculture, Renewable Materials, and Responsible Energy. These initiatives are underpinned by five foundational areas: Fair Labor, Water, Chemistry, Animal Welfare, and Traceability and Transparency. These priorities have been defined through a materiality process informed by input from various stakeholder groups including employees, investors, customers, and suppliers.

OUR STRATEGIC FRAMEWORK



Within our three priorities, we have outlined 10 measurable commitments that collectively can yield a 50% reduction in the per unit carbon footprint for each of our products by the end of 2025, relative to what our average carbon emissions would be per unit in 2025 without any further action to limit emissions. Our strategy is aligned to the United Nations' Sustainable Development Goals, including affordable and clean energy, responsible consumption and production, climate action, and life on land, among others.



We believe that near term goals and progress must be coupled with long term ambition. We have outlined an extension of our 2025 goals to align with the scientific community's focus on achieving significant climate progress by 2030. To that end we established a target to achieve a 95% reduction in our per unit carbon footprint by 2030, relative to a baseline of what our average carbon emissions would be per unit in 2025 without any further action to limit emissions. This is equivalent to a 44% reduction (or a 42% reduction excluding product use) in our absolute carbon footprint against a 2020 baseline across Scope 1, 2, and 3 emissions, despite ambitious growth goals for units sold. Our target has been externally validated as compliant with all the requirements of the Science Based Targets initiative, or SBTi, including a path to a 1.5° Celsius reduction, and we seek formal validation by the SBTi this year.

Our sustainability plan is not just better for the planet; it is better for our business. We have conducted a rigorous feasibility assessment for each of our targets, including the investment required. We have targets to reduce raw materials use by 25%, relative to a baseline of what our average materials use would be per unit in 2025 without any further action to limit emissions, and to achieve a steady state of greater than 95% of shipments by ocean freight. We expect that these two targets would both reduce costs and positively impact gross margin such that we can achieve all of our targets at a cost savings to the business. By proactively creating a climate-resilient business, we believe we are well-positioned to profitably grow and lead a new age of sustainable manufacturing.

Offset

While we've been a carbon neutral business through the use of offsets since 2019, our ultimate goal is to reach net zero carbon emissions across our entire footprint (Scopes 1, 2, and 3) by 2030—meaning on average our products have a carbon footprint of less than 1 kg of CO_2e, before offsetting the rest. To do that, we are building the cost of carbon emissions into our business by implementing an internal carbon tax across all of our sourcing and business decisions today. Offsets are only a credible tool if you also have a robust plan to reduce emissions. We are taking steps, through regenerative agriculture, materials innovation, and clean energy, to reduce emissions within our direct footprint and within our supply chain. For those emissions that we are not able to abate today, we have invested in high quality carbon offset projects, and have purchased renewable electricity, to neutralize our remaining emissions. Allbirds has been a carbon-neutral business on an annual basis across Scope 1, 2, and 3 emissions since 2019.

We know all carbon offsets are not created equal, so we work with trusted partners to source projects we believe in. All of our offset projects must be certified to an internationally recognized offset standard such as Gold Standard

and Verified Carbon Standard, and are screened against criteria like permanence, additionality, leakage, and vintage year. We fund projects across three sectors: Land, Energy, and Air. Our post-purchase email to customers doubles as an invitation for customers to express a view by voting on which area they would like us to invest in. Finally, our calculations and offset purchases are reviewed by Climate Neutral, a non-profit organization of which we are a founding member that helps brands decrease their emissions, in order to achieve Climate Neutral certification.

Spotlight on "Innovative Materials": Green EVA Case Study

SweetFoam—our sugarcane-based midsole material—provided a long-awaited natural alternative to the wasteful petroleum-based materials used in shoe soles. Traditional petroleum-based ethylene-vinyl acetate, or EVA, shoe soles emit 1.8 tonnes of CO_2e in order to produce one tonne of material. But with a little creativity and help from our friends at Braskem S.A., a leading biopolymers producer, the green EVA used in our SweetFoam actually removes 1.2 tonnes of CO_2e from the atmosphere per tonne of material produced. We have also made our SweetFoam available to the footwear industry and other industries at large. We were honored that our SweetFoam was named one of the best inventions of 2018 by TIME Magazine, and we're thrilled that dozens of other brands have already introduced the technology behind SweetFoam in their products—because only by sharing bold ideas and innovations will businesses begin to turn the tide in favor of sustainability.

Finally, in addition to our efforts to measure, reduce and offset emissions, we also leverage our outsized voice and platform to create a ripple effect beyond our four walls. Through actions like openly sharing SweetFoam and our Carbon Footprint calculator, guide, and labeling system, and partnering with competitors like adidas, we are able to scale our impact, accelerate innovation, and ultimately drive down the cost of sustainability through economies of scale. Our strategy not only means our business can exist within planetary limits, but we believe it will create a thriving business as investors, consumers, and regulators favor sustainable businesses.

Climate change is our central priority in large part because it is so interconnected to everything. Our focus on climate change, informed by our materiality assessment, will be critical to achieve impact. At the same time, we have a responsibility to build a strong foundation across a broad spectrum of environmental issues. In addition to our climate goals for 2025, we have introduced the following foundational commitments around water, chemistry, and animal welfare.

- *Water*. The fashion industry can use significant amounts of water in the growing of raw materials and processing of textiles. We prioritize materials that are water-efficient. For example, the sugarcane that is grown for SweetFoam relies on rainfall rather than irrigation, and the manufacturing process for Tencel fiber recycles greater than 99% of water in a closed loop system. We are committed to measuring and reducing water consumption at our Tier 1 and strategic Tier 2 partners.

- *Chemistry*. We partner with suppliers to eliminate harmful chemicals from manufacturing. For example, we only introduced a waterproof coating to our footwear products when we discovered a fluorine free alternative. We strive for 100% of our apparel products to be certified to a clean chemistry standard. Currently, approximately 75% of our apparel products are certified to satisfy STANDARD 100 by OEKO-TEX.

- *Animal welfare*. We believe that all animals should be free from thirst, discomfort, pain, injury, disease, fear and distress and should have the freedom to behave naturally. We only source ZQ Certified wool, which is the highest standard in animal welfare for sheep and prohibits practices like mulesing. We will continue to ensure that 100% of our wool is ZQ Certified.

Social

Our Flock

Our thriving culture and talented employees, also known as our ‘flock,’ have been a critical factor in our success to date and will be critical to our success in the future. Further, as a Delaware public benefit corporation, or PBC, employees are an important stakeholder in our business as are the communities that extend beyond our walls.

- We are committed to diversity, equity, inclusion, and belonging and believe our success as a company is dependent upon our ability to integrate tangible, measurable practices across our organization to ensure all perspectives and voices are heard.
    - We support five employee resource groups: Ladybirds (our women’s group), Queerbirds (our LGBTQ+ group), Birds of All Feathers (our multicultural group), Moms and Pops (our parents’ group), and Everybird (in our U.K. office focused on racial and gender equality).
    - We are proud to have a board of directors where 38% of our directors identify as women.
    - As of December 31, 2020, 54% of our workforce (including retail employees) identified as women, and 45% identified as people of color.
    - We are committed by 2025 to having women represent 50% of our workforce and people of color represent 50% of our workforce. In leadership roles (Associate Director and above), we strive for 40% women and 40% people of color representation.
- Creating meaningful employment is one of the most significant ways that businesses contribute to the livelihoods of individuals and communities. Today's employees are more socially conscious and seek purposeful, rewarding careers that contribute social, economic and environmental value. Allbirds offers that value proposition through the alignment of purpose and profit, creating a lifestyle brand that’s known for harnessing nature to make things that are better for our customer, and for the planet. We are proud of our Glassdoor score of 4.5 as of May 2021, and humbled to be included in the Forbes’ America’s Best Startup Employers list in 2020 and 2021, taking the top spot in 2020. A sustainable, durable company requires commitment, connection and a lot of heart, and our intention is to progress through it with our flock.
- Since March 2020 we have been closely monitoring the volatile COVID-19 landscape, with the health and safety of our flock top of mind. We acted swiftly in response to the crisis by temporarily closing most of our facilities including the majority of our stores, and worked to implement various pay protection frameworks for retail employees. For example, when our U.S. stores temporarily closed in March 2020, we guaranteed pay and benefits to affected employees through July 30, 2020. As those stores reopened, we kept the pay guarantee in place to support our retail employees in case a store needed to close again for any reason, including closures related to civil unrest. We also offer a variety of resources to support our flock’s emotional and physical well-being during the pandemic, including helpful internal tools and resources, free access to telehealth therapists, and a wellness program with a variety of virtual classes.
- Our total rewards strategy is designed to encourage employees to live our values while helping us to achieve company sustainability goals. For example, we provide our full-time employees with 16 hours of paid time off each year specifically for volunteer activities performed during working hours, as well as charitable donation matching up to $500 per year. Furthermore, our executive compensation for director level and above is explicitly tied to a target reduction in company-wide emissions.

Sharing our message

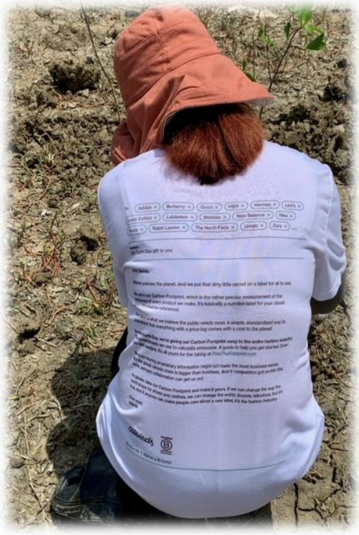
Climate Strike

In September 2019, we closed business operations globally so our flock could participate in the climate strike march in San Francisco

Giving back

Earth Day 2021

The Allbirds team & factory partners in Vietnam planting Mangroves on Earth Day 2021; the back of their shirts has the letter to industry competitors around our carbon footprint labeling system, including our carbon footprint calculator



Our Supply Chain

How we make things and who we partner with carries as much importance as the end product itself. Allbirds works hard to keep our relationships with our suppliers robust, respectful, and resilient so that our relatively small supply chain can make a real difference in the drive toward innovation and lighter impact on the environment. This

requires collaboration, trust, deep understanding, transparency, and a focus on the well-being of people who help make our products.

- *Small, tight-knit supply chain.* By offering a carefully curated product range fit for all seasons, we maintain a small number of strategic suppliers compared to most footwear and apparel brands. Many of these suppliers have worked with Allbirds for multiple years, enabling us to build deep relationships with factories and actively manage these supplier relationships to build congruence between our values and theirs. We are in constant contact—not just developing products, but also conducting trainings on carbon footprint calculations and our materials standards. Unlike most footwear and apparel brands that pick from a set of off-the-shelf materials, we source from the fiber and molecular level up, beginning with farms. For example, we've built a deep relationship with the New Zealand Merino Company, or NZM, which has been our wool supplier since the beginning. NZM's direct sourcing model allows us to develop relationships directly with farmers (who we visit regularly), creating the ability to choose sourcing partners who have aligned values with our brand. In 2020, we partnered with NZM to launch ZQRx, the world's first regenerative wool platform, in partnership with other leading merino wool brands.

- *Responsible sourcing program.* While a single company, supplier or manufacturer cannot impose its vision on the overall network that comprises the global supply chain, we can exert our influence through supply chain risk assessments, materiality assessments, due diligence and supplier ranking systems to ensure our partners are meeting the high standards we set. Our Tier 1 manufacturers are accountable to our Supplier Code of Conduct, or Supplier Code, which requires that suppliers operate in full compliance with the laws, rules and regulations of the countries in which they operate. Our Supplier Code goes further, drawing upon ILO Core Labor Standards, in order to advance social and environmental responsibility. Allbirds also expects supplier factories to undertake an onsite social assessment by an independent, third-party social assessment firm. These social assessments ensure suppliers meet our minimum expectations with regards to working conditions as specified in our Supplier Code. In addition to conducting our own audits when necessary, we accept third-party, mutually recognized standards to reduce audit fatigue at factories and ensure safe, lawful, humane, and ethical manufacturing practices.

- *Third-party certifications.* We rely on a carefully selected set of leading standards and certifications such as NZM's ZQ certified wool, and FSC-certified fiber, rubber, and paper, which we pull through our supply chain. In 2019, we received a Leadership Award from the Forest Stewardship Council, the leading standard in responsible forest management, for bringing to market the first FSC-certified footwear collection.

Our Customers

For too long the footwear and apparel industry has offered customers a false trade-off between sustainable products and great products. We offer great products that are also sustainable, and make it easy for our customers to understand the impact of the products they buy through our carbon footprint labels. In this way, as well as through our generous 30-day return policy, we believe we empower our customers to make purchasing decisions that make sense to them. We designed our vertical retail business strategy in order to provide more value to customers and to make our products more accessible, removing the cost, friction, and barriers of wholesale distribution.

Our Community

A core tenet of our B Corporation, or B Corp, status is supporting the communities in which we operate. We are always looking for opportunities to uplift local communities where we are uniquely suited to lend a helping hand. To name a few examples:

- *Allgood Collective Ambassadors.* As of December 31, 2020, we partnered with over grassroots community activists who have joined forces in the Allbirds Allgood Collective and who serve as brand ambassadors for us. We offer our social media platforms to amplify their work and our retail spaces as community hubs.

- *Healthcare worker donations.* As our healthcare community made immense sacrifices to respond to the COVID-19 pandemic, we wanted to do our part to help lift them up. Through direct donations, as well as a

buy-one-give-one program that enabled collective action from our customers, we provided over 50,000 pairs of Wool Runners to healthcare professionals in March 2020.

- *Soles4Souls.* Our generous 30-day return policy means that a lot of gently worn shoes get sent back to us. When shoes are returned to Allbirds, those that can't go back onto the shelf are donated to Soles4Souls. Soles4Souls works with partner organizations in developing countries. Since our first sale in 2016, we have donated more than 225,000 pairs of shoes to Soles4Souls.
- *Pensole.* In 2021, we teamed up with Pensole Academy, a footwear design academy, to launch the Better Responsible Design Program, an eight week online course that challenges aspiring product designers to redefine the category of sustainable footwear. At the end of the course, two students will be selected to have their design sold at retail and earn a fully paid internship at Allbirds.

Soles4Souls donation basket

Governance

Public Benefit Corporation Status

Because Allbirds is a PBC under Delaware law, our board of directors must manage our business and affairs in a manner that balances the pecuniary interests of our stockholders, the best interests of those materially affected by our conduct, and the specific public benefit of environmental conservation that is identified in our certificate of

incorporation. As a result, in operating our business, we are required to consider environmental conservation and the well-being of our employees and other stakeholders affected by our conduct alongside the financial interests of our stockholders. To help ensure the longevity of the specific public benefit stated in our certificate of incorporation, the amended and restated certificate of incorporation that will be in effect upon completion of this offering will require the approval of holders of at least two-thirds of the voting power of the shares of capital stock entitled to vote at an election of directors to amend or repeal any provisions of our amended and restated certificate of incorporation relating to our status as a PBC. This supermajority voting threshold will make it more difficult to modify or change our PBC status or obligations.

Certified B Corporation Status

In addition to our PBC status, we have also achieved B Corp certification since 2016, a designation created by B Lab, which ensures we focus intentionally on several key areas of corporate operation: Governance, Workers, Community, Environment and Customers. Every three years, a certified B Corp must apply for recertification, a process that by design becomes more rigorous over time. The assessment evaluates how a company's operations and business model impact its workers, customers, suppliers, community and the environment using a 200-point scale. After completing the assessment, B Lab will verify the company's score to determine if it meets the 80-point minimum bar for certification. The review process includes a phone review, a random selection of indicators for verifying documentation and a random selection of company locations for onsite reviews, including employee interviews and facility tours. The median score is 50.9; our latest recertification score was 89.4, which increased from our initial score of 81.9 in 2016 despite the growing size and complexity of our business during those years.

Executive Compensation

Management and employees at or above the director level are incentivized, in part, through our bonus program, where bonuses are linked to sustainability outcomes, including specific metrics related to carbon reduction targets.

Oversight and Our Board of Directors

We regularly require that ESG issues are represented at the highest level of decision making (including through a Head of Sustainability). We have a gender-diverse board of directors, with 38% of our directors identifying as women. Management reports on ESG issues to our board of directors on a quarterly basis. The nominating and corporate governance committee of our board of directors is responsible for overseeing ESG matters.

Sustainability Advisory Committee

In 2021, we formally established a Sustainability Advisory Committee composed of external and independent third-party ESG experts. The committee is co-chaired by our Head of Sustainability and aims to advise management on ESG strategy and reporting.

Dual Class Common Stock Structure

Since the beginning of our history, our founders have been singularly focused on building a sustainable business that demonstrates profitable growth *because* it is sustainable. This is also true for the stockholders who have partnered with us since the early stages of our journey. We have prioritized protecting the ability of our founders and our early financial partners to continue driving toward that vision by implementing a dual class common stock structure that is designed to allow for a thoughtful calibration of long-term objectives with short-term demands.

ESG Reporting

In accordance with our PBC status, we publish a biennial report to stockholders that assesses our progress towards our stated public benefit of environmental conservation and general PBC objectives. In 2021, we made this report publicly available on our website. Before publication, all reporting is reviewed by a cross-functional group of internal stakeholders including Legal, Finance, Marketing, and Employee Experience with final signoff from our Co-Chief Executive Officers. We are also working with external experts to align our ESG reporting with the Sustainability Accounting Standards Board and Task Force on Climate-related Financial Disclosure frameworks by the end of 2021.

SUSTAINABLE PUBLIC EQUITY OFFERING

Our motto—"better things in a better way"—applies not only to our products, but to everything we do. We hope to apply that same ethos to how we approach our public offering and being a sustainable public company.

Historically, businesses have focused solely on maximizing stockholder value. As a Delaware public benefit corporation and a certified B Corporation, we strive to prioritize positive outcomes, not only for our stockholders, but for all stakeholders, including employees, customers, the community, and the environment. The Business Roundtable's August 2019 statement on the purpose of a corporation articulated that stakeholder-based capitalism will shift from being the exception to the rule. We believe that shift is already underway.

We hope to help pioneer a framework for companies to succeed as sustainable public companies, starting with how to raise funds and conduct a public offering in a better way, through what we are calling a Sustainable Public Equity Offering, or SPO. We believe issuers, investors, equity transaction partners, and other stakeholders will benefit from the creation of an SPO designation that can distinguish best-in-class environmental, social, and governance, or ESG, companies.

Our vision is that this offering will lay the groundwork that can be used by other companies for many future SPOs. We are committed to helping to establish, under the guidance of an Advisory Council of cross-sector experts, market participants, and stakeholders from the private and public sectors, objective and comprehensive criteria and a repeatable framework to help make this a reality.

Sustainable Public Equity Offering Framework and Governance

***Framework*.** An SPO means that the issuing company and its transaction partners take into consideration positive ESG outcomes.

Criteria. For a public offering to qualify as an SPO, an issuer and the offering process will have to meet respective sets of evaluation criteria established by an Advisory Council and verified by one or more third parties.

- The issuer will:
  - meet threshold criteria across several categories, such as a minimum ESG rating, mission and purpose of the issuer, climate, value chain, people, and corporate governance;
  - report transparently across ESG practices and matters;
  - commit to make meaningful progress on important ESG practices and matters;
    - factor into its partner selection process each transaction partner's credentials across ESG practices and matters, including, but not limited to, transaction partner ESG reporting transparency, transaction partner commitments to make meaningful progress on important ESG practices and matters, and transaction partner willingness to make best efforts to follow applicable offering process criteria (as described below); and
  - seek diverse partners and transaction teams.
- The offering process will:
  - be carbon neutral (meaning that efforts are made to reduce emissions before offsetting the estimated balance); and
  - include specific outreach to investors with funds with an ESG focus.

Advisory Council. We envision that the SPO evaluation criteria will be refined and approved by an Advisory Council comprised of cross-sector experts, market participants, and stakeholders from the private and public sectors. The Advisory Council will have two primary responsibilities:

(1) to review, refine, and approve the evaluation criteria for the Allbirds SPO; and

(2) to continue to refine the evaluation criteria for future SPOs.

Verification Process. The issuer's metrics will be verified against the SPO evaluation criteria by one or more independent third-party assurance providers, who will issue a report based on the results.

Our hope is that this offering will be the first step in establishing a framework for many future SPOs. We will encourage the Advisory Council to continue to refine the SPO framework so that more issuers take into consideration positive ESG outcomes. We believe the standardization of the SPO evaluation criteria and metrics will help investors better identify public companies that are committed to sustainability and ensuring positive outcomes for all stakeholders.

MANAGEMENT

The following table sets forth information for our executive officers and directors as of June 1, 2021:

Name	Age	Position
Executive Officers		
Joseph Zwillinger	40	Co-Chief Executive Officer and Director
Timothy Brown	40	Co-Chief Executive Officer and Director
Michael Bufano	46	Chief Financial Officer
Joe Vernachio	56	Chief Operating Officer
Non-Employee Directors		
Neil Blumenthal	40	Director
Dick Boyce	67	Director
Mandy Fields	40	Director
Nancy Green	59	Director
Dan Levitan	64	Director
Emily Weiss	36	Director

Executive Officers

Joseph Zwillinger. Mr. Zwillinger has served as our Co-Chief Executive Officer since October 2015 and as our President and a member of our board of directors since he co-founded our company in May 2015. Prior to co-founding Allbirds, Mr. Zwillinger served as Vice President of Industrial Products at TerraVia Holdings, Inc. (formerly Solazyme, Inc.), a biotechnology company from 2009 to 2015. Mr. Zwillinger has served on the board of directors of Big Sky Growth Partners, Inc., a publicly traded special purpose acquisition corporation, since April 2021. Mr. Zwillinger holds a B.S. in Industrial Engineering and Operations Research from the University of California, Berkeley and an M.B.A. with honors from The Wharton School of the University of Pennsylvania. Mr. Zwillinger was selected to serve on our board of directors because of the perspective and experience he brings as our co-founder and Co-Chief Executive Officer as well as his management experience.

Timothy Brown. Mr. Brown has served as our Co-Chief Executive Officer since October 2015 and as a member of our board of directors since he co-founded our company in May 2015. From May 2015 to October 2015, Mr. Brown served as our Chief Executive Officer. Prior to co-founding Allbirds, Mr. Brown served as Manager in the Innovation Strategy and Business Development Department at Redscout, a brand consulting firm, from March 2015 to August 2015. In 2010, Mr. Brown was Vice Captain of the New Zealand World Cup football team. Mr. Brown holds a B.S. in Design from the College of Design, Architecture, Art, and Planning at the University of Cincinnati and an M.Sc. in International Management from the London School of Economics and Political Science. Mr. Brown was selected to serve on our board of directors because of the perspective and experience he brings as our co-founder and Co-Chief Executive Officer as well as his management experience.

Michael Bufano. Mr. Bufano has served as our Chief Financial Officer since April 2021, after joining us in January 2021. From March 2020 to December 2020, Mr. Bufano served as an advisor to several early stage companies on business and finance matters. From July 2010 to February 2020, Mr. Bufano served in several roles at Panera Bread Company, a chain store of fast casual restaurants, including most recently as Chief Financial Officer from April 2015 to February 2020, in which role he was responsible for overseeing Panera's finance, accounting and investor relations departments, as well as Panera's consumer packaged goods business and human resources function. Mr. Bufano holds a B.A. in Political Science from the University of Chicago and an M.B.A. from The Wharton School of the University of Pennsylvania.

Joe Vernachio. Mr. Vernachio has served as our Chief Operating Officer since June 2021. From April 2017 to May 2021, Mr. Vernachio served as President of Mountain Hardwear, Inc., an outdoor apparel, equipment, and accessories company, where he led all aspects of Mountain Hardwear's global business, including brand positioning, go-to-market strategies, and execution across all distribution channels. From March 2011 to March 2017, Mr.

Vernachio served in several roles at The North Face, an outdoor products company and subsidiary of VF Corporation, including most recently as Vice President of Global Product from July 2012 to March 2017, in which role he oversaw the brand's apparel, footwear, and equipment across all regions. Mr. Vernachio holds an A.S. in Forest Sciences and Biology from Paul Smith's College.

Non-Employee Directors

Neil Blumenthal. Mr. Blumenthal has served as a member of our board of directors since August 2018. Since 2010, Mr. Blumenthal has served as co-Founder and co-Chief Executive Officer of JAND, Inc., an online glasses retailer which does business as Warby Parker. Mr. Blumenthal holds a B.A. in History and International Relations from Tufts University and an M.B.A. from The Wharton School of the University of Pennsylvania. Mr. Blumenthal was selected to serve on our board of directors because of his experience as chief executive officer of an online retail company.

Dick Boyce. Mr. Boyce has served as a member of our board of directors since December 2016. Mr. Boyce is a former partner at TPG Capital, one of the largest global investment partnerships, where he founded and led TPG's Operating Group from 1997, in which capacity he served on several public company boards of directors, until his retirement in 2013. Mr. Boyce has served as an advisor to Notarize, Inc., an online notarization and e-signature company, since October 2019, Proteus Motion Inc. (formerly Boston Biomotion), an intelligent exercise and rehab equipment company, since April 2019, and Altamont Capital Partners, a private equity firm, since 2016. Mr. Boyce has served on the board of directors of Executive Network Partnering Corp., a publicly traded special purpose acquisition corporation, since August 2020. Mr. Boyce holds a B.S.E from Princeton University and an M.B.A from Stanford Graduate School of Business. Mr. Boyce was selected to serve on our board of directors because of his extensive experience in operations management, investment, and private equity across a spectrum from early stage to large cap companies.

Mandy Fields. Ms. Fields has served as a member of our board of directors since October 2020. Since April 2019, Ms. Fields has served as Chief Financial Officer of e.l.f. Beauty, Inc., a publicly traded cosmetics company. Previously, Ms. Fields served as Chief Financial Officer of Beverages & More, Inc. (doing business as BevMo!), a beverages retailer, from June 2016 to April 2019. Ms. Fields served as Vice President, Finance of Albertsons Companies, Inc., a grocery retailer, from July 2015 to June 2016, before which she held various roles of increasing responsibility at Safeway, an Albertsons banner, from June 2010 to July 2015. Ms. Fields holds a B.S. in Finance from Indiana University of Bloomington's Kelley School of Business. Ms. Fields was selected to serve on our board of directors because of her public company management experience.

Nancy Green. Ms. Green has served as a member of our board of directors since February 2020. Since October 2020, Ms. Green has served as President and Chief Executive Officer of Old Navy, a clothing retailer. Before that, she served in various roles at Old Navy's publicly traded parent company, Gap Inc., after joining the company in 1986, including most recently as President and Chief Executive Officer of Gap's Athleta brand from May 2013 to August 2019. Ms. Green holds a B.A. in Political Science from the University of California, Berkeley. Ms. Green was selected to serve on our board of directors because of her management experience in the retail space.

Dan Levitan. Mr. Levitan has served as a member of our board of directors since July 2016. Mr. Levitan is a Managing Member of Maveron LLC, or Maveron, a venture capital firm, which he co-founded in January 1998. Mr. Levitan has served as a member of the board of directors of Trupanion, Inc., a publicly traded pet insurance provider, since April 2007. Mr. Levitan currently serves on the boards of directors of numerous private companies and non-profit organizations. Mr. Levitan holds a B.A. in history from Duke University and an M.B.A. from Harvard Business School. Mr. Levitan was selected to serve on our board of directors because of his extensive board service and venture investment experience.

Emily Weiss. Ms. Weiss has served as a member of our board of directors since October 2020. Ms. Weiss has served as Chief Executive Officer of Glossier, Inc., a cosmetics company, since she founded the company in May 2012. Ms. Weiss holds a B.A. in Studio Art from New York University. Ms. Weiss was selected to serve on our board of directors because of her experience as a founder and chief executive officer of a consumer products company.

Family Relationships

There are no family relationships among any of our executive officers and directors.

Composition of Our Board of Directors

Our business and affairs are managed under the direction of our board of directors. We currently have eight directors. Our current directors will continue to serve as directors until their death, resignation, or removal or until their successor is duly elected.

The members of our board of directors were elected pursuant to the provisions of an amended and restated voting agreement as follows:

- Messrs. Zwillinger and Brown were elected by the holders of our common stock;
- Mr. Levitan was elected by the holders of our Series A convertible preferred stock; and
- Messrs. Blumenthal and Boyce and Mses. Fields, Green, and Weiss were elected by the holders of our common stock and our convertible preferred stock.

Our board of directors may establish the authorized number of directors from time to time by resolution. In accordance with our amended and restated certificate of incorporation that will be in effect immediately prior to the completion of this offering, immediately after this offering, our board of directors will be divided into three classes with staggered three-year terms. At each annual general meeting of stockholders, the successors to directors whose terms then expire will be elected to serve from the time of election and qualification until the third annual meeting following election. Our directors will be divided among the three classes as follows:

- the Class I directors will be and , and their terms will expire at our first annual meeting of stockholders following this offering;
- the Class II directors will be and , and their terms will expire at our second annual meeting of stockholders following this offering; and
- the Class III directors will be and , and their terms will expire at our third annual meeting of stockholders following this offering.

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

Director Independence

Our board of directors has undertaken a review of the independence of each director. Based on information provided by each director concerning his or her background, employment and affiliations, our board of directors has determined that each of and does not have relationships that would interfere with the exercise of independent judgment in carrying out the responsibilities of a director and that each of these directors is "independent" as that term is defined under the listing standards of . In making these determinations, our board of directors considered the current and prior relationships that each non-employee director has with our company and all other facts and circumstances our board of directors deemed relevant in determining their independence, including the beneficial ownership of our shares held by each non-employee director and the transactions described in the section titled "Certain Relationships and Related Party Transactions."

Lead Independent Director

Mr. Boyce currently serves as our lead independent director. Effective as of the date the registration statement of which this prospectus forms a part is declared effective by the SEC, our corporate governance guidelines will provide that if the chairperson of our board of directors is not an independent director, our independent directors will

designate one of the independent directors to serve as lead independent director, which person will initially be Mr. Boyce, and if the chairperson of our board of directors is an independent director, our board of directors may determine whether it is appropriate to appoint a lead independent director. The corporate governance guidelines will provide that if our board of directors elects a lead independent director, such lead independent director will preside over meetings of our independent directors, coordinate activities of the independent directors, oversee, with our nominating and corporate governance committee, the self-evaluation of our board of directors, including committees of our board of directors, and preside over any portions of meetings of our board of directors at which the performance of our board of directors is presented or discussed, be available for consultation and director communication with stockholders as deemed appropriate, and perform such additional duties as our board of directors may otherwise determine and delegate.

Committees of Our Board of Directors

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

Audit Committee

Following this offering, our audit committee will consist of and . Our board of directors has determined that each member of our audit committee satisfies the independence requirements under the listing standards of and Rule 10A-3(b)(1) of the Exchange Act. The chair of our audit committee is . Our board of directors has determined that is an "audit committee financial expert" within the meaning of SEC regulations. Each member of our audit committee can read and understand fundamental financial statements in accordance with applicable requirements. In arriving at these determinations, our board of directors has examined each audit committee member's scope of experience and the nature of his employment.

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

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

Our audit committee will operate under a written charter, to be effective prior to the completion of this offering, that satisfies the applicable listing standards of .

Compensation Committee

Following this offering, our compensation committee consists of and . The chair of our compensation committee is . Our board of directors has determined that each member of our compensation committee is independent under the listing standards of , and a "non-employee director" as defined in Rule 16b-3 promulgated under the Exchange Act.

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

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

Our compensation committee will operate under a written charter, to be effective prior to the completion of this offering, that satisfies the applicable listing standards of .

Nominating and Corporate Governance Committee

Our nominating and corporate governance committee consists of and . The chair of our nominating and corporate governance committee is . Our board of directors has determined that each member of our nominating and corporate governance committee is independent under the listing standards of .

Specific responsibilities of our nominating and corporate governance committee include:

- identifying and evaluating candidates, including the nomination of incumbent directors for reelection and nominees recommended by stockholders, to serve on our board of directors;
- considering and making recommendations to our board of directors regarding the composition and chairmanship of the committees of our board of directors;
- developing and making recommendations to our board of directors regarding corporate governance guidelines and related matters;
- overseeing our ESG strategy and initiatives; and
- overseeing periodic evaluations of our board of directors' performance, including committees of our board of directors.

Our nominating and corporate governance committee will operate under a written charter, to be effective prior to the completion of this offering, that satisfies the applicable listing standards of .

Code of Business Conduct and Ethics

We have adopted a code of business conduct and ethics 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. Upon the completion of this offering, our code of business conduct and ethics will be available under the Corporate Governance section of our website at allbirds.com. In addition, we intend to post on our website all disclosures that are required by law or the listing standards of concerning any amendments to, or waivers from, any provision of the code. Information contained on, or that can be accessed through, our website is not incorporated by reference in this prospectus, and you should not consider information on our website to be part of this prospectus.

Compensation Committee Interlocks and Insider Participation

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

Non-Employee Director Compensation

During the year ended December 31, 2020, we did not pay cash compensation to any of our non-employee directors for service on our board of directors. We have reimbursed and will continue to reimburse all of our non-employee directors for their reasonable out-of-pocket expenses incurred in attending board of directors and committee meetings.

The following table sets forth information regarding the compensation earned or paid to our directors during the year ended December 31, 2020, other than Messrs. Zwillinger and Brown, our co-founders and Co-Chief Executive Officers, who are also members of our board of directors but did not receive any additional compensation for their service as directors. The compensation of Messrs. Zwillinger and Brown is set forth in the section titled "Executive Compensation—Summary Compensation Table."

Name	Option Awards ($)[1][2][3]	Total ($)
Neil Blumenthal	—	—
Dick Boyce	—	—
Mandy Fields	153,818	153,818
Nancy Green	154,900[4]	154,900
Dan Levitan	—	—
Emily Weiss	133,309	133,309

(1) The amounts disclosed represent the aggregate grant date fair value of the stock options granted under our 2015 Equity Incentive Plan, as amended, or 2015 Plan, computed in accordance with ASC Topic 718. The assumptions used in calculating the grant date fair value of the stock options are set forth in Notes 2 and 13 to our consolidated financial statements included elsewhere in this prospectus. This amount does not reflect the actual economic value that may be realized by the directors.

(2) The amounts disclosed consist of (a) an option to purchase 75,000 shares of our Class B common stock granted to Ms. Fields in October 2020 with a grant date fair value of $153,818; (b) an option to purchase 50,000 shares of our Class B common stock granted to Ms. Green in February 2020 with a grant date fair value of $133,630; and (c) an option to purchase 65,000 shares of our Class B common stock granted to Ms. Weiss in October 2020 with a grant date fair value of $133,309.

(3) As of December 31, 2020, the following non-employee directors held options to purchase the following number of shares of our Class B common stock: Mr. Blumenthal, 37,500 shares; Mr. Boyce, 106,400 shares; Ms. Fields, 75,000 shares; Ms. Green, 50,000 shares; and Ms. Weiss, 65,000 shares.

(4) The amount disclosed reflects the incremental accounting expense of $21,270 recognized in connection with the stock option repricing completed in June 2020 of the option to purchase up to 50,000 shares of our Class B common stock to a per share exercise price of $4.12, which option was originally granted to Ms. Green in February 2020 with a per share exercise price of $6.01, computed in accordance with ASC Topic 718. The assumptions used in calculating the incremental

accounting expense of the stock options in connection with the stock option repricing are set forth in Note 13 to our consolidated financial statements included elsewhere in this prospectus. This amount does not reflect the actual economic value that may be realized by Ms. Green.

In February 2020, we granted Ms. Green an option to purchase 50,000 shares of our Class B common stock pursuant to the 2015 Plan, with a per share exercise price of $6.01, which vests in 24 equal monthly installments beginning on March 10, 2020, subject to Ms. Green's continuous service to us through each applicable vesting date. Additionally, 100% of the unvested shares underlying the option will vest in the event of a change in control (as defined in the 2015 Plan), provided Ms. Green's continuous service to us has not terminated prior to the effective time of such change in control, as well as certain other circumstances. In June 2020, we repriced this option to a per share exercise price of $4.12 in connection with a repricing transaction available to certain holders of outstanding options with an exercise price per share greater than $4.12.

In October 2020, we granted to Ms. Weiss and Ms. Fields options to purchase 65,000 shares and 75,000 shares of our Class B common stock, respectively, each pursuant to the 2015 Plan, with a per share exercise price of $4.34, which vest as to 16 2/3% of the shares subject to the options on April 27, 2021, with the remainder of the shares vesting in 30 equal monthly installments measured from April 27, 2021, subject to the director's continuous service to us through each applicable vesting date. Additionally, 100% of the unvested shares underlying the option will vest in the event of a change in control (as defined in the 2015 Plan), provided the director's continuous service to us has not terminated prior to the effective time of such change in control.

Prior to this offering, we have not had an established plan or policy with regard to compensation of members of our non-employee directors. In connection with this offering, we intend to adopt a non-employee director compensation policy pursuant to which our non-employee directors will be eligible to receive compensation for service on our board of directors and the committees thereof.

EXECUTIVE COMPENSATION

Our named executive officers for the fiscal year ended December 31, 2020, consisting of our principal executive officer and the next most highly compensated executive officer, were:

- Joseph Zwillinger, our Co-Chief Executive Officer; and
- Timothy Brown, our Co-Chief Executive Officer.

Because only two individuals served as our executive officers at any time during the year ended December 31, 2020, we have only two named executive officers.

Summary Compensation Table

The following table presents all of the compensation awarded to or earned by or paid to our named executive officers during the year ended December 31, 2020.

Name and Principal Position	Year	Salary($)	Non-equity Incentive Plan Compensation ($)	Option Awards($)	All Other Compensation ($)[1]	Total($)
Joseph Zwillinger *Co-Chief Executive Officer*	2020	276,923	52,710	—	25,414	355,047
Timothy Brown *Co-Chief Executive Officer*	2020	276,923	52,710	—	31,761	361,394

(1) Includes $11,400 related to 401(k) matching contributions made by us and payments of accrued paid time off of $14,014 and $20,361 for Messrs. Zwillinger and Brown, respectively. For more information, see below under "—Narrative to the Summary Compensation Table—Health and Welfare, Retirement Benefits, and Perquisites."

Narrative to the Summary Compensation Table

Annual Base Salary

Our named executive officers receive a base salary to compensate them for services rendered to us. The base salary payable to each named executive officer is intended to provide a fixed component of compensation reflecting the executive's skill set, experience, role and responsibilities. In 2020, each of our named executive officers was paid a base salary of $275,000. However, due to a payroll error, for a short period, each named executive officer was paid at an annualized rate of $300,000 per year. After consideration, our board of directors determined not to recoup the additional amount.

Our board of directors approved an annual base salary for our named executive officers of $300,000, effective February 1, 2021.

Non-equity Incentive Plan Compensation

In addition to base salaries, our executive officers are eligible to receive performance-based cash bonuses, which are designed to provide appropriate incentives to our executives to achieve defined performance goals. For our fiscal year 2020, the target bonus for each of our named executive officers was 40% of base salary, with a maximum bonus opportunity of 80% of base salary. The performance goals for our 2020 fiscal year focused on gross sales, EBITDA, and sustainability targets. Such targets were partially adjusted mid-year to account for the ongoing impact of the COVID-19 pandemic. In early 2021, our compensation committee determined achievement against such goals which resulted in the payout disclosed above in the Summary Compensation Table.

Equity-Based Incentive Awards

Prior to this offering, we have granted stock options to each of our named executive officers pursuant to our 2015 Equity Incentive Plan, or 2015 Plan, the terms of which are described below under "—Equity Incentive Plans—2015 Equity Incentive Plan." We did not grant any equity-based awards to either of our named executive officers in 2020.

Agreements with Our Named Executive Officers

We intend to enter into offer letter agreements setting forth the terms and conditions of employment with each of our named executive officers prior to the completion of this offering. Each of our named executive officers is employed at-will. In addition, each of our named executive officers has executed our standard form of confidential information and inventions assignment agreement.

Potential Payments upon Termination or Change in Control

Each of our named executive officers' stock options is subject to the terms of the 2015 Plan and form of stock option agreement thereunder. A description of the termination and change in control provisions in the 2015 Plan and stock options granted thereunder is provided below under "—Equity Incentive Plans—2015 Equity Incentive Plan."

In addition, pursuant to the stock option agreement evidencing each option granted to our named executive officers in October 2019, if, beginning on the date 30 days prior to the execution of a definitive agreement providing for our change in control and ending on the date that is 12 months following such change in control, the named executive officer's continuous service is involuntarily terminated by us without cause or such named executive officer resigns for good reason, the shares subject to the option shall fully vest and our repurchase right shall lapse in full, contingent on the named executive officer executing and not revoking a general release of claims against us.

For purposes of such stock option agreements:

- "Cause" has the definition assigned to such term in the 2015 Plan but which in summary includes the individual's (1) commission of any felony or any crime involving fraud, dishonesty or moral turpitude under the laws of the United States or any state thereof; (2) attempted commission of, or participation in, a fraud or act of dishonesty against us; (3) intentional, material violation of any contract or agreement with us or of any statutory duty owed to us; (4) unauthorized use or disclosure of our confidential information or trade secrets; or (5) gross misconduct. The determination that a termination is either for Cause or without Cause will be made by us, in our sole discretion.

- "Change in Control" has the definition assigned to such term in the 2015 Plan but which in summary includes the occurrence, in a single transaction or in a series of related transactions, of any one or more of the following events: (1) any person becomes the owner, directly or indirectly, of our securities representing more than 50% of the combined voting power of our then-outstanding securities other than by virtue of a merger, consolidation or similar transaction, subject to certain exceptions that will not constitute a Change in Control; (2) the consummation of a merger, consolidation or similar transaction involving us (directly or indirectly) such that, immediately after the consummation of such transaction, our stockholders immediately prior thereto do not own, directly or indirectly, either (a) outstanding voting securities representing more than 50% of the combined outstanding voting power of the surviving entity or (b) more than 50% of the combined outstanding voting power of the parent of the surviving entity, in each case in substantially the same proportions as their ownership of our outstanding voting securities immediately prior to such transaction; (3) the approval by our stockholders of a plan of complete dissolution or liquidation, or our complete dissolution or liquidation will otherwise occur, except for a liquidation into a parent corporation; (4) the consummation of a sale, lease, exclusive license or other disposition of all or substantially all of our consolidated assets, subject to certain exceptions; or (5) individuals who, on the date the 2015 Plan was adopted by our board of directors, were members of our board of directors, or the incumbent board, cease for any reason to constitute a majority of the members of our board of directors; provided, however, that if the appointment or election (or nomination for election) of any new member was or is approved or recommended by a majority vote of such members of the incumbent board then still in

office, such new member will be considered as a member of the incumbent board. Notwithstanding the foregoing, a sale of assets, merger or other transaction effected exclusively for the purpose of changing our domicile will not constitute a Change in Control.

- "Good Reason" means any of the following taken by us or a successor without the named executive officer's consent: (1) a material reduction in base salary (that is, a reduction of at least 10% of base salary (unless pursuant to a salary reduction program applicable generally to all similarly situated employees)); (2) a material reduction in duties (including responsibilities and/or authorities), provided, however, that a change in job position (including a change in title) shall not be deemed a "material reduction" in and of itself unless the new duties are materially reduced from the prior duties; or (3) relocation of the principal place of employment to a place that increases the named executive officer's one-way commute by more than 50 miles as compared to the then-current principal place of employment immediately prior to such relocation. In order to constitute Good Reason, the named executive officer must provide written notice within 30 days after the first occurrence of the event giving rise to Good Reason setting forth the basis for resignation, allow us at least 30 days from receipt of such written notice to cure such event, and if such event is not reasonably cured within such period, the named executive officer must resign from all positions such named executive officer then holds with us not later than 30 days thereafter.

Outstanding Equity Awards at Fiscal Year-End

The following table presents the outstanding equity incentive plan awards held by each named executive officer as of December 31, 2020.

	Option Awards[1]				
Name	Grant Date	Number of Securities Underlying Unexercised Options Exercisable[2]	Number of Securities Underlying Unexercised Options Unexercisable	Option Exercise Price ($)	Option Expiration Date
Joseph Zwillinger	10/9/2019[3]	585,937	1,289,063	5.09	10/8/2029
Timothy Brown	10/9/2019[3]	195,312	429,688	5.09	10/8/2029

(1) All of the stock awards were granted under the 2015 Plan, the terms of which plan is described below under "—Equity Incentive Plans—2015 Equity Incentive Plan."

(2) Because these options are exercisable immediately upon grant, subject to a repurchase right in favor of us which lapses as the option vests, this column reflects the number of options held by our named executive officers that were exercisable and vested as of December 31, 2020.

(3) Shares subject to the option may be exercised at any time, subject to our repurchase right with respect to any then-unvested shares at the time of termination. Such repurchase right lapses over 48 equal monthly installments beginning on October 1, 2019, subject to the named executive officer's continuous service to us through each applicable vesting date. The option shares are subject to vesting acceleration as described above under "—Narrative to the Summary Compensation Table—Potential Payments Upon Termination or Change in Control."

Health and Welfare, Retirement Benefits, and Perquisites

Health and Welfare

All of our current named executive officers are eligible to participate in our employee benefit plans, including our medical, dental, vision, disability and life insurance plans, in each case on the same basis as all of our other employees.

401(k) Plan

Our named executive officers are eligible to participate in a defined contribution retirement plan that provides eligible U.S. employees with an opportunity to save for retirement on a tax advantaged basis. Eligible employees may defer eligible compensation on a pre-tax or after-tax (Roth) basis, up to the statutorily prescribed annual limits

on contributions under the Code. The 401(k) plan is intended to be qualified under Section 401(a) of the Code with the 401(k) plan's related trust intended to be tax exempt under Section 501(a) of the Code.

For the 2020 plan year, we made a matching contribution equal to 100% of participant deferrals on the first 3% of their compensation and 50% of the next 2% of their compensation, subject to a $19,500 maximum (plus $6,000 for employees age 50 and over).

Deferred Compensation; Pension Plan

Our named executive officers did not participate in, or earn any benefits under, a nonqualified deferred compensation plan sponsored by us during the fiscal year ended December 31, 2020. Our board of directors may elect to provide our officers and other employees with nonqualified defined contribution or other nonqualified deferred compensation benefits in the future if it determines that doing so is in our best interests.

Our named executive officers did not participate in, or otherwise receive any benefits under, any pension or retirement plans sponsored by us during 2020.

Perquisites

In general, we do not offer any perquisites to our named executive officers. However, in connection with a policy shift to an unlimited paid time off policy, in January 2020, we paid out all then-accrued paid time off to all of our employees, including our named executive officers. Such amounts are reflected in the Summary Compensation Table above.

Equity Incentive Plans

2021 Equity Incentive Plan

Prior to the closing of this offering, we expect that our board of directors will adopt, and our stockholders will approve, the 2021 Equity Incentive Plan, or 2021 Plan. We expect the 2021 Plan will become effective on the date of, and contingent upon the execution of, the underwriting agreement related to this offering. The 2021 Plan will come into existence upon its adoption by our board of directors, but no grants will be made under the 2021 Plan prior to its effectiveness. Once the 2021 Plan becomes effective, no further grants will be made under the 2015 Plan.

Awards. The 2021 Plan will provide for the grant of incentive stock options, or ISOs, within the meaning of Section 422 of the Code, to our employees and our parent and subsidiary corporations' employees, and for the grant of nonstatutory stock options, or NSOs, stock appreciation rights, restricted stock awards, or RSAs, RSU awards, performance awards and/or other forms of awards to our employees, directors, and consultants and any of our affiliates' employees and consultants.

Authorized shares. Initially, the maximum number of shares of our Class A common stock that may be issued under the 2021 Plan after it becomes effective will not exceed shares of our Class A common stock, which is the sum of (1) new shares, plus (2) an additional number of shares not to exceed shares, consisting of (any shares of our Class A common stock subject to outstanding awards granted under the 2015 Plan that, on or after the 2021 Plan becomes effective, terminate or expire prior to exercise or settlement; are not issued because the award is settled in cash; are forfeited or repurchased because of the failure to vest; or are reacquired or withheld (or not issued) to satisfy a tax withholding obligation or the purchase or exercise price, if any; provided that any such shares described in clause (2) above that are shares of our Class B common stock will be added to the share reserve of our 2021 Plan as shares of our Class A common stock. In addition, the number of shares of our Class A common stock reserved for issuance under the 2021 Plan will automatically increase on of each year for a period of 10 years, beginning on , 2022 and continuing through , 2031, in an amount equal to % of the total number of shares of our common stock (both Class A and Class B) outstanding on of the immediately preceding year, or (ii) a lesser number of shares determined by our board of directors no later than of the immediately preceding year. The maximum number of shares of our Class A common stock that may be issued on the exercise of ISOs under the 2021 Plan will be shares.

Shares subject to stock awards granted under the 2021 Plan that expire or terminate without being exercised in full or that are paid out in cash rather than in shares will not reduce the number of shares available for issuance under the 2021 Plan. Shares withheld under a stock award to satisfy the exercise, strike, or purchase price of a stock award or to satisfy a tax withholding obligation will not reduce the number of shares available for issuance under the 2021 Plan. If any shares of our Class A common stock issued pursuant to a stock award are forfeited back to or repurchased or reacquired by us (1) because of a failure to meet a contingency or condition required for the vesting of such shares; (2) to satisfy the exercise, strike, or purchase price of a stock award; or (3) to satisfy a tax withholding obligation in connection with a stock award, the shares that are forfeited or repurchased or reacquired will revert to and again become available for issuance under the 2021 Plan.

Plan administration. Our board of directors, or a duly authorized committee thereof, will administer the 2021 Plan. Our board of directors may delegate to one or more of our officers the authority to (1) designate employees (other than officers) to receive specified stock awards; and (2) determine the number of shares subject to such stock awards. Under the 2021 Plan, our board of directors will have the authority to determine stock award recipients, the types of stock awards to be granted, grant dates, the number of shares subject to each stock award, the fair market value of our Class A common stock, and the provisions of each stock award, including the period of exercisability and the vesting schedule applicable to a stock award.

Under the 2021 Plan, our board of directors also generally will have the authority to effect, with the consent of any materially adversely affected participant, (1) the reduction of the exercise, purchase, or strike price of any outstanding option or stock appreciation right; (2) the cancellation of any outstanding option or stock appreciation right and the grant in substitution therefore of other awards, cash, or other consideration; or (3) any other action that is treated as a repricing under generally accepted accounting principles.

Stock options. ISOs and NSOs are granted under stock option agreements adopted by the administrator. The administrator will determine the exercise price for stock options, within the terms and conditions of the 2021 Plan, except the exercise price of a stock option generally will not be less than 100% of the fair market value of our Class A common stock on the date of grant. Options granted under the 2021 Plan will vest at the rate specified in the stock option agreement as will be determined by the administrator.

The administrator will determine the term of stock options granted under the 2021 Plan, up to a maximum of 10 years. Unless the terms of an optionholder's stock option agreement, or other written agreement between us and the recipient, provide otherwise, if an optionholder's service relationship with us or any of our affiliates ceases for any reason other than disability, death, or cause, the optionholder may generally exercise any vested options for a period of three months following the cessation of service. This period may be extended in the event that exercise of the option is prohibited by applicable securities laws. If an optionholder's service relationship with us or any of our affiliates ceases due to death, or an optionholder dies within a certain period following cessation of service, the optionholder or a beneficiary may generally exercise any vested options for a period of 18 months following the date of death. If an optionholder's service relationship with us or any of our affiliates ceases due to disability, the optionholder may generally exercise any vested options for a period of 12 months following the cessation of service. In the event of a termination for cause, options generally terminate upon the termination date. In no event may an option be exercised beyond the expiration of its term.

Acceptable consideration for the purchase of Class A common stock issued upon the exercise of a stock option will be determined by the administrator and may include (1) cash, check, bank draft, or money order; (2) a broker-assisted cashless exercise; (3) the tender of shares of our Class A common stock previously owned by the optionholder; (4) a net exercise of the option if it is an NSO; or (5) other legal consideration approved by the administrator.

Unless the administrator provides otherwise, options or stock appreciation rights generally are not transferable except by will or the laws of descent and distribution. Subject to approval of the administrator or a duly authorized officer, an option may be transferred pursuant to a domestic relations order, official marital settlement agreement, or other divorce or separation instrument.

Tax limitations on ISOs. The aggregate fair market value, determined at the time of grant, of our Class A common stock with respect to ISOs that are exercisable for the first time by an award holder during any calendar year under all of our stock plans may not exceed $100,000. Options or portions thereof that exceed such limit will generally be treated as NSOs. No ISO may be granted to any person who, at the time of the grant, owns or is deemed to own stock possessing more than 10% of our total combined voting power or that of any of our parent or subsidiary corporations unless (1) the option exercise price is at least 110% of the fair market value of the stock subject to the option on the date of grant; and (2) the term of the ISO does not exceed five years from the date of grant.

Restricted stock unit awards. RSU awards are granted under RSU award agreements adopted by the administrator. RSU awards may be granted in consideration for any form of legal consideration that may be acceptable to our board of directors and permissible under applicable law. An RSU award may be settled by cash, delivery of stock, a combination of cash and stock as deemed appropriate by the administrator, or in any other form of consideration set forth in the RSU award agreement. Additionally, dividend equivalents may be credited in respect of shares covered by an RSU award. Except as otherwise provided in the applicable award agreement, or other written agreement between us and the recipient, RSU awards that have not vested will be forfeited once the participant's continuous service ends for any reason.

Restricted stock awards. RSAs are granted under RSA agreements adopted by the administrator. An RSA may be awarded in consideration for cash, check, bank draft or money order, past or future services to us, or any other form of legal consideration that may be acceptable to our board of directors and permissible under applicable law. The administrator will determine the terms and conditions of RSAs, including vesting and forfeiture terms. If a participant's service relationship with us ends for any reason, we may receive any or all of the shares of Class A common stock held by the participant that have not vested as of the date the participant terminates service with us through a forfeiture condition or a repurchase right.

Stock appreciation rights. Stock appreciation rights are granted under stock appreciation right agreements adopted by the administrator. The administrator will determine the purchase price or strike price for a stock appreciation right, which generally will not be less than 100% of the fair market value of our Class A common stock on the date of grant. A stock appreciation right granted under the 2021 Plan will vest at the rate specified in the stock appreciation right agreement as will be determined by the administrator. Stock appreciation rights may be settled in cash or shares of our Class A common stock or in any other form of payment as determined by our board of directors and specified in the stock appreciation right agreement.

The administrator will determine the term of stock appreciation rights granted under the 2021 Plan, up to a maximum of 10 years. If a participant's service relationship with us or any of our affiliates ceases for any reason other than cause, disability, or death, the participant may generally exercise any vested stock appreciation right for a period of three months following the cessation of service. This period may be further extended in the event that exercise of the stock appreciation right following such a termination of service is prohibited by applicable securities laws. If a participant's service relationship with us, or any of our affiliates, ceases due to disability or death, or a participant dies within a certain period following cessation of service, the participant or a beneficiary may generally exercise any vested stock appreciation right for a period of 12 months in the event of disability and 18 months in the event of death. In the event of a termination for cause, stock appreciation rights generally terminate upon the termination date. In no event may a stock appreciation right be exercised beyond the expiration of its term.

Performance awards. The 2021 Plan will permit the grant of performance awards that may be settled in stock, cash, or other property. Performance awards may be structured so that the stock or cash will be issued or paid only following the achievement of certain pre-established performance goals during a designated performance period. Performance awards that are settled in cash or other property are not required to be valued in whole or in part by reference to, or otherwise based on, our Class A common stock.

The performance goals may be based on any measure of performance selected by our board of directors. The performance goals may be based on company-wide performance or performance of one or more business units, divisions, affiliates, or business segments, and may be either absolute or relative to the performance of one or more comparable companies or the performance of one or more relevant indices. Unless specified otherwise by our board

of directors at the time the performance award is granted, our board of directors will appropriately make adjustments in the method of calculating the attainment of performance goals as follows: (1) to exclude restructuring or other nonrecurring charges; (2) to exclude exchange rate effects; (3) to exclude the effects of changes to generally accepted accounting principles; (4) to exclude the effects of any statutory adjustments to corporate tax rates; (5) to exclude the effects of items that are "unusual" in nature or occur "infrequently" as determined under generally accepted accounting principles; (6) to exclude the dilutive effects of acquisitions or joint ventures; (7) to assume that any business divested by us achieved performance objectives at targeted levels during the balance of a performance period following such divestiture; (8) to exclude the effect of any change in the outstanding shares of our common stock by reason of any stock dividend or split, stock repurchase, reorganization, recapitalization, merger, consolidation, spin-off, combination or exchange of shares or other similar corporate change, or any distributions to common stockholders other than regular cash dividends; (9) to exclude the effects of stock-based compensation and the award of bonuses under our bonus plans; (10) to exclude costs incurred in connection with potential acquisitions or divestitures that are required to be expensed under generally accepted accounting principles; and (11) to exclude the goodwill and intangible asset impairment charges that are required to be recorded under generally accepted accounting principles.

Other stock awards. The administrator will be permitted to grant other awards based in whole or in part by reference to our Class A common stock. The administrator will set the number of shares under the stock award (or cash equivalent) and all other terms and conditions of such awards.

Non-employee director compensation limit. The aggregate value of all compensation granted or paid to any non-employee director with respect to any calendar year, including awards granted and cash fees paid by us to such non-employee director, will not exceed $ in total value, or if such non-employee director is first appointed or elected to our board of directors during such calendar year, $ million in total value. Such limitation will apply beginning with the first calendar year so designated in the 2021 Plan.

Changes to capital structure. In the event there is a specified type of change in our capital structure, such as a stock split, reverse stock split, or recapitalization, appropriate adjustments will be made to (1) the class and maximum number of shares reserved for issuance under the 2021 Plan, (2) the class and maximum number of shares by which the share reserve may increase automatically each year, (3) the class and maximum number of shares that may be issued on the exercise of ISOs, and (4) the class and number of shares and exercise price, strike price, or purchase price, if applicable, of all outstanding stock awards.

Corporate transactions. In the event of a corporate transaction (as defined below), unless otherwise provided in a participant's stock award agreement or other written agreement with us or one of our affiliates or unless otherwise expressly provided by the administrator at the time of grant, any stock awards outstanding under the 2021 Plan may be assumed, continued, or substituted for by any surviving or acquiring corporation (or its parent company), and any reacquisition or repurchase rights held by us with respect to the stock award may be assigned to the successor (or its parent company). If the surviving or acquiring corporation (or its parent company) does not assume, continue, or substitute for such stock awards, then (1) with respect to any such stock awards that are held by participants whose continuous service has not terminated prior to the effective time of the corporate transaction, or current participants, the vesting (and exercisability, if applicable) of such stock awards will be accelerated in full (or, in the case of performance awards with multiple vesting levels depending on the level of performance, vesting will accelerate at 100% of the target level) to a date prior to the effective time of the corporate transaction (contingent upon the effectiveness of the corporate transaction), and such stock awards will terminate if not exercised (if applicable) at or prior to the effective time of the corporate transaction, and any reacquisition or repurchase rights held by us with respect to such stock awards will lapse (contingent upon the effectiveness of the corporate transaction); and (2) any such stock awards that are held by persons other than current participants will terminate if not exercised (if applicable) prior to the effective time of the corporate transaction, except that any reacquisition or repurchase rights held by us with respect to such stock awards will not terminate and may continue to be exercised notwithstanding the corporate transaction.

In the event a stock award will terminate if not exercised prior to the effective time of a corporate transaction, the administrator may provide, in its sole discretion, that the holder of such stock award may not exercise such stock award but instead will receive a payment equal in value to the excess (if any) of (1) the value of the property the

participant would have received upon the exercise of the stock award, over (2) any per share exercise price payable by such holder, if applicable. In addition, any escrow, holdback, earn out, or similar provisions in the definitive agreement for the corporate transaction may apply to such payment to the same extent and in the same manner as such provisions apply to the holders of our Class A common stock.

Under the 2021 Plan, a "corporate transaction" is generally the consummation of (1) a sale or other disposition of all or substantially all of our consolidated assets; (2) a sale or other disposition of at least 50% of our outstanding securities; (3) a merger, consolidation, or similar transaction following which we are not the surviving corporation; or (4) a merger, consolidation, or similar transaction following which we are the surviving corporation but the shares of our common stock outstanding immediately prior to such transaction are converted or exchanged into other property by virtue of the transaction.

Change in control. Stock awards granted under the 2021 Plan may be subject to acceleration of vesting and exercisability upon or after a change in control (as defined below) as may be provided in the applicable stock award agreement or in any other written agreement between us or any affiliate and the participant, but in the absence of such provision, no such acceleration will automatically occur.

Under the 2021 Plan, a "change in control" is generally defined as (1) the acquisition by any person or company of more than 50% of the combined voting power of then outstanding stock; (2) a merger, consolidation, or similar transaction in which our stockholders immediately before the transaction do not own, directly or indirectly, more than 50% of the combined voting power of the surviving entity (or the parent of the surviving entity) in substantially the same proportions as their ownership immediately prior to such transaction; (3) stockholder approval of a complete dissolution or liquidation; (4) a sale, lease, exclusive license, or other disposition of all or substantially all of our assets other than to an entity more than 50% of the combined voting power of which is owned by our stockholders in substantially the same proportions as their ownership of our outstanding voting securities immediately prior to such transaction; or (5) when a majority of our board of directors becomes comprised of individuals who were not serving on our board of directors on the date of the underwriting agreement related to this offering, or the incumbent board, or whose nomination, appointment, or election was not approved by a majority of the incumbent board still in office.

Plan amendment or termination. Our board of directors has the authority to amend, suspend, or terminate the 2021 Plan at any time, provided that such action does not materially impair the existing rights of any participant without such participant's written consent. Certain material amendments also require the approval of our stockholders. No ISOs may be granted after the tenth anniversary of the date our board of directors adopts the 2021 Plan. No stock awards may be granted under the 2021 Plan while it is suspended or after it is terminated.

2021 Employee Stock Purchase Plan

Prior to the closing of this offering, we expect that our board of directors will adopt, and our stockholders will approve, our 2021 Employee Stock Purchase Plan, or ESPP. We expect our ESPP will become effective on the date of, and contingent upon the execution of, the underwriting agreement related to this offering. The purpose of our ESPP will be to secure the services of new employees, to retain the services of existing employees and to provide incentives for such individuals to exert maximum efforts toward our success and that of our affiliates. Our ESPP will include two components. One component will be designed to allow eligible U.S. employees to purchase our Class A common stock in a manner that may qualify for favorable tax treatment under Section 423 of the Code. The other component will permit the grant of purchase rights that do not qualify for such favorable tax treatment in order to allow deviations necessary to permit participation by eligible employees who are foreign nationals or employed outside of the United States while complying with applicable foreign laws.

Share reserve. Following this offering, our ESPP will authorize the issuance of shares of our Class A common stock under purchase rights granted to our employees or to employees of any of our designated affiliates. The number of shares of our Class A common stock reserved for issuance will automatically increase on of each year for a period of 10 years, beginning on , 2022 and continuing through , 2031, by the lesser of (1) % of the total number of shares of our common stock (both Class A and Class B) outstanding on of

the immediately preceding year; and (2) shares, except before the date of any such increase, our board of directors may determine that such increase will be less than the amount set forth in clauses (1) and (2).

Administration. Our board of directors will administer our ESPP and may delegate its authority to administer our ESPP to our compensation committee. Our ESPP will be implemented through a series of offerings under which eligible employees are granted purchase rights to purchase shares of our Class A common stock on specified dates during such offerings. Under our ESPP, our board of directors will be permitted to specify offerings with durations of not more than 27 months and to specify shorter purchase periods within each offering. Each offering will have one or more purchase dates on which shares of our Class A common stock will be purchased for employees participating in the offering. Our ESPP will provide that an offering may be terminated under certain circumstances.

Payroll deductions. Generally, all regular employees, including executive officers, employed by us or by any of our designated affiliates, will be eligible to participate in our ESPP and to contribute, normally through payroll deductions, up to % of their earnings (as defined in our ESPP) for the purchase of our Class A common stock under our ESPP. Unless otherwise determined by our board of directors, common stock will be purchased for the accounts of employees participating in our ESPP at a price per share equal to the lesser of (1) 85% of the fair market value of a share of our Class A common stock on the first day of an offering; or (2) 85% of the fair market value of a share of our Class A common stock on the date of purchase.

Limitations. Employees may have to satisfy one or more of the following service requirements before participating in our ESPP, as determined by our board of directors: (1) being customarily employed for more than 20 hours per week; (2) being customarily employed for more than five months per calendar year; or (3) continuous employment with us or one of our affiliates for a period of time (not to exceed two years). No employee will be permitted to purchase shares under our ESPP at a rate in excess of $25,000 worth of our common stock (based on the fair market value per share of our common stock at the beginning of an offering) for each calendar year such a purchase right is outstanding. Finally, no employee will be eligible for the grant of any purchase rights under our ESPP if immediately after such rights are granted, such employee has voting power over 5% or more of our outstanding capital stock measured by vote or value under Section 424(d) of the Code.

Changes to capital structure. Our ESPP will provide that in the event there occurs a change in our capital structure through such actions as a stock split, merger, consolidation, reorganization, recapitalization, reincorporation, stock dividend, dividend in property other than cash, large nonrecurring cash dividend, liquidating dividend, combination of shares, exchange of shares, change in corporate structure, or similar transaction, our board of directors will make appropriate adjustments to: (1) the class(es) and maximum number of shares reserved under our ESPP; (2) the class(es) and maximum number of shares by which the share reserve may increase automatically each year; (3) the class(es) and number of shares subject to, and purchase price applicable to, outstanding offerings and purchase rights; and (4) the class(es) and number of shares that are subject to purchase limits under ongoing offerings.

Corporate transactions. Our ESPP will provide that in the event of a corporate transaction (as defined below), any then-outstanding rights to purchase our stock under our ESPP may be assumed, continued, or substituted for by any surviving or acquiring entity (or its parent company). If the surviving or acquiring entity (or its parent company) elects not to assume, continue, or substitute for such purchase rights, then the participants' accumulated payroll contributions will be used to purchase shares of our Class A common stock within 10 business days before such corporate transaction, and such purchase rights will terminate immediately after such purchase.

Under our ESPP, a "corporate transaction" is generally the consummation of (1) a sale or other disposition of all or substantially all of our consolidated assets; (2) a sale or other disposition of at least 50% of our outstanding securities; (3) a merger, consolidation, or similar transaction following which we are not the surviving corporation; or (4) a merger, consolidation, or similar transaction following which we are the surviving corporation but the shares of our common stock outstanding immediately prior to such transaction are converted or exchanged into other property by virtue of the transaction.

Amendment or termination. Our board of directors will have the authority to amend or terminate our ESPP, except in certain circumstances such amendment or termination may not materially impair any outstanding purchase

rights without the holder's consent. We will obtain stockholder approval of any amendment to our ESPP as required by applicable law or listing requirements.

2015 Equity Incentive Plan

Adoption. Our board of directors adopted, and our stockholders approved, our 2015 Plan in May 2015. The 2015 Plan was most recently amended in May 2020.

Authorized shares. As of , 2021, under the 2015 Plan, options to purchase shares of our Class B common stock were outstanding and shares of Class B common stock remained available for future issuance. No further stock awards will be granted under our 2015 Plan on or after the effectiveness of our 2021 Plan; however, awards outstanding under our 2015 Plan will continue to be governed by their existing terms.

Award types. Our 2015 Plan provides for the grant of ISOs, NSOs, stock appreciation rights, restricted stock awards, restricted stock units and other stock awards. Such awards may be granted to our employees and directors and to consultants engaged by us or any of our subsidiary companies, except that ISOs may only be granted to our employees.

Plan administration. Our board of directors administers and interprets the provisions of the 2015 Plan. Our board of directors may delegate its authority to a committee of our board of directors and has delegated concurrent authority to our compensation and equity award committees. Our board of directors or any such committee to whom authority has been delegated will be referred to as the "plan administrator" herein. The plan administrator may additionally delegate authority to specified officers to designate employees who are not officers to be recipients of options and stock appreciation rights (and, to the extent permitted by applicable law, other awards) and to determine the number of shares subject to such awards, subject to limitations specified by our board of directors and specifically prohibiting any such officer from granting that officer an award.

Under our 2015 Plan, the plan administrator has the authority to, among other things, determine award recipients, the numbers and types of stock awards to be granted, the applicable fair market value and the provisions of each stock award, including the period of their exercisability and the vesting schedule applicable to a stock award; construe and interpret the 2015 Plan and awards granted thereunder; establish, amend and revoke rules and regulations for the administration of the 2015 Plan; accelerate the vesting of awards; suspend or terminate the 2015 Plan at any time; settle all controversies regarding the 2015 Plan and any awards granted under it; to approve amendments and submit same for stockholder approval; and to adopt sub-plans or other procedures to permit participation in the plan by employees, director or consultants who are foreign nationals or employed outside the United States.

Under the 2015 Plan, the plan administrator also has the authority, without stockholder consent, to effect (1) an exchange program under which outstanding awards are surrendered or cancelled in exchange for awards of the same type (which may have higher or lower exercise or purchase prices and different terms), awards of a different type, and/or cash, (2) the reduction of the exercise, purchase or strike price of any outstanding award or (3) any other action treated as a repricing under generally accepted accounting principles.

Stock options. ISOs and NSOs are granted under stock option agreements and option rules adopted by the plan administrator. The plan administrator determines the exercise price for stock options, within the terms and conditions of the 2015 Plan, provided that the exercise price of a stock option generally will not be less than 100% of the fair market value of our Class B common stock on the date of grant (or 110% of the fair market value for 10% stockholders as required by the Code). Options granted under the 2015 Plan vest at the rate specified in the stock option agreements and option rules as determined by the plan administrator. No option shall be exercisable after the expiration of 10 years from the date of grant, or such shorter period as specified in the stock option agreement; provided that an ISO granted to a 10% stockholder shall not be exercisable after the expiration of five years from the date of grant (as required by the Code).

Restricted stock unit awards. RSUs are granted under restricted stock unit award agreements adopted by the plan administrator. RSUs may be granted in consideration for any form of legal consideration that may be acceptable to our board of directors and permissible under applicable law. An RSU may be settled by cash, delivery of stock, a

combination of cash and stock as deemed appropriate by the plan administrator, or in any other form of consideration set forth in the RSU agreement. Except as otherwise provided in the applicable award agreement, RSUs that have not vested will be forfeited once the participant's continuous service ends for any reason.

Restricted stock awards. Restricted stock awards may be awarded in consideration for cash or cash equivalents or another form of consideration, including past or future services, as determined by our plan administrator. Restricted shares may also be issued upon an optionholder's exercise of an unvested option, or an early exercise. The plan administrator determines the terms and conditions of restricted stock awards, including vesting and forfeiture terms. If a participant's service relationship with us ends for any reason, we may receive any or all of the shares of Class B common stock held by the participant that have not vested as of the date the participant terminates service with us through a forfeiture condition or a repurchase right. Restricted shares acquired upon early exercise of a stock option are generally subject to our right to repurchase such shares upon the holder's termination of service with us for any reason, at the lesser of the price paid for such shares or the then-current fair market value.

Changes to capital structure. In the event of any change in, or other events that occur with respect to, the stock subject to the 2015 Plan or subject to any award granted under it without the receipt of consideration by us through merger, consolidation, reorganization, recapitalization, reincorporation, stock dividend, dividend in property other than cash, large nonrecurring cash dividend, stock split, reverse stock split, liquidating dividend, combination of shares, exchange of shares, change in corporate structure, or any similar equity restructuring transaction, the plan administrator will adjust the number and class of shares that may be delivered under the 2015 Plan (including pursuant to the exercise of ISOs) and the number, class and price per share of stock covered by each outstanding award.

Corporate transactions. In the event of certain mergers, consolidations or similar transactions; a sale or other disposition of all or substantially all of our consolidated assets; or a sale or other disposition of at least 90% of our outstanding securities, the plan administrator may take one or more of the following actions with respect to each outstanding award, contingent upon the closing or completion of such transaction:

- provide for the continuation, assumption or substitution of such awards by the acquiring or surviving corporation, with appropriate adjustments;
- arrange for the assignment of any reacquisition or repurchase rights to the surviving or acquiring corporation or such corporation's parent, or arrange for the lapse, in whole or in part, of any such rights;
- accelerate the vesting (in whole or in part) of the stock award (and, if applicable, the time at which such award can be exercised), with any then-outstanding awards terminating upon or prior to the consummation of such merger or change in control;
- cancel or arrange for the cancellation of such awards, to the extent not vested or exercised prior to the effective time of the transaction, in exchange for such cash consideration, if any, as the plan administration may consider appropriate; or
- make a payment, in such form as may be determined by the plan administrator, equal to the excess, if any, of (A) the value of the property the holder would have received upon the exercise of the stock award immediately prior to the effective time of the transaction, over (B) any exercise price payable by such holder in connection with such exercise, with any payments delayed to the same extent that payment of consideration to the holders of our Class B common stock in connection with the transaction is delayed as a result of escrows, earn outs, holdbacks or any other contingencies.

The plan administrator is not obligated to treat all awards, or all portions of any award, similarly, and make take different actions with respect to the vested and unvested portions of an award.

In addition to the above, the plan administrator may provide, in an award agreement or in any other written agreement between the participant and the Company, for accelerated vesting and exercisability in the event of a change in control (as defined under the 2015 Plan) or our dissolution or liquidation.

Plan amendment or termination. The plan administrator may at any time amend, alter, suspend or terminate the 2015 Plan. Certain amendments, alterations or the suspension or discontinuance of the 2015 Plan may require the written consent of holders of outstanding awards. Certain material amendments also require the approval of our stockholders.

Limitations of Liability and Indemnification Matters

Upon the completion of this offering, our amended and restated certificate of incorporation will contain provisions that limit the liability of our current and former directors for monetary damages to the fullest extent permitted by Delaware law. Delaware law provides that directors of a corporation will not be personally liable for monetary damages for any breach of fiduciary duties as directors, except liability for:

- any breach of the director's duty of loyalty to the corporation or its stockholders;
- any act or omission not in good faith or that involves intentional misconduct or a knowing violation of law;
- unlawful payments of dividends or unlawful stock repurchases or redemptions; or
- any transaction from which the director derived an improper personal benefit.

Such limitation of liability does not apply to liabilities arising under federal securities laws and does not affect the availability of equitable remedies such as injunctive relief or rescission.

Our amended and restated certificate of incorporation will authorize us to indemnify our directors, officers, employees and other agents to the fullest extent permitted by Delaware law. Our amended and restated bylaws that will be in effect immediately prior to the completion of this offering will provide that we are required to indemnify our directors and officers to the fullest extent permitted by Delaware law and may indemnify our other employees and agents. Our amended and restated bylaws will also provide that, on satisfaction of certain conditions, we will advance expenses incurred by a director or officer in advance of the final disposition of any action or proceeding, and permit us to secure insurance on behalf of any officer, director, employee or other agent for any liability arising out of his or her actions in that capacity regardless of whether we would otherwise be permitted to indemnify him or her under the provisions of Delaware law. We have entered and expect to continue to enter into agreements to indemnify our directors and executive officers. With certain exceptions, these agreements provide for indemnification for related expenses including attorneys' fees, judgments, fines and settlement amounts incurred by any of these individuals in connection with any action, proceeding or investigation. We believe that these amended and restated certificate of incorporation and amended and restated bylaw provisions are necessary to attract and retain qualified persons as directors and officers. We also maintain customary directors' and officers' liability insurance.

The limitation of liability and indemnification provisions in our amended and restated certificate of incorporation and amended and restated bylaws may discourage stockholders from bringing a lawsuit against our directors for breach of their fiduciary duty. They may also reduce the likelihood of derivative litigation against our directors and officers, even though an action, if successful, might benefit us and other stockholders. Further, a stockholder's investment may be adversely affected to the extent that we pay the costs of settlement and damage awards against directors and officers as required by these indemnification provisions.

Insofar as indemnification for liabilities arising under the Securities Act may be permitted for directors, executive officers or persons controlling us, we have been informed that, in the opinion of the SEC, such indemnification is against public policy as expressed in the Securities Act and is therefore unenforceable.

CERTAIN RELATIONSHIPS AND RELATED PARTY TRANSACTIONS

Other than compensation arrangements for our directors and executive officers, which are described elsewhere in this prospectus, the following describes transactions since January 1, 2018 and each currently proposed transaction in which:

- we have been or are to be a participant;
- the amounts involved exceeded or will exceed $120,000; and
- any of our directors, executive officers or holders of greater than 5% of our outstanding capital stock, or any immediate family member of, or person sharing the household with, any of these individuals or entities, had or will have a direct or indirect material interest.

We believe the terms obtained or consideration that we paid or received, as applicable, in connection with the transactions described below were comparable to terms available or the amounts that would be paid or received, as applicable, in arm's-length transactions.

Sale of Series C Convertible Preferred Stock

In October 2018, we issued and sold an aggregate of 4,559,065 shares of our Series C convertible preferred stock at a purchase price of $10.96716 per share, for an aggregate purchase price of approximately $50.0 million. Tiger Global Private Investment Partners X, L.P., or Tiger Global, a holder of greater than 5% of our capital stock, purchased 472,315 shares of our Series C convertible preferred stock for a purchase price of approximately $5.2 million in such transaction.

2018 Tender Offer

In November 2018, we agreed to waive certain transfer restrictions in connection with, and assisted in the administration of, a tender offer by certain entities to purchase shares of our common stock from certain of our stockholders and optionholders at a price of $10.96716 per share, pursuant to an offer to purchase to which we were not a party. An aggregate of 767,045 shares of our common stock were tendered for an aggregate purchase price of approximately $8.4 million. Certain holders of greater than 5% of our capital stock purchased shares in the tender offer as summarized below.

Name	Shares of Common Stock	Aggregate Purchase Price
Entities affiliated with T. Rowe Price Associates, Inc.[1]	569,890	$ 6,250,075
Tiger Global	79,615	$ 873,150

(1) Entities affiliated with T. Rowe Price Associates, Inc., or T. Rowe Price, whose shares are aggregated for purposes of reporting share ownership information (not all of which purchased shares of our common stock in the tender offer), are: T. Rowe Price New Horizons Fund, Inc., T. Rowe Price Small-Cap Value Fund, Inc., T. Rowe Price Small-Cap Stock Fund, Inc., T. Rowe Price Institutional Small-Cap Stock Fund, T. Rowe Price U.S. Small-Cap Value Equity Trust, T. Rowe Price New Horizons Trust, T. Rowe Price U.S. Small-Cap Core Equity Trust, T. Rowe Price U.S. Equities Trust, TD Mutual Funds - TD U.S. Small-Cap Equity Fund, Costco 401(k) Retirement Plan, U.S. Small-Cap Stock Trust, MassMutual Select Funds - MassMutual Select T. Rowe Price Small and Mid Cap Blend Fund, T. Rowe Price Spectrum Moderate Growth Allocation Fund, JEFFREY LLC, T. Rowe Price Spectrum Moderate Allocation Fund, VALIC Company I - Small Cap Fund, Minnesota Life Insurance Company, T. Rowe Price Spectrum Conservative Allocation Fund, The Bunting Family III, LLC, The Bunting Family VI Socially Responsible LLC, T. Rowe Price Global Consumer Fund and T. Rowe Price Moderate Allocation Portfolio. These entities collectively beneficially own greater than 5% of our capital stock.

Sale of Series D Convertible Preferred Stock

Between December 2019 and February 2020, we issued and sold an aggregate of 2,103,089 shares of our Series D convertible preferred stock at a purchase price of $12.8858 per share, for an aggregate purchase price of approximately $27.1 million. Certain holders of greater than 5% of our capital stock purchased shares in the transaction as summarized below.

Name	Shares of Series D Convertible Preferred Stock	Aggregate Purchase Price
Entities affiliated with Fidelity Management & Research Company[(1)]	776,048	$ 9,999,999

(1) Entities affiliated with Fidelity Management & Research Company, or Fidelity, whose shares are aggregated for purposes of reporting share ownership information (not all of which purchased shares of our Series D convertible preferred stock in the transaction), are: Fidelity Contrafund: Fidelity Contrafund, Fidelity Mt. Vernon Street Trust: Fidelity Growth Company Fund, Fidelity Growth Company Commingled Pool, Fidelity Securities Fund: Fidelity Blue Chip Growth Fund, Fidelity Contrafund Commingled Pool, Fidelity Mt. Vernon Street Trust: Fidelity Series Growth Company Fund, Variable Insurance Products Fund II: Contrafund Portfolio, Fidelity Concord Street Trust: Fidelity Mid-Cap Stock Fund, Fidelity Contrafund: Fidelity Advisor New Insights Fund - Sub A, Fidelity Contrafund: Fidelity Advisor New Insights Fund, Fidelity Contrafund: Fidelity Advisor New Insights Fund - Sub B, Fidelity Mt. Vernon Street Trust: Fidelity New Millennium Fund, Fidelity Securities Fund: Fidelity Series Blue Chip Growth Fund, Fidelity Contrafund: Fidelity Contrafund K6, Fidelity Advisor Series I: Fidelity Advisor Series Growth Opportunities Fund, Fidelity Mt. Vernon Street Trust: Fidelity Growth Company K6 Fund, FIAM Target Date Blue Chip Growth Commingled Pool, Fidelity Securities Fund: Fidelity Blue Chip Growth K6 Fund, Fidelity Blue Chip Growth Commingled Pool, Variable Insurance Products Fund III: Growth Opportunities Portfolio, Fidelity Mid-Cap Stock Commingled Pool, Fidelity Blue Chip Growth Institutional Trust and Fidelity Flex Large Cap Growth Fund. These entities collectively beneficially own greater than 5% of our capital stock.

Sale of Series E Convertible Preferred Stock

Between September 2020 and October 2020, we issued and sold an aggregate of 8,648,695 shares of our Series E convertible preferred stock at a purchase price of $11.56243 per share, for an aggregate purchase price of approximately $100.0 million. Certain holders of greater than 5% of our capital stock purchased shares in the transaction as summarized below.

Name	Shares of Series E Convertible Preferred Stock	Aggregate Purchase Price
Entities affiliated with T. Rowe Price[(1)]	864,870	$ 9,999,999

(1) Entities affiliated with T. Rowe Price Associates, Inc., or T. Rowe Price, whose shares are aggregated for purposes of reporting share ownership information (not all of which purchased shares of our Series E convertible preferred stock in the transaction), are: T. Rowe Price New Horizons Fund, Inc., T. Rowe Price Small-Cap Value Fund, Inc., T. Rowe Price Small-Cap Stock Fund, Inc., T. Rowe Price Institutional Small-Cap Stock Fund, T. Rowe Price U.S. Small-Cap Value Equity Trust, T. Rowe Price New Horizons Trust, T. Rowe Price U.S. Small-Cap Core Equity Trust, T. Rowe Price U.S. Equities Trust, TD Mutual Funds - TD U.S. Small-Cap Equity Fund, Costco 401(k) Retirement Plan, U.S. Small-Cap Stock Trust, MassMutual Select Funds - MassMutual Select T. Rowe Price Small and Mid Cap Blend Fund, T. Rowe Price Spectrum Moderate Growth Allocation Fund, JEFFREY LLC, T. Rowe Price Spectrum Moderate Allocation Fund, VALIC Company I - Small Cap Fund, Minnesota Life Insurance Company, T. Rowe Price Spectrum Conservative Allocation Fund, The Bunting Family III, LLC, The Bunting Family VI Socially Responsible LLC, T. Rowe Price Global Consumer Fund and T. Rowe Price Moderate Allocation Portfolio. These entities collectively beneficially own greater than 5% of our capital stock.

Investor Rights, Voting, and Right of First Refusal and Co-Sale Agreements

We are party to amended and restated investors' rights, voting, and right of first refusal and co-sale agreements containing registration rights, information rights, voting rights, board representation rights, indemnification provisions and rights of first refusal, among other things, with certain holders of our capital stock, including (1) entities affiliated with Messrs. Zwillinger and Brown, our Co-Chief Executive Officers and members of our board of directors, (2) entities affiliated with Maveron, a holder of greater than 5% of our capital stock and affiliate of Mr. Levitan, a member of our board of directors, and (3) Tiger Global, entities affiliated with Lerer Hippeau Ventures, entities affiliated with T. Rowe Price, and entities affiliated with Fidelity, each holders of greater than 5% of our capital stock.

The covenants included in these stockholder agreements generally will terminate upon the completion of this offering, except with respect to registration rights, as more fully described in the section titled "Description of

Capital Stock—Registration Rights." See also the section titled "Principal and Selling Stockholders" for additional information regarding beneficial ownership of our capital stock.

Indemnification

Our amended and restated certificate of incorporation that will be in effect immediately prior to the completion of this offering will contain provisions limiting the liability of directors, and our amended and restated bylaws that will be in effect immediately prior to the completion of this offering will provide that we will indemnify each of our directors and officers to the fullest extent permitted under Delaware law. Our amended and restated certificate of incorporation and amended and restated bylaws will also provide our board of directors with discretion to indemnify our employees and other agents when determined appropriate by our board of directors. In addition, we have entered into an indemnification agreement with each of our directors and executive officers, which requires us to indemnify them. For more information regarding these agreements, see the section titled "Executive Compensation—Limitations of Liability and Indemnification Matters."

Employment of an Immediate Family Member

The son of Dick Boyce, a member of our board of directors, is currently employed by us and has been employed by us since January 1, 2018. He does not share a household with Mr. Boyce and is not one of our executive officers. In 2018, his salary was between $100,000 and $150,000, and his current salary is between $150,000 and $200,000. In 2019, he was awarded two option grants with a grant date fair value of between $25,000 and $50,000 and between $25,000 and $50,000, respectively, each of which vests over two years and was repriced in June 2020, resulting in an incremental accounting expense of between $5,000 and $10,000. In 2020, he was awarded an option grant with a grant date fair value between $65,000 and $95,000. He participates in compensation and incentive plans or arrangements on the same basis as similarly situated employees.

Policies and Procedures for Related Person Transactions

Prior to the completion of this offering, our board of directors will adopt a related person transaction policy to be effective in connection with this offering. Pursuant to this policy, our executive officers, directors, nominees for election as a director, beneficial owners of greater than 5% of any class of our common stock, and any members of the immediate family of any of the foregoing persons are not permitted to enter into a related person transaction with us without the approval or ratification of our board of directors or our audit committee. Any request for us to enter into a transaction with an executive officer, director, nominee for election as a director, beneficial owner of greater than 5% of any class of our common stock, or any member of the immediate family of any of the foregoing persons, in which the amount involved exceeds $120,000 and such person would have a direct or indirect interest, must be presented to our board of directors or our audit committee for review, consideration, and approval. In approving or rejecting any such proposal, our board of directors or our audit committee is to consider the material facts of the transaction, including whether the transaction is on terms no less favorable than terms generally available to an unaffiliated third party under the same or similar circumstances and the extent of the related person's interest in the transaction.

PRINCIPAL AND SELLING STOCKHOLDERS

The following table sets forth information with respect to the beneficial ownership of our capital stock as of , 2021, and as adjusted to reflect the sale of our Class A common stock offered by us and the selling stockholders in this offering, assuming no exercise of the underwriters' option to purchase additional shares, for:

- each of our named executive officers;
- each of our directors;
- all of our executive officers and directors as a group; and
- each person or group of affiliated persons known by us to beneficially own greater than 5% of our Class A or Class B common stock; and
- each of the selling stockholders.

We have determined beneficial ownership in accordance with the rules and regulations of the SEC and the information is not necessarily indicative of beneficial ownership for any other purpose. Except as indicated by the footnotes below, we believe, based on information furnished to us, that the persons and entities named in the table below have sole voting and sole investment power with respect to all shares that they beneficially own, subject to applicable community property laws.

Applicable percentage ownership before the offering is based on shares of Class A common stock and shares of Class B common stock outstanding as of , 2021, assuming (1) the automatic conversion of 70,990,919 shares of our convertible preferred stock outstanding as of , 2021, into an equivalent number of shares of Class B common stock immediately prior to the completion of this offering; (2) the issuance of shares of our Class B common stock immediately prior to the completion of this offering upon the exercise of warrants outstanding as of December 31, 2020 with a weighted-average exercise price of $ per share; (3) the filing and effectiveness of our amended and restated certificate of incorporation that will be in effect immediately prior to the completion of this offering; (4) the reclassification of all of our common stock outstanding as of December 31, 2020 into an equivalent number of shares of our Class B common stock; and (5) no exercise by the underwriters of their option to purchase additional shares of our Class A common stock. In computing the number of shares beneficially owned by a person and the percentage ownership of such person, we deemed to be outstanding all shares subject to options held by the person that are currently exercisable, or exercisable within 60 days of , 2021. However, except as described above, we did not deem such shares outstanding for the purpose of computing the percentage ownership of any other person.

If any shares are purchased by our existing principal stockholders, directors, officers or their affiliated entities, the number and percentage of shares of our Class A common stock beneficially owned by them after this offering will differ from those set forth in the following table.

Unless otherwise indicated, the address of each beneficial owner listed below is c/o Allbirds, Inc., 730 Montgomery Street, San Francisco, CA 94111.

	Shares Beneficially Owned Prior to Offering						Shares Beneficially Owned After Offering				
	Class A Common Stock		Class B Common Stock		% of Total Voting Power†	Shares Being Offered	Class A Common Stock		Class B Common Stock		% of Total Voting Power†
Name of Beneficial Owner	Shares	%	Shares	%			Shares	%	Shares	%	
5% Stockholders											
Entities affiliated with Maveron											
Tiger Global											
Entities affiliated with T. Rowe Price											
Entities affiliated with Fidelity											
Entities affiliated with Lerer Hippeau Ventures											
Named Executive Officers and Directors											
Joseph Zwillinger											
Timothy Brown											
Neil Blumenthal											
Dick Boyce											
Mandy Fields											
Nancy Green											
Dan Levitan											
Emily Weiss											
All directors and executive officers as a group (10 persons)											
Other Selling Stockholders:											

* Represents beneficial ownership of less than 1%.

† Represents the voting power with respect to all shares of our Class A common stock and Class B common stock, voting together as a single class. Each share of Class A common stock will be entitled to one vote per share, and each share of Class B common stock will be entitled to votes per share. The Class A common stock and Class B common stock will vote together on all matters (including the election of directors) submitted to a vote of stockholders, except under limited circumstances described in "Description of Capital Stock—Class A and Class B Common Stock—Voting Rights."

DESCRIPTION OF CAPITAL STOCK

General

The following is a summary of the rights of our common and preferred stock and some of the provisions of our amended and restated certificate of incorporation and amended and restated bylaws, each of which will become effective immediately prior to the completion of this offering, the amended and restated investors' rights agreement and relevant provisions of Delaware General Corporation Law, or DGCL. The descriptions herein are qualified in their entirety by our amended and restated certificate of incorporation, amended and restated bylaws and amended and restated investors' rights agreement, copies of which have been filed as exhibits to the registration statement of which this prospectus is a part, as well as the relevant provisions of the DGCL.

Our amended and restated certificate of incorporation provides for two classes of common stock: Class A common stock and Class B common stock. Upon completion of this offering, our amended and restated certificate of incorporation will authorize shares of undesignated preferred stock, the rights, preferences, and privileges of which may be designated from time to time by our board of directors.

Upon the completion of this offering, our authorized capital stock will consist of the following shares, all with a par value of $0.0001 per share, of which:

- shares are designated as Class A common stock;
- shares are designated as Class B common stock; and
- 20,000,000 shares are designated as preferred stock.

After giving effect to the conversion of all outstanding shares of convertible preferred stock, there would have been 70,990,919 shares of our Class B common stock outstanding as of December 31, 2020, held by stockholders of record.

Class A and Class B Common Stock

All issued and outstanding shares of our Class A common stock and Class B common stock will be duly authorized, validly issued, fully paid and non-assessable. All authorized but unissued shares of our Class A common stock and Class B common stock will be available for issuance by our board of directors without any further stockholder action, except as required by the listing standards of . Our amended and restated certificate of incorporation will provide that, except with respect to voting rights and conversion rights, the Class A common stock and Class B common stock are treated equally and identically.

Voting Rights

Holders of Class A common stock will be entitled to one vote per share on all matters to be voted upon by the stockholders, and holders of Class B common stock will be entitled to votes per share on all matters to be voted upon by the stockholders. The holders of our Class A common stock and Class B common stock will generally vote together as a single class on all matters submitted to a vote of our stockholders, unless otherwise required by Delaware law or our amended and restated certificate of incorporation. Delaware law could require either holders of our Class A common stock or Class B common stock to vote separately as a single class in the following circumstances:

- if we were to seek to amend our amended and restated certificate of incorporation to increase or decrease the number of authorized shares of a class of our capital stock, then that class would be required to vote separately to approve the proposed amendment;
- if we were to seek to amend our amended and restated certificate of incorporation to increase or decrease the par value of a class of our capital stock, then that class would be required to vote separately to approve the proposed amendment; and

- if we were to seek to amend our amended and restated certificate of incorporation in a manner that alters or changes the powers, preferences or special rights of a class of our capital stock in a manner that affected its holders adversely, then that class would be required to vote separately to approve the proposed amendment.

As a result, in these limited instances, the holders of a majority of the Class A common stock could defeat an amendment to our amended and restated certificate of incorporation.

Our amended and restated certificate of incorporation will not provide for cumulative voting for the election of directors.

Dividend Rights

Holders of Class A common stock and Class B common stock will be entitled to ratably receive dividends if, as and when declared from time to time by our board of directors at its own discretion out of funds legally available for that purpose, after payment of dividends required to be paid on outstanding preferred stock, if any. Under Delaware law, we can only pay dividends either out of "surplus" or out of the current or the immediately preceding year's net profits. Surplus is defined as the excess, if any, at any given time, of the total assets of a corporation over its total liabilities and statutory capital. The value of a corporation's assets can be measured in a number of ways and may not necessarily equal their book value.

Right to Receive Liquidation Distributions

Upon our dissolution, liquidation or winding-up, the assets legally available for distribution to our stockholders are distributable ratably among the holders of our Class A common stock and Class B common stock, subject to prior satisfaction of all outstanding debt and liabilities and the preferential rights and payment of liquidation preferences, if any, on any outstanding shares of preferred stock.

Conversion

Each share of our Class B common stock is convertible at any time at the option of the holder into one share of our Class A common stock. In addition, each share of our Class B common stock will convert automatically into one share of our Class A common stock upon any transfer, whether or not for value, except certain transfers to entities, to the extent the transferor retains sole dispositive power and exclusive voting control with respect to the shares of Class B common stock, and certain other transfers described in our amended and restated certificate of incorporation. All outstanding shares of our Class B common stock will convert into shares of our Class A common stock upon the earliest of .

Other Matters

The Class A common stock and Class B common stock will have no preemptive rights pursuant to the terms of our amended and restated certificate of incorporation and our amended and restated bylaws. There will be no redemption or sinking fund provisions applicable to the Class A common stock and Class B common stock. All outstanding shares of our Class A common stock will be fully paid and non-assessable, and the shares of our Class A common stock offered in this offering, upon payment and delivery in accordance with the underwriting agreement, will be fully paid and non-assessable.

Preferred Stock

As of December 31, 2020, there were 70,990,919 shares of convertible preferred stock outstanding. See Note 10 to our consolidated financial statements included elsewhere in this prospectus for more information regarding the terms of our outstanding convertible preferred stock. Immediately prior to the completion of this offering, each outstanding share of convertible preferred stock will convert into one share of our common stock and then subsequently be reclassified into one share of our Class B common stock.

Upon the completion of this offering, our board of directors may, without further action by our stockholders, fix the rights, preferences, privileges, and restrictions of up to an aggregate of 20,000,000 shares of preferred stock in one or more series and authorize their issuance. These rights, preferences, and privileges could include dividend

rights, conversion rights, voting rights, terms of redemption, liquidation preferences, sinking fund terms and the number of shares constituting any series or the designation of such series, any or all of which may be greater than the rights of our common stock. The issuance of our preferred stock could adversely affect the voting power of holders of our common stock and the likelihood that such holders will receive dividend payments and payments upon liquidation. In addition, the issuance of preferred stock could have the effect of delaying, deferring or preventing a change of control or other corporate action. Upon the completion of this offering, no shares of preferred stock will be outstanding, and we have no present plan to issue any shares of preferred stock.

Options

As of December 31, 2020, we had outstanding options to purchase an aggregate of shares of our common stock under our 2015 Equity Incentive Plan, as amended, with a weighted-average exercise price of $ per share, which shares will be reclassified into an equivalent number of shares of our Class B common stock immediately prior to the completion of this offering.

Warrants

As of December 31, 2020, we had outstanding warrants to purchase the following shares of our capital stock: (1) 157,580 shares of our common stock, with an exercise price of $0.074 per share; (2) shares of our common stock, with an exercise price of $ per share; (3) shares of our common stock, with an exercise price of $ per share; and (4) shares of our Series Seed convertible preferred stock, with an exercise price of $ per share.

Registration Rights

We are party to an amended and restated investors' rights agreement that provides that holders of our preferred stock and certain holders of our common stock have certain registration rights as set forth below. The registration of shares of our Class A 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, including fees and expenses of up to $50,000 of one counsel to represent the selling stockholders, other than underwriting discounts and commissions, of the shares registered by the demand, piggyback and Form S-3 registration rights described below.

Generally, in an underwritten offering, the managing underwriter, if any, has the right, subject to specified conditions, to limit the number of shares such holders may include. The demand, piggyback and Form S-3 registration rights described below will expire five years after the completion of this offering, or with respect to any particular stockholder, (1) such time after the completion of this offering that such stockholder can sell all of its shares entitled to registration rights under Rule 144 of the Securities Act during any 90-day period or (2) such time that such stockholder owns less than 1% of our outstanding Class A common stock as converted pursuant to this offering.

Demand Registration Rights

The holders of an aggregate of shares of our Class B common stock will be entitled to certain demand registration rights. At any time beginning 180 days after the effective date of the registration statement of which this prospectus forms a part, the holders of at least 40% of these shares may request that we register all or a portion of their shares if the anticipated aggregate offering price, net of selling expenses, of the shares would be at least $15.0 million. We are obligated to effect only two such registrations.

Piggyback Registration Rights

In connection with this offering, the holders of an aggregate of shares of our Class B common stock were entitled to, and the necessary percentage of holders waived, their rights to notice of this offering and to include their shares of registrable securities in this offering. After this offering, if 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, the holders of these shares will be entitled to certain piggyback registration rights allowing the holders 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 to the sale of securities to our or our subsidiaries' employees pursuant to a stock option, stock purchase or similar plan, (2) a registration relating to an SEC Rule 145 transaction, (3) a registration on any form that does not include substantially the same information as would be required to be included in a registration statement covering the sale of these shares, or (4) a registration in which the only Class A common stock being registered is Class A common stock issuable upon conversion of debt securities that are also being registered, the holders of these shares are entitled to notice of the registration and have the right to include their shares in the registration, subject to limitations that the underwriters may impose on the number of shares included in the offering.

Form S-3 Registration Rights

The holders of an aggregate of shares of Class B common stock will be entitled to certain Form S-3 registration rights. The holders of at least 10% of these shares can make a request that we register their shares on Form S-3 if we are qualified to file a registration statement on Form S-3 and if the anticipated aggregate offering price, net of selling expenses, of the shares would be at least $1.0 million. We will not be required to effect more than two registrations on Form S-3 within any 12-month period.

Anti-Takeover Effects of Delaware Law and Our Certificate of Incorporation and Bylaws

Some provisions of Delaware law, our amended and restated certificate of incorporation and our amended and restated bylaws contain or will contain provisions that could make the following transactions more difficult: (1) an acquisition of us by means of a tender offer; (2) an acquisition of us by means of a proxy contest or otherwise; or (3) 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 of directors. 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.

Dual Class Common Stock Structure

As described above in "—Class A and Class B Common Stock—Voting Rights," our amended and restated certificate of incorporation will provide for a dual class common stock structure, which will provide our founders with significant influence over all matters requiring stockholder approval, including the election of directors and significant corporate transactions, such as a merger or other sale of our company or our assets.

Stockholder Meetings

Our amended and restated bylaws will provide that a special meeting of stockholders may be called only by our chairperson of our board of directors, a chief executive officer or president, or by a resolution adopted by a majority of our board of directors.

Requirements for Advance Notification of Stockholder Nominations and Proposals

Our amended and restated bylaws will establish advance notice procedures with respect to stockholder proposals to be brought before a stockholder meeting and the nomination of candidates for election as directors, other than nominations made by or at the direction of our board of directors or a committee thereof.

Elimination of Stockholder Action by Written Consent

Our amended and restated certificate of incorporation and amended and restated bylaws will eliminate the right of stockholders to act by written consent without a meeting.

Staggered Board

Our board of directors will be 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. For more information on the classified board, see the section titled "Management—Composition of Our Board of Directors." This system of electing and removing directors may tend to discourage a third party from making a tender offer or otherwise attempting to obtain control of us because it generally makes it more difficult for stockholders to replace a majority of the directors.

Removal of Directors

Our amended and restated certificate of incorporation will provide that members of our board of directors may be removed from office by our stockholders with or without cause and, in addition to any other vote required by law, upon the approval of the holders of not less than a majority of the total voting power of all of our outstanding voting stock then entitled to vote in the election of directors.

Stockholders Not Entitled to Cumulative Voting

Our amended and restated certificate of incorporation will not permit stockholders to cumulate their votes in the election of directors. Accordingly, the holders of a plurality of the outstanding shares of our common stock entitled to vote in any election of directors can elect all of the directors standing for election, if they choose, other than any directors that holders of our preferred stock may be entitled to elect.

Public Benefit Corporation Status

We are a public benefit corporation, or PBC, under Section 362 of the Delaware General Corporation Law, or DGCL. Pursuant to our amended and restated certificate of incorporation, we will not be permitted to, without the approval of the holders of 66 2/3% of the voting power of our outstanding stock, amend our certificate of incorporation to delete or amend a provision relating to our PBC status or our public benefit purpose (or effect a merger or consolidation involving stock consideration with an entity that is not a PBC with an identical public benefit to ours).

Additionally, as a PBC, our board of directors is required by the DGCL to manage or direct our business and affairs in a manner that balances the pecuniary interests of our stockholders, the best interests of those materially affected by our conduct and the specific public benefit identified in our certificate of incorporation. Under the DGCL, our stockholders may bring a derivative suit to enforce this requirement only if they own (individually or collectively), at least 2% of our outstanding shares or, upon the completion of this offering, the lesser of such percentage or shares of at least $2 million in market value.

We believe that our PBC status will make it more difficult for another party to obtain control of us without maintaining our PBC status and purpose.

Delaware Anti-Takeover Statute

We are subject to Section 203 of the DGCL, 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 of directors.

Choice of Forum

Our amended and restated certificate of incorporation will provide that the Court of Chancery of the State of Delaware (or, if the Court of Chancery of the State of Delaware lacks subject matter jurisdiction, any state court located within the State of Delaware or, if all such state courts lack subject matter jurisdiction, the federal district court for the District of Delaware) will be the exclusive forum for the following types of actions or proceedings under Delaware statutory or common law: (1) any derivative claim or cause of action brought on our behalf; (2) any claim or cause of action for breach of a fiduciary duty owed by any of our current or former directors, officers or other employees to us or our stockholders; (3) any claim or cause of action against us or any of our current or former directors, officers or other employees, arising out of or pursuant to any provision of the General Corporation Law of the State of Delaware or our certificate of incorporation or bylaws; (4) any claim or cause of action seeking to interpret, apply, enforce or determine the validity of our certificate of incorporation or bylaws; (5) any claim or cause of action as to which the General Corporation Law of the State of Delaware confers jurisdiction on the Court of Chancery of the State of Delaware; or (6) any claim or cause of action against us or any of our current or former directors, officers or other employees, governed by the internal-affairs doctrine or otherwise related to our internal affairs. These provisions would not apply to claims or causes of action brought to enforce a duty or liability created by the Securities Act, the Exchange Act, or any other claim for which the U.S. federal courts have exclusive jurisdiction. Furthermore, Section 22 of the Securities Act creates concurrent jurisdiction for federal and state courts over all such Securities Act actions. Accordingly, both state and federal courts have jurisdiction to entertain such claims.

Further, our amended and restated certificate of incorporation will provide that, unless we consent in writing to the selection of an alternative forum, to the fullest extent permitted by law, the federal district courts of the United States will be the exclusive forum for the resolution of any complaint asserting a cause or causes of action arising under the Securities Act, including all causes of action asserted against any defendant named in such complaint. For the avoidance of doubt, this provision is intended to benefit and may be enforced by us, our officers and directors, the underwriters for any offering giving rise to such complaint, and any other professional entity whose profession gives authority to a statement made by that person or entity and who has prepared or certified any part of the documents underlying the offering. Additionally, our amended and restated certificate of incorporation will provide that any person or entity holding, owning or otherwise acquiring any interest in any of our securities shall be deemed to have notice of and consented to these provisions.

Additionally, our amended and restated certificate of incorporation will provide that any person or entity holding, owning or otherwise acquiring any interest in any of our securities shall be deemed to have notice of and consented to these provisions.

Amendment of Charter Provisions

The amendment of any of the above provisions, except for the provision making it possible for our board of directors to issue preferred stock, would require approval by holders of at least two-thirds of the total voting power of all of our outstanding voting stock.

The provisions of Delaware law, our amended and restated certificate of incorporation and our amended and restated 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 Class A 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 of directors 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 of Liability and Indemnification

See the section titled “Executive Compensation—Limitations of Liability and Indemnification Matters.”

Transfer Agent and Registrar

The transfer agent and registrar for our Class A common stock and Class B common stock will be Computershare Trust Company, N.A. The transfer agent's address is 150 Royall Street, Canton, Massachusetts 02021.

Exchange Listing

Our Class A and Class B common stock is currently not listed on any securities exchange. We intend to apply to list our Class A common stock on under the symbol " ."

SHARES ELIGIBLE FOR FUTURE SALE

Prior to this offering, there has been no public market for our Class A common stock. Future sales of substantial amounts of Class A common stock in the public market, or the perception that such sales may occur, could adversely affect the market price of our Class A common stock. Although we intend to apply to list our Class A common stock on , we cannot assure you that there will be an active public market for our Class A common stock.

Following the completion of this offering, based on the number of shares of our Class A common stock and Class B common stock outstanding as of December 31, 2020, and assuming (1) the automatic conversion of 70,990,919 shares of our convertible preferred stock outstanding as of December 31, 2020, into an equivalent number of shares of Class B common stock immediately prior to the completion of this offering; (2) the reclassification of our convertible preferred stock warrant liability to additional paid-in capital in connection with this offering, (3) the issuance of shares of our Class B common stock immediately prior to the completion of this offering upon the exercise of warrants outstanding as of December 31, 2020 with a weighted-average exercise price of $ per share (4) the filing and effectiveness of our amended and restated certificate of incorporation that will be in effect immediately prior to the completion of this offering; and (5) the reclassification of all of our common stock outstanding as of December 31, 2020 into an equivalent number of shares of our Class B common stock, we will have outstanding an aggregate of approximately shares of Class A common stock and shares of Class B common stock.

Of these shares, all shares of Class A common stock sold by us or the selling stockholders in this offering, including the shares sold by us upon exercise, if any, of the underwriters' option to purchase additional shares of common stock, will be freely tradable without restriction or further registration under the Securities Act, except for any shares of Class A common stock purchased by our "affiliates," as that term is defined in Rule 144 under the Securities Act. Shares purchased by our affiliates would be subject to the Rule 144 resale restrictions described below, other than the holding period requirement.

The shares of Class B common stock outstanding after this offering will be, and shares of Class A or Class B common stock subject to stock options will be upon issuance, deemed "restricted securities," as that term is defined in Rule 144 under the Securities Act. These restricted securities are eligible for public sale only if they are registered under the Securities Act or if they qualify for an exemption from registration under Rules 144 or 701 under the Securities Act, each of which is summarized below. All of these shares will be subject to a lock-up period under the lock-up agreements and market standoff agreements described below.

In addition, upon exercise, all of the shares of our Class B common stock that were subject to stock options outstanding under our 2015 Equity Incentive Plan, as amended, or 2015 Plan, as of December 31, 2020, will be eligible for sale subject to the lock–up agreements described below and Rules 144 and 701 under the Securities Act.

Lock-Up Agreements and Market Standoff Provisions

We, and all of our directors, executive officers and the holders of substantially all of our common stock and securities exercisable for or convertible into our Class A common stock and Class B common stock outstanding immediately on the completion of this offering, have agreed, or will agree, with the underwriters that, until days after the date of this prospectus, or the restricted period, subject to certain exceptions, we and they will not, without the prior written consent of , offer, sell, contract to sell, pledge, grant any option to purchase, make any short sale or otherwise dispose of any of our shares of common stock, any options or warrants to purchase any of our shares of common stock or any securities convertible into or exchangeable for or that represent the right to receive shares of our common stock. These agreements are described in the section titled "Underwriters." may release any of the securities subject to these lock-up agreements at any time, subject to applicable notice requirements.

In addition to the restrictions contained in the lock-up agreements described above, we have entered into agreements with all of our security holders that contain market stand-off provisions imposing restrictions on the ability of such security holders to offer, sell or transfer our equity securities for a period of days following the date of this prospectus.

Upon expiration of the lock-up period, certain of our stockholders will have the right to require us to register their shares under the Securities Act. See the sections titled "—Registration Rights" below and "Description of Capital Stock—Registration Rights."

Upon the expiration of the lock-up period, substantially all of the shares subject to such lock-up restrictions will become eligible for sale, subject to the exceptions and limitations discussed below.

After the offering, certain of our employees, including our executive officers, and/or directors may enter into written trading plans that are intended to comply with Rule 10b5-1 under the Securities Act. Sales under these trading plans would not be permitted until the expiration of the lock-up agreements relating to the offering described above.

Rule 144

Affiliate Resales of Restricted Securities

In general, beginning 90 days after the effective date of the registration statement of which this prospectus is a part, a person who is an affiliate of ours, or who was an affiliate at any time during the 90 days before a sale, and who has beneficially owned shares of our capital stock for at least six months would be entitled to sell in "broker's transactions" or certain "riskless principal transactions" or to market makers, a number of shares within any three-month period that does not exceed the greater of:

- 1% of the number of shares of our Class A common stock then outstanding, which will equal approximately shares immediately after this offering; or
- the average weekly trading volume in our Class A common stock on during the four calendar weeks preceding the filing of a notice on Form 144 with respect to such sale.

Affiliate resales under Rule 144 are also subject to the availability of current public information about us. In addition, if the number of shares being sold under Rule 144 by an affiliate during any three-month period exceeds 5,000 shares or has an aggregate sale price in excess of $50,000, the seller must file a notice on Form 144 with the Securities and Exchange Commission and concurrently with either the placing of a sale order with the broker or the execution of a sale directly with a market maker.

Non-Affiliate Resales of Restricted Securities

In general, beginning 90 days after the effective date of the registration statement of which this prospectus is a part, a person who is not an affiliate of ours at the time of sale, and has not been an affiliate at any time during the 90 days preceding a sale, and who has beneficially owned shares of our capital stock for at least six months but less than a year, is entitled to sell such shares subject only to the availability of current public information about us. If such person has held our shares for at least one year, such person can resell under Rule 144(b)(1) without regard to any Rule 144 restrictions, including the 90-day public company requirement and the current public information requirement.

Non-affiliate resales are not subject to the manner of sale, volume limitation or notice filing provisions of Rule 144.

Rule 701

In general, under Rule 701, any of our employees, directors, officers, consultants or advisors who purchases shares from us in connection with a compensatory stock or option plan or other written agreement before the effective date of a registration statement under the Securities Act is entitled to sell such shares 90 days after such effective date in reliance on Rule 144. Securities issued in reliance on Rule 701 are restricted securities and, subject to the contractual restrictions described above, beginning 90 days after the date of this prospectus, may be sold by persons other than "affiliates," as defined in Rule 144, subject only to the manner of sale provisions of Rule 144 and by "affiliates" under Rule 144 without compliance with its one-year minimum holding period requirement.

However, substantially all Rule 701 shares are subject to lock-up agreements as described above and will become eligible for sale upon the expiration of the restrictions set forth in those agreements.

Form S-8 Registration Statement

We intend to file one or more registration statements on Form S-8 under the Securities Act to register all shares of Class A and Class B common stock issuable under our 2015 Plan, 2021 Equity Incentive Plan and 2021 Employee Stock Purchase Plan. We expect to file the registration statement covering shares offered pursuant to these stock plans shortly after the date of this prospectus, permitting the resale of such shares in the public market without restriction under the Securities Act, subject to vesting restrictions, any applicable lockup agreements described above and the Rule 144 limitations applicable to affiliates.

Registration Rights

As of December 31, 2020, holders of up to shares of our Class B common stock, which includes all of the shares of Class B common stock issuable upon the automatic conversion of our convertible preferred stock immediately prior to the completion of this offering, or their transferees, will be entitled to various rights with respect to the registration of these shares under the Securities Act upon the completion of this offering and the expiration of lock-up agreements. Registration of these shares under the Securities Act would result in these shares becoming fully tradable without restriction under the Securities Act immediately upon the effectiveness of the registration, except for shares purchased by affiliates. See the section titled “Description of Capital Stock—Registration Rights” for additional information. Shares covered by a registration statement will be eligible for sale in the public market upon the expiration or release from the terms of the lock-up agreements.

MATERIAL U.S. FEDERAL INCOME TAX CONSEQUENCES TO NON-U.S. HOLDERS OF OUR CLASS A COMMON STOCK

The following discussion is a summary of the material U.S. federal income tax consequences to non-U.S. holders (as defined below) of the acquisition, ownership and disposition of our Class A common stock issued or sold pursuant to this offering. This discussion is not a complete analysis of all potential U.S. federal income tax consequences relating thereto, and does not address the potential application of the Medicare contribution tax on net investment income or the alternative minimum tax, the treatment of persons subject to special tax accounting rules under Section 451(b) of the Internal Revenue Code of 1986, as amended, or the Code, any estate or gift tax consequences, any tax consequences arising under any state, local or foreign tax laws, or any tax consequences arising under any other U.S. federal tax laws. This discussion is based on the Code, Treasury Regulations promulgated thereunder, judicial decisions and published rulings and administrative pronouncements of the Internal Revenue Service, or the IRS, all as in effect as of the date of this prospectus. These authorities are subject to differing interpretations and may change, possibly retroactively, resulting in U.S. federal income tax consequences different from those discussed below. We have not requested a ruling from the IRS with respect to the statements made and the conclusions reached in the following summary, and there can be no assurance that the IRS or a court will agree with such statements and conclusions.

This discussion is limited to non-U.S. holders who purchase our Class A common stock pursuant to this offering and who hold our Class A common stock as a "capital asset" within the meaning of Section 1221 of the Code (generally, property held for investment). This discussion does not address all of the U.S. federal income tax consequences that may be relevant to a particular holder in light of such holder's particular circumstances. This discussion does not address consequences that may be relevant to holders subject to special rules under the U.S. federal income tax laws, including:

- certain former citizens or long-term residents of the United States;
- partnerships or other pass-through entities (and investors therein);
- "controlled foreign corporations";
- "passive foreign investment companies";
- corporations that accumulate earnings to avoid U.S. federal income tax;
- banks, financial institutions, investment funds, insurance companies, brokers, dealers or traders in securities;
- tax-exempt organizations and governmental organizations;
- tax-qualified retirement plans;
- persons who hold or receive our Class A common stock pursuant to the exercise of any employee stock option or otherwise as compensation;
- "qualified foreign pension funds" as defined in Section 897(l)(2) of the Code and entities all of the interests of which are held by qualified foreign pension funds;
- persons that own, or are deemed to own, our Class B common stock;
- persons who have elected to mark securities to market; and
- persons holding our Class A common stock as part of a hedging or conversion transaction or straddle, or a constructive sale, or other risk reduction strategy or integrated investment.

If an entity or arrangement that is classified as a partnership for U.S. federal income tax purposes holds our Class A common stock, the U.S. federal income tax treatment of a partner in the partnership will generally depend on the status of the partner and the activities of the partnership. Partnerships holding our Class A common stock and

the partners in such partnerships are urged to consult their tax advisors about the particular U.S. federal income tax consequences to them of acquiring, owning, and disposing of our Class A common stock.

THIS DISCUSSION IS FOR INFORMATIONAL PURPOSES ONLY AND IS NOT TAX ADVICE. PROSPECTIVE INVESTORS SHOULD CONSULT THEIR TAX ADVISORS REGARDING THE PARTICULAR U.S. FEDERAL INCOME TAX CONSEQUENCES TO THEM OF ACQUIRING, OWNING AND DISPOSING OF OUR CLASS A COMMON STOCK, AS WELL AS ANY TAX CONSEQUENCES ARISING UNDER ANY STATE, LOCAL OR FOREIGN TAX LAWS AND ANY OTHER U.S. FEDERAL TAX LAWS.

Definition of Non-U.S. Holder

For purposes of this discussion, a non-U.S. holder is any beneficial owner of our Class A common stock that is not a "U.S. person" or a partnership (including any entity or arrangement treated as a partnership) for U.S. federal income tax purposes. A U.S. person is any person that, for U.S. federal income tax purposes, is or is treated as any of the following:

- an individual who is a citizen or resident of the United States;
- a corporation (or any entity treated as a corporation for U.S. federal income tax purposes) created or organized under the laws of the United States, any state thereof or the District of Columbia;
- an estate, the income of which is subject to U.S. federal income tax regardless of its source; or
- a trust (1) whose administration is subject to the primary supervision of a U.S. court and which has one or more "United States persons" (as defined in Section 7701(a)(30) of the Code) who have the authority to control all substantial decisions of the trust or (2) that has a valid election in effect under applicable Treasury Regulations to be treated as a United States person.

Distributions on Our Class A Common Stock

As described in the section titled "Dividend Policy," we have never declared or paid cash dividends on our capital stock and do not anticipate paying any cash dividends in the foreseeable future. However, if we make cash or other property distributions on our Class A common stock, such distributions will generally constitute dividends for U.S. federal income tax purposes to the extent paid from our current or accumulated earnings and profits, as determined under U.S. federal income tax principles. Amounts that exceed such current and accumulated earnings and profits and, therefore, are not treated as dividends for U.S. federal income tax purposes will constitute a return of capital and will first be applied against and reduce a holder's tax basis in our Class A common stock, but not below zero. Any excess amount distributed will be treated as gain realized on the sale or other disposition of our Class A common stock and will be treated as described in the section titled "—Gain on Disposition of Our Class A Common Stock" below.

Subject to the discussions below regarding effectively connected income, backup withholding and FATCA (as defined below), dividends paid to a non-U.S. holder of our Class A common stock generally will be subject to U.S. federal withholding tax at a rate of 30% of the gross amount of the dividends or such lower rate specified by an applicable income tax treaty. To receive the benefit of a reduced treaty rate, a non-U.S. holder must furnish us or the applicable withholding agent a valid IRS Form W-8BEN or IRS Form W-8BEN-E (or applicable successor form) certifying such holder's qualification for the reduced rate. This certification must be provided to us or the withholding agent before the payment of dividends and must be updated periodically. If the non-U.S. holder holds the stock through a financial institution or other agent acting on the non-U.S. holder's behalf, the non-U.S. holder will be required to provide appropriate documentation to the agent, which then will be required to provide certification to us or the withholding agent, either directly or through other intermediaries.

If a non-U.S. holder holds our Class A common stock in connection with the conduct of a trade or business in the United States, and dividends paid on our Class A common stock are effectively connected with such holder's U.S. trade or business (and are attributable to such holder's permanent establishment or fixed base in the United

States if required by an applicable tax treaty), the non-U.S. holder will be exempt from U.S. federal withholding tax. To claim the exemption, the non-U.S. holder must generally furnish a valid IRS Form W-8ECI (or applicable successor form) to the applicable withholding agent.

However, any such effectively connected dividends paid on our Class A common stock generally will be subject to U.S. federal income tax on a net income basis at the regular U.S. federal income tax rates in the same manner as if such holder were a U.S. person. A non-U.S. holder that is a foreign corporation also may be subject to an additional branch profits tax equal to 30% (or such lower rate specified by an applicable income tax treaty) of its effectively connected earnings and profits for the taxable year, as adjusted for certain items.

Non-U.S. holders that do not provide the required certification on a timely basis, but that qualify for a reduced treaty rate, may obtain a refund of any excess amounts withheld by timely filing an appropriate claim for refund with the IRS.

Non-U.S. holders should consult their tax advisors regarding any applicable income tax treaties that may provide for different rules.

Gain on Disposition of Our Class A Common Stock

Subject to the discussions below regarding backup withholding and FATCA, a non-U.S. holder generally will not be subject to U.S. federal income tax on any gain realized on the sale or other disposition of our Class A common stock, unless:

- the gain is effectively connected with the non-U.S. holder's conduct of a trade or business in the United States and, if required by an applicable income tax treaty, is attributable to a permanent establishment or fixed base maintained by the non-U.S. holder in the United States;
- the non-U.S. holder is a nonresident alien individual present in the United States for 183 days or more during the taxable year of the disposition and certain other requirements are met; or
- we are or have been a United States real property holding corporation within the meaning of Section 897(c)(2) of the Code, or USRPHC, at any time within the shorter of the five-year period preceding such disposition or such non-U.S. holder's holding period in our Class A common stock.

Determining whether we are a USRPHC depends on the fair market value of our U.S. real property interests relative to the fair market value of our other trade or business assets and our worldwide real property interests. We believe that we are not currently and have not been a USRPHC for U.S. federal income tax purposes, although there can be no assurance we will not in the future become a USRPHC. Even if we are treated as a USRPHC, gain realized by a non-U.S. holder on a disposition of our Class A common stock will not be subject to U.S. federal income tax so long as (1) the non-U.S. holder owned, directly, indirectly, and constructively, no more than 5% of our Class A common stock at all times within the shorter of (a) the five-year period preceding the disposition or (b) the holder's holding period in our Class A common stock and (2) our Class A common stock is "regularly traded," as defined by applicable Treasury Regulations, on an established securities market. There can be no assurance that our Class A common stock will qualify as regularly traded on an established securities market. If any gain on a non-U.S. holder's disposition of Class A common stock is taxable because we are a USRPHC and either such non-U.S. holder owns more than 5% of our Class A common stock or our Class A common stock is not regularly traded on an established securities market, such non-U.S. holder will be taxed on such disposition generally in the manner as gain that is effectively connected with the conduct of a U.S. trade or business (subject to the provisions under an applicable income tax treaty), except that the branch profits tax generally will not apply.

Gain described in the first bullet point above generally will be subject to U.S. federal income tax on a net income basis at the regular U.S. federal income tax rates in the same manner as if such holder were a U.S. person. A non-U.S. holder that is a foreign corporation also may be subject to an additional branch profits tax equal to 30% (or such lower rate specified by an applicable income tax treaty) of its effectively connected earnings and profits for the taxable year, as adjusted for certain items. A non-U.S. holder described in the second bullet point above will be subject to U.S. federal income tax at a flat 30% rate (unless an applicable income tax treaty provides for different

treatment) on gain realized on the sale or other taxable disposition of our Class A common stock, but may be offset by certain U.S.-source capital losses (even though the individual is not considered a resident of the United States), provided that the non-U.S. holder has timely filed U.S. federal income tax returns with respect to such losses. Non-U.S. holders should consult their tax advisors regarding any applicable income tax treaties that may provide for different rules.

Information Reporting and Backup Withholding

Information returns are required to be filed with the IRS in connection with distributions on our Class A common stock. Unless you comply with certification procedures to establish that you are not a U.S. person, information returns may also be filed with the IRS in connection with the proceeds from a sale or other disposition of our Class A common stock. You may be subject to backup withholding on distributions on our Class A common stock or on the proceeds from a sale or other taxable disposition of our Class A common stock unless you comply with certification procedures to establish that you are not a U.S. person or otherwise establish an exemption. Your provision of a properly executed applicable IRS Form W-8 certifying your non-U.S. status will permit you to avoid backup withholding. Amounts withheld under the backup withholding rules are not additional taxes and may be refunded or credited against your U.S. federal income tax liability, provided the required information is timely furnished to the IRS.

Withholding on Foreign Entities

Sections 1471 through 1474 of the Code, commonly referred to as FATCA, impose a U.S. federal withholding tax of 30% on certain payments made to a "foreign financial institution" (as specially defined under these rules) unless such institution enters into an agreement with the U.S. government to withhold on certain payments and to collect and provide to the U.S. tax authorities substantial information regarding certain U.S. account holders of such institution (which includes certain equity and debt holders of such institution, as well as certain account holders that are foreign entities with U.S. owners) or an exemption applies. FATCA also generally will impose a U.S. federal withholding tax of 30% on certain payments made to a "non-financial foreign entity" unless such entity either certifies that it does not have any "substantial United States owners" (as defined in the Code) or provides the withholding agent a certification identifying certain direct and indirect U.S. owners of the entity or an exemption applies. An intergovernmental agreement between the United States and an applicable foreign country may modify these requirements. Under certain circumstances, a non-U.S. holder might be eligible for refunds or credits of such taxes. FATCA currently applies to dividends paid on our Class A common stock. FATCA would have applied to payments of gross proceeds from the sale or other disposition of stock, but under proposed regulations (the preamble to which specifies that taxpayers are permitted to rely on such proposed regulations pending finalization), no withholding would apply with respect to payments of gross proceeds.

Prospective investors are encouraged to consult with their own tax advisors regarding the possible implications of FATCA on their investment in our Class A common stock.

EACH PROSPECTIVE INVESTOR SHOULD CONSULT ITS OWN TAX ADVISOR REGARDING THE TAX CONSEQUENCES OF PURCHASING, HOLDING, AND DISPOSING OF OUR CLASS A COMMON STOCK, INCLUDING THE CONSEQUENCES OF ANY RECENT OR PROPOSED CHANGE IN APPLICABLE LAW.

UNDERWRITERS

Under the terms and subject to the conditions in an underwriting agreement dated the date of this prospectus, the underwriters named below, for whom is acting as representative, has severally agreed to purchase, and we and the selling stockholders have agreed to sell to them, severally, the number of shares indicated below:

Name	Number of Shares
Morgan Stanley & Co. LLC	
J.P. Morgan Securities LLC	
BofA Securities, Inc.	
Total	

The underwriters and the representative are collectively referred to as the "underwriters" and the "representative," respectively. The underwriters are offering the shares of Class A common stock subject to their acceptance of the shares from us and subject to prior sale. The underwriting agreement provides that the obligations of the underwriters to pay for and accept delivery of the shares of Class A common stock offered by this prospectus are subject to the approval of certain legal matters by their counsel and to certain other conditions. The underwriters are obligated to take and pay for all of the shares of Class A common stock offered by this prospectus if any such shares are taken. However, the underwriters are not required to take or pay for the shares covered by the underwriters' over-allotment option described below.

The underwriters initially propose to offer part of the shares of Class A common stock directly to the public at the offering price listed on the cover page of this prospectus and part to certain dealers at a price that represents a concession not in excess of $ per share under the public offering price. After the initial offering of the shares of Class A common stock, the offering price and other selling terms may from time to time be varied by the representative.

We have granted to the underwriters an option, exercisable for 30 days from the date of this prospectus, to purchase up to additional shares of Class A common stock from us at the public offering price listed on the cover page of this prospectus, less underwriting discounts and commissions. The underwriters may exercise this option solely for the purpose of covering over-allotments, if any, made in connection with the offering of the shares of Class A common stock offered by this prospectus. To the extent the option is exercised, each underwriter will become obligated, subject to certain conditions, to purchase about the same percentage of the additional shares of Class A common stock as the number listed next to the underwriter's name in the preceding table bears to the total number of shares of Class A common stock listed next to the names of all underwriters in the preceding table.

The following table shows the per share and total public offering price, underwriting discounts and commissions, and proceeds before expenses to us and the selling stockholders. These amounts are shown assuming both no exercise and full exercise of the underwriters' option to purchase up to an additional shares of Class A common stock.

		Total	
	Per Share	No Exercise	Full Exercise
Public offering price	$	$	$
Underwriting discounts and commissions to be paid by:			
Us			
The selling stockholders			
Proceeds, before expenses, to us			
Proceeds, before expenses, to selling stockholders			

The estimated offering expenses payable by us, exclusive of the underwriting discounts and commissions, are approximately $. We have agreed to reimburse the underwriters for expenses relating to clearance of this offering with the Financial Industry Regulatory Authority up to $.

The underwriters have informed us that they do not intend sales to discretionary accounts to exceed 5% of the total number of shares of Class A common stock offered by them.

We intend to apply to have the Class A common stock approved for listing on under the trading symbol " ."

We and all directors and officers and the holders of all of our outstanding stock and stock options have agreed that, without the prior written consent of the representative on behalf of the underwriters, we and they will not, and will not publicly disclose an intention to, during the period ending 180 days after the date of this prospectus, or the restricted period:

- offer, pledge, sell, contract to sell, sell any option or contract to purchase, purchase any option or contract to sell, grant any option, right or warrant to purchase, lend, or otherwise transfer or dispose of, directly or indirectly, any shares of common stock or any securities convertible into or exercisable or exchangeable for shares of common stock;
- file any registration statement with the Commission relating to the offering of any shares of common stock or any securities convertible into or exercisable or exchangeable for common stock; or
- enter into any swap or other arrangement that transfers to another, in whole or in part, any of the economic consequences of ownership of the common stock.

whether any such transaction described above is to be settled by delivery of common stock or such other securities, in cash or otherwise. In addition, we and each such person agrees that, without the prior written consent of the representative on behalf of the underwriters, we or such other person will not, during the restricted period, make any demand for, or exercise any right with respect to, the registration of any shares of common stock or any security convertible into or exercisable or exchangeable for common stock.

The restrictions described in the immediately preceding paragraph to do not apply to:

- the sale of shares to the underwriters; or
- .

The representative, in its sole discretion, may release the common stock and other securities subject to the lock-up agreements described above in whole or in part at any time.

In order to facilitate the offering of the common stock, the underwriters may engage in transactions that stabilize, maintain or otherwise affect the price of the Class A common stock. Specifically, the underwriters may sell more shares than they are obligated to purchase under the underwriting agreement, creating a short position. A short sale is covered if the short position is no greater than the number of shares available for purchase by the underwriters under the over-allotment option. The underwriters can close out a covered short sale by exercising the over-allotment option or purchasing shares in the open market. In determining the source of shares to close out a covered short sale, the underwriters will consider, among other things, the open market price of shares compared to the price available under the over-allotment option. The underwriters may also sell shares in excess of the over-allotment option, creating a naked short position. The underwriters must close out any naked short position by purchasing shares in the open market. A naked short position is more likely to be created if the underwriters are concerned that there may be downward pressure on the price of the Class A common stock in the open market after pricing that could adversely affect investors who purchase in this offering. As an additional means of facilitating this offering, the underwriters may bid for, and purchase, shares of Class A common stock in the open market to stabilize the price of the Class A common stock. These activities may raise or maintain the market price of the Class A common stock above independent market levels or prevent or retard a decline in the market price of the Class A common stock. The underwriters are not required to engage in these activities and may end any of these activities at any time.

We, the selling stockholders and the underwriters have agreed to indemnify each other against certain liabilities, including liabilities under the Securities Act.

A prospectus in electronic format may be made available on websites maintained by one or more underwriters, or selling group members, if any, participating in this offering. The representative may agree to allocate a number of shares of Class A common stock to underwriters for sale to their online brokerage account holders. Internet distributions will be allocated by the representative to underwriters that may make internet distributions on the same basis as other allocations.

Other Relationships

The underwriters and their respective affiliates are full service financial institutions engaged in various activities, which may include securities trading, commercial and investment banking, financial advisory, investment management, investment research, principal investment, hedging, financing and brokerage activities. Certain of the underwriters and their respective affiliates have, from time to time, performed, and may in the future perform, various financial advisory and investment banking services for us, for which they received or will receive customary fees and expenses. An affiliate of J.P. Morgan Securities LLC, one of the underwriters in this offering, is the lender under our credit agreement, dated as of February 20, 2019.

In addition, in the ordinary course of their various business activities, the underwriters and their respective affiliates may make or hold a broad array of investments and actively trade debt and equity securities (or related derivative securities) and financial instruments (including bank loans) for their own account and for the accounts of their customers and may at any time hold long and short positions in such securities and instruments. Such investment and securities activities may involve our securities and instruments. The underwriters and their respective affiliates may also make investment recommendations or publish or express independent research views in respect of such securities or instruments and may at any time hold, or recommend to clients that they acquire, long or short positions in such securities and instruments.

Pricing of the Offering

Prior to this offering, there has been no public market for the Class A common stock. The initial public offering price was determined by negotiations between us and the representative. Among the factors considered in determining the initial public offering price were our future prospects and those of our industry in general, our sales, earnings and certain other financial and operating information in recent periods, and the price-earnings ratios, price-sales ratios, market prices of securities, and certain financial and operating information of companies engaged in activities similar to ours.

Selling Restrictions

Australia

No placement document, prospectus, product disclosure statement or other disclosure document has been lodged with the Australian Securities and Investments Commission, or the ASIC, in relation to this offering. This prospectus does not constitute a prospectus, product disclosure statement or other disclosure document under the Corporations Act 2001, or the Corporations Act, and does not purport to include the information required for a prospectus, product disclosure statement or other disclosure document under the Corporations Act.

Any offer in Australia of the securities may only be made to persons, or Exempt Investors, who are “sophisticated investors” (within the meaning of section 708(8) of the Corporations Act), “professional investors” (within the meaning of section 708(11) of the Corporations Act) or otherwise pursuant to one or more exemptions contained in Section 708 of the Corporations Act so that it is lawful to offer the securities without disclosure to investors under Chapter 6D of the Corporations Act.

The securities applied for by Exempt Investors in Australia must not be offered for sale in Australia in the period of 12 months after the date of allotment under the offering, except in circumstances where disclosure to investors under Chapter 6D of the Corporations Act would not be required pursuant to an exemption under Section

708 of the Corporations Act or otherwise or where the offer is pursuant to a disclosure document which complies with Chapter 6D of the Corporations Act. Any person acquiring the securities must observe such Australian on-sale restrictions.

This prospectus contains general information only and does not take account of the investment objectives, financial situation or particular needs of any particular person. It does not contain any securities recommendations or financial product advice. Before making an investment decision, investors need to consider whether the information in this prospectus is appropriate to their needs, objectives and circumstances, and, if necessary, seek expert advice on those matters.

Brazil

No securities may be offered or sold in Brazil, except in circumstances that do not constitute a public offering or unauthorized distribution under Brazilian laws and regulations. The securities have not been, and will not be, registered with the Comissão de Valores Mobiliários.

Canada

The securities may be sold only to purchasers purchasing, or deemed to be purchasing, as principal that are accredited investors, as defined in National Instrument 45-106 Prospectus Exemptions or subsection 73.3(1) of the Securities Act (Ontario), and are permitted clients, as defined in National Instrument 31-103 Registration Requirements, Exemptions and Ongoing Registrant Obligations. Any resale of the securities must be made in accordance with an exemption from, or in a transaction not subject to, the prospectus requirements of applicable securities laws.

Securities legislation in certain provinces or territories of Canada may provide a purchaser with remedies for rescission or damages if this prospectus (including any amendment thereto) contains a misrepresentation, provided that the remedies for rescission or damages are exercised by the purchaser within the time limit prescribed by the securities legislation of the purchaser's province or territory. The purchaser should refer to any applicable provisions of the securities legislation of the purchaser's province or territory for particulars of these rights or consult with a legal advisor.

Pursuant to section 3A.3 of National Instrument 33-105 Underwriting Conflicts, or NI 33-105, the underwriters are not required to comply with the disclosure requirements of NI 33-105 regarding underwriter conflicts of interest in connection with this offering.

China

This prospectus does not constitute a public offer of securities, whether by sale or subscription, in the People's Republic of China, or the PRC. The securities are not being offered or sold directly or indirectly in the PRC to or for the benefit of, legal or natural persons of the PRC.

Further, no legal or natural persons of the PRC may directly or indirectly purchase the securities or any beneficial interest therein without obtaining all prior PRC's governmental approvals that are required, whether statutorily or otherwise. Persons who come into possession of this prospectus are required by us and the representative to observe these restrictions.

Dubai International Financial Centre

This prospectus relates to an Exempt Offer in accordance with the Offered Securities Rules of the Dubai Financial Services Authority, or the DFSA. This prospectus is intended for distribution only to persons of a type specified in the Offered Securities Rules of the DFSA. It must not be delivered to, or relied on by, any other person. The DFSA has no responsibility for reviewing or verifying any documents in connection with Exempt Offers. The DFSA has not approved this prospectus nor taken steps to verify the information set forth herein and has no responsibility for the prospectus. The securities may be illiquid and/or subject to restrictions on their resale. Prospective purchasers of the securities offered should conduct their own due diligence on the securities. If you do not understand the contents of this prospectus you should consult an authorized financial advisor.

European Economic Area

In relation to each Member State of the European Economic Area, or each, a Relevant State, no securities have been offered or will be offered pursuant to this offering to the public in that Relevant State prior to the publication of a prospectus in relation to the securities which has been approved by the competent authority in that Relevant State or, where appropriate, approved in another Relevant State and notified to the competent authority in that Relevant State, all in accordance with the Prospectus Regulation, except that offers of securities may be made to the public in that Relevant State at any time under the following exemptions under the Prospectus Regulation:

(a) to any legal entity which is a qualified investor as defined under the Prospectus Regulation;

(b) to fewer than 150 natural or legal persons (other than qualified investors as defined under the Prospectus Regulation), subject to obtaining the prior consent of the representative; or

(c) in any other circumstances falling within Article 1(4) of the Prospectus Regulation;

provided that no such offer of the securities shall require us or any of the representative to publish a prospectus pursuant to Article 3 of the Prospectus Regulation or supplement a prospectus pursuant to Article 23 of the Prospectus Regulation.

For the purposes of this provision, the expression an "offer to the public" in relation to any securities in any Relevant State means the communication in any form and by any means of sufficient information on the terms of the offer and any securities to be offered so as to enable an investor to decide to purchase any securities, and the expression "Prospectus Regulation" means Regulation (EU) 2017/1129 (as amended).

France

Neither this prospectus nor any other offering material relating to the securities has been submitted to the clearance procedures of the Autorité des Marchés Financiers or of the competent authority of another member state of the European Economic Area and notified to the Autorité des Marchés Financiers. The securities have not been offered or sold and will not be offered or sold, directly or indirectly, to the public in France. Neither this prospectus nor any other offering material relating to the securities has been or will be (1) released, issued, distributed or caused to be released, issued or distributed to the public in France or (2) used in connection with any offer for subscription or sale of the securities to the public in France.

Such offers, sales and distributions will be made in France only:

(a) to qualified investors (investisseurs estraint) and/or to a restricted circle of investors (cercle estraint d'investisseurs), in each case investing for their own account, all as defined in, and in accordance with, articles L.411-2, D.411-1, D.411-2, D.734-1, D.744-1, D.754-1 and D.764-1 of the French Code monétaire et financier;

(b) to investment services providers authorized to engage in portfolio management on behalf of third parties; or

(c) in a transaction that, in accordance with article L.411-2-II-1° -or-2° -or 3° of the French Code monétaire et financier and article 211-2 of the General Regulations (Réglement Général) of the Autorité des Marchés Financiers, does not constitute a public offer (appel public á l'épargne).

The securities may be resold directly or indirectly, only in compliance with articles L.411-1, L.411-2, L412-1 and L.621-8 through L.621-8-3 of the French Code monétaire et financier.

Hong Kong

The securities have not been offered or sold and will not be offered or sold in Hong Kong, by means of any document, other than (a) to "professional investors" as defined in the Securities and Futures Ordinance (Cap. 571) of Hong Kong and any rules made under that Ordinance or (b) in other circumstances which do not result in the document being a "prospectus" as defined in the Companies Ordinance (Cap. 32) of Hong Kong or which do not

constitute an offer to the public within the meaning of that Ordinance. No advertisement, invitation or document relating to the securities has been or may be issued or has been or may be in the possession of any person for the purposes of issue, whether in Hong Kong or elsewhere, which is directed at, or the contents of which are likely to be accessed or read by, the public of Hong Kong (except if permitted to do so under the securities laws of Hong Kong) other than with respect to securities which are or are intended to be disposed of only to persons outside Hong Kong or only to "professional investors" as defined in the Securities and Futures Ordinance and any rules made under that Ordinance.

Japan

The securities have not been and will not be registered under the Financial Instruments and Exchange Law of Japan (Law No. 25 of 1948, as amended) and, accordingly, will not be offered or sold, directly or indirectly, in Japan, or for the benefit of any Japanese Person or to others for re-offering or resale, directly or indirectly, in Japan or to any Japanese Person, except in compliance with all applicable laws, regulations and ministerial guidelines promulgated by relevant Japanese governmental or regulatory authorities in effect at the relevant time. For the purposes of this paragraph, "Japanese Person" means any person resident in Japan, including any corporation or other entity organized under the laws of Japan.

Kuwait

Unless all necessary approvals from the Kuwait Capital Markets Authority pursuant to Law No. 7/2010, its Executive Regulations, and the various Resolutions and Announcements issued pursuant thereto or in connection therewith have been given in relation to the marketing of and sale of the securities, the securities may not be offered for sale, nor sold in the State of Kuwait, or Kuwait. Neither this prospectus nor any of the information contained herein is intended to lead to the conclusion of any contract of whatsoever nature within Kuwait. With regard to the contents of this prospectus, we recommend that you consult a licensee as per the law and specialized in giving advice about the purchase of securities before making the subscription decision.

Saudi Arabia

This prospectus may not be distributed in the Kingdom of Saudi Arabia except to such persons as are permitted under the Offers of Securities Regulations as issued by the board of the Saudi Arabian Capital Market Authority, or the CMA, pursuant to resolution number 2-11-2004 dated 4 October 2004 as amended by resolution number 1-28-2008, as amended. The CMA does not make any representation as to the accuracy or completeness of this prospectus and expressly disclaims any liability whatsoever for any loss arising from, or incurred in reliance upon, any part of this prospectus. Prospective purchasers of the securities should conduct their own due diligence on the accuracy of the information relating to the securities. If you do not understand the contents of this prospectus, you should consult an authorized financial adviser.

Singapore

This prospectus has not been registered as a prospectus with the Monetary Authority of Singapore. Accordingly, the securities were not offered or sold or caused to be made the subject of an invitation for subscription or purchase and will not be offered or sold or caused to be made the subject of an invitation for subscription or purchase, and this prospectus or any other document or material in connection with the offer or sale, or invitation for subscription or purchase, of the securities, has not been circulated or distributed, nor will it be circulated or distributed, whether directly or indirectly, to any person in Singapore other than (i) to an institutional investor (as defined in Section 4A of the Securities and Futures Act (Chapter 289) of Singapore, as modified or amended from time to time, or the SFA) pursuant to Section 274 of the SFA, (ii) to a relevant person (as defined in Section 275(2) of the SFA) pursuant to Section 275(1) of the SFA, or any person pursuant to Section 275(1A) of the SFA, and in accordance with the conditions specified in Section 275 of the SFA, or (iii) otherwise pursuant to, and in accordance with the conditions of, any other applicable provision of the SFA.

Where the securities are subscribed or purchased under Section 275 of the SFA by a relevant person which is:

(a) a corporation (which is not an accredited investor (as defined in Section 4A of the SFA)) the sole business of which is to hold investments and the entire share capital of which is owned by one or more individuals, each of whom is an accredited investor; or

(b) a trust (where the trustee is not an accredited investor) whose sole purpose is to hold investments and each beneficiary of the trust is an individual who is an accredited investor;

securities or securities-based derivatives contracts (each term as defined in Section 2(1) of the SFA) of that corporation or the beneficiaries' rights and interest (howsoever described) in that trust shall not be transferred within six months after that corporation or that trust has acquired the securities pursuant to an offer made under Section 275 of the SFA except:

(a) to an institutional investor or to a relevant person, or to any person arising from an offer referred to in Section 275(1A) or Section 276(4)(i)(B) of the SFA;

(b) where no consideration is or will be given for the transfer;

(c) where the transfer is by operation of law; or

(d) as specified in Section 276(7) of the SFA.

Switzerland

The securities may not be publicly offered in Switzerland and will not be listed on the SIX Swiss Exchange, or the SIX, or on any other stock exchange or regulated trading facility in Switzerland. This prospectus has been prepared without regard to the disclosure standards for issuance prospectuses under art. 652a or art. 1156 of the Swiss Code of Obligations or the disclosure standards for listing prospectuses under art. 27 ff. of the SIX Listing Rules or the listing rules of any other stock exchange or regulated trading facility in Switzerland. Neither this prospectus nor any other offering or marketing material relating to the securities or this offering may be publicly distributed or otherwise made publicly available in Switzerland.

Neither this prospectus nor any other offering or marketing material relating to us, this offering or the securities has been or will be filed with or approved by any Swiss regulatory authority. In particular, this prospectus will not be filed with, and this offering of securities will not be supervised by, the Swiss Financial Market Supervisory Authority FINMA (FINMA), and this offering of securities has not been and will not be authorized under the Swiss Federal Act on Collective Investment Schemes, or the CISA. The investor protection afforded to acquirers of interests in collective investment schemes under the CISA does not extend to acquirers of the securities.

Qatar

In the State of Qatar, this offering is made on an exclusive basis to the specifically intended recipient thereof, upon that person's request and initiative, for personal use only and shall in no way be construed as a general offer for the sale of securities to the public or an attempt to do business as a bank, investment company or otherwise in the State of Qatar. This prospectus and the securities have not been approved or licensed by the Qatar Central Bank, the Qatar Financial Centre Regulatory Authority or any other regulator in the State of Qatar. The information contained in this prospectus shall only be shared with any third parties in Qatar on a need to know basis for the purpose of evaluating this offering. Any distribution of this prospectus by the recipient to third parties in Qatar beyond the terms hereof is not permitted and shall be at the liability of such recipient.

United Arab Emirates

The securities have not been, and are not being, publicly offered, sold, promoted or advertised in the United Arab Emirates (including the Dubai International Financial Centre) other than in compliance with the laws of the United Arab Emirates (and the Dubai International Financial Centre) governing the issue, offering and sale of securities. Further, this prospectus does not constitute a public offer of securities in the United Arab Emirates

(including the Dubai International Financial Centre) and is not intended to be a public offer. This prospectus has not been approved by or filed with the Central Bank of the United Arab Emirates, the Securities and Commodities Authority or the DFSA.

United Kingdom

Each underwriter has represented and agreed that:

(a) it has only communicated or caused to be communicated and will only communicate or cause to be communicated an invitation or inducement to engage in investment activity (within the meaning of Section 21 of the Financial Services and Markets Act 2000, or the FSMA) received by it in connection with the issue or sale of the shares of Class A common stock in circumstances in which Section 21(1) of the FSMA does not apply to us; and

(b) it has complied and will comply with all applicable provisions of the FSMA with respect to anything done by it in relation to the shares of Class A common stock in, from or otherwise involving the United Kingdom.

No securities have been offered or will be offered pursuant to the offering to the public in the United Kingdom prior to the publication of a prospectus in relation to the securities which has been approved by the Financial Conduct Authority, except that the securities may be offered to the public in the United Kingdom at any time:

(a) to any legal entity which is a qualified investor as defined under Article 2 of the UK Prospectus Regulation;

(b) to fewer than 150 natural or legal persons (other than qualified investors as defined under Article 2 of the UK Prospectus Regulation), subject to obtaining the prior consent of the representative for any such offer; or

(c) in any other circumstances falling within Section 86 of the FSMA, provided that no such offer of the securities shall require the us or any of the representative to publish a prospectus pursuant to Section 85 of the FSMA or supplement a prospectus pursuant to Article 23 of the UK Prospectus Regulation.

For the purposes of this provision, the expression an “offer to the public” in relation to the securities in the United Kingdom means the communication in any form and by any means of sufficient information on the terms of the offer and any securities to be offered so as to enable an investor to decide to purchase or subscribe for any securities, and the expression “UK Prospectus Regulation” means Regulation (EU) 2017/1129 as it forms part of domestic law by virtue of the European Union (Withdrawal) Act 2018.

This prospectus is only for distribution to and directed at: (i) in the United Kingdom, persons having professional experience in matters relating to investments falling within Article 19(5) of the Financial Services and Markets Act 2000 (Financial Promotion) Order 2005, as amended, or the Order, and high net worth entities falling within Article 49(2)(a) to (d) of the Order; (ii) persons who are outside the United Kingdom; and (iii) any other person to whom it can otherwise be lawfully distributed, or all such persons together, Relevant Persons. Any investment or investment activity to which this prospectus relates is available only to and will be engaged in only with Relevant Persons, and any person who is not a Relevant Person should not rely on it.

LEGAL MATTERS

Cooley LLP, San Francisco, California, will pass upon the validity of the shares of Class A common stock being offered by this prospectus for us. As of the date of this prospectus, GC&H Investments, LLC and GC&H Investments, which are entities comprised of current and former partners and associates of Cooley LLP, beneficially own an aggregate of 42,476 shares of our Class B common stock (on an as-converted basis). Latham & Watkins LLP, New York, New York is acting as counsel to the underwriters in connection with this offering.

EXPERTS

The consolidated financial statements as of December 31, 2019 and 2020, and for each of the two years in the period ended December 31, 2020, included in this prospectus have been audited by Deloitte & Touche LLP, an independent registered public accounting firm, as stated in their report appearing herein. Such financial statements have been so included in reliance upon the report of such firm given upon their authority as experts in accounting and auditing.

WHERE YOU CAN FIND MORE INFORMATION

We have filed with the Securities and Exchange Commission, or SEC, a registration statement on Form S-1, including exhibits and schedules, under the Securities Act, with respect to the shares of Class A common stock being offered by this prospectus. This prospectus, which constitutes part of the registration statement, does not contain all of the information in the registration statement and its exhibits. For further information with respect to us and the Class A common stock offered by this prospectus, we refer you to the registration statement and its exhibits. Statements contained in this prospectus as to the contents of any contract or any other document referred to are not necessarily complete and, in each instance, we refer you to the copy of the contract or other document filed as an exhibit to the registration statement. Each of these statements is qualified in all respects by this reference.

You can read our SEC filings, including the registration statement, over the internet at the SEC's website at www.sec.gov.

Upon the completion of this offering, we will be subject to the information reporting requirements of the Securities Exchange Act of 1934, as amended, and we will file reports, proxy statements and other information with the SEC. We also maintain a website at allbirds.com, at which, following the completion of this offering, you may access these materials free of charge as soon as reasonably practicable after they are electronically filed with, or furnished to, the SEC. Information contained on, or that can be accessed through, our website is not incorporated by reference in this prospectus, and you should consider information on our website to be part of this prospectus. The inclusion of our website address in this prospectus is an inactive textual reference only.

ALLBIRDS, INC.

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REPORT OF INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM

To the Stockholders and the Board of Directors of Allbirds, Inc.:

Opinion on the Financial Statements

We have audited the accompanying consolidated balance sheets of Allbirds, Inc. and subsidiaries (the "Company") as of December 31, 2019 and 2020, the related consolidated statements of operations and comprehensive loss, convertible preferred stock and stockholders' deficit, and cash flows for each of the two years in the period ended December 31, 2020, and the related notes (collectively referred to as the "financial statements"). In our opinion, the financial statements present fairly, in all material respects, the financial position of the Company as of December 31, 2019 and 2020, and the results of its operations and its cash flows for each of the two years in the period ended December 31, 2020, in conformity with accounting principles generally accepted in the United States of America.

Basis for Opinion

These financial statements are the responsibility of the Company's management. Our responsibility is to express an opinion on the Company's financial statements based on our audits. We are a public accounting firm registered with the Public Company Accounting Oversight Board (United States) ("PCAOB") and are required to be independent with respect to the Company in accordance with the U.S. federal securities laws and the applicable rules and regulations of the Securities and Exchange Commission and the PCAOB.

We conducted our audits in accordance with the standards of the PCAOB and 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 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 financial statements, whether due to error or fraud, and performing procedures that respond to those risks. Such procedures included examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements. Our audits also included evaluating the accounting principles used and significant estimates made by management, as well as evaluating the overall presentation of the financial statements. We believe that our audits provide a reasonable basis for our opinion.

/s/ Deloitte & Touche LLP

San Francisco, California
June 16, 2021

We have served as the Company's auditor since 2016.

ALLBIRDS, INC

CONSOLIDATED BALANCE SHEETS
AS OF DECEMBER 31, 2019 AND 2020
(In thousands, except share and per share amounts)

	December 31, 2019	December 31, 2020
ASSETS		
CURRENT ASSETS:		
Cash and cash equivalents	$ 74,312	$ 126,551
Accounts receivable	1,164	1,955
Inventory	44,327	59,222
Prepaid expenses and other current assets	14,762	27,112
Total current assets	134,565	214,840
PROPERTY AND EQUIPMENT—Net	16,583	23,301
OTHER ASSETS	3,435	5,902
TOTAL ASSETS	$ 154,583	$ 244,043
LIABILITIES, CONVERTIBLE PREFERRED STOCK, AND STOCKHOLDERS' DEFICIT		
CURRENT LIABILITIES:		
Accounts payable	$ 29,819	$ 20,236
Accrued expenses and other current liabilities	19,705	31,491
Deferred revenue	2,120	2,925
Total current liabilities	51,644	54,652
NONCURRENT LIABILITIES:		
Other long-term liabilities	3,161	5,004
Preferred stock warrant liability	6,594	5,845
Total noncurrent liabilities	9,755	10,849
Total liabilities	61,399	65,501
COMMITMENTS AND CONTINGENCIES (Note 15)		
Convertible Preferred Stock, $0.0001 par value; 67,164,055 and 75,812,755 shares authorized as of December 31, 2019 and 2020, respectively; 62,187,015 and 70,990,919 shares issued and outstanding as of December 31, 2019 and 2020, respectively	102,302	204,049
STOCKHOLDERS' DEFICIT:		
Common stock, $0.0001 par value; 145,000,000 and 154,379,258 shares authorized as of December 31, 2019 and 2020, respectively; 53,690,145 and 53,683,269 shares issued; 53,690,145 and 53,683,269 shares outstanding as of December 31, 2019 and 2020, respectively	5	5
Additional paid-in capital	57,322	64,548
Accumulated other comprehensive (loss) income	(289)	1,956
Accumulated deficit	(66,156)	(92,016)
Total stockholders' deficit	(9,118)	(25,507)
TOTAL LIABILITIES, CONVERTIBLE PREFERRED STOCK, AND STOCKHOLDERS' DEFICIT	$ 154,583	$ 244,043

See accompanying notes to consolidated financial statements.

ALLBIRDS, INC

CONSOLIDATED STATEMENTS OF OPERATIONS AND COMPREHENSIVE LOSS
FOR THE YEARS ENDED DECEMBER 31, 2019 AND 2020
(In thousands, except share and per share amounts)

	December 31, 2019	December 31, 2020
Net Revenue	$ 193,673	$ 219,296
Cost of Revenue	94,839	106,555
Gross Profit	98,834	112,741
OPERATING EXPENSE:		
Selling, General, and Administrative Expense	63,485	86,694
Marketing Expense	44,362	55,271
TOTAL OPERATING EXPENSE	107,847	141,965
LOSS FROM OPERATIONS	(9,013)	(29,224)
Interest Expense	(96)	(297)
Other Expense	(1,743)	(452)
Loss Before Provision For Income Taxes	(10,852)	(29,973)
INCOME TAX (PROVISION) BENEFIT	(3,675)	4,113
NET LOSS	$ (14,527)	$ (25,860)
OTHER COMPREHENSIVE (LOSS) INCOME:		
Foreign currency translation (loss) gain	(37)	2,245
TOTAL COMPREHENSIVE LOSS	$ (14,564)	$ (23,615)
PER SHARE DATA		
Net loss per share attributable to common stockholders, basic and diluted	$ (0.28)	$ (0.49)
Weighted average shares used in computing net loss per share attributable to common stockholders, basic and diluted	51,469,007	53,005,424

See accompanying notes to consolidated financial statements.

ALLBIRDS, INC

CONSOLIDATED STATEMENTS OF CONVERTIBLE PREFERRED STOCK AND STOCKHOLDERS' DEFICIT
FOR THE YEARS ENDED DECEMBER 31, 2019 AND 2020
(In thousands, except share amounts)

	Common Stock		Additional Paid-In Capital	Accumulated Other Comprehensive (Loss) Income	Accumulated Deficit	Total Stockholders' Deficit	Convertible Preferred Stock	
	Shares	Amount					Shares	Amount
BALANCE - January 1, 2019	48,918,160	$ 5	$ 52,297	$ (252)	$ (52,384)	$ (334)	60,239,135	$ 77,331
Issuance of Series D Preferred Stock (net of $129 issuance costs)	—	—	—	—	—	—	1,947,880	24,971
Cumulative effect of change in accounting principle (Note 2)	—	—	—	—	755	755	—	—
Exercise of stock options	1,021,985	—	588	—	—	588	—	—
Vesting of founder's common stock	3,750,000	—	113	—	—	113	—	—
Vesting of warrants	—	—	191	—	—	191	—	—
Stock-based compensation	—	—	4,133	—	—	4,133	—	—
Comprehensive loss	—	—	—	(37)	—	(37)	—	—
Net loss	—	—	—	—	(14,527)	(14,527)	—	—
BALANCE - December 31, 2019	53,690,145	5	57,322	(289)	(66,156)	(9,118)	62,187,015	102,302
Issuance of Series D Preferred Stock (net of $78 issuance costs)	—	—	—	—	—	—	155,209	1,922
Issuance of Series E Preferred Stock (net of $174 issuance costs)	—	—	—	—	—	—	8,648,695	99,825
Exercise of stock options	492,604	—	440	—	—	440	—	—
Repurchase of unvested common stock shares	(499,480)	—	—	—	—	—	—	—
Vesting of warrants	—	—	192	—	—	192	—	—
Stock-based compensation	—	—	6,594	—	—	6,594	—	—
Comprehensive income	—	—	—	2,245	—	2,245	—	—
Net loss	—	—	—	—	(25,860)	(25,860)	—	—
BALANCE - December 31, 2020	53,683,269	$ 5	$ 64,548	$ 1,956	$ (92,016)	$ (25,507)	70,990,919	$ 204,049

See accompanying notes to consolidated financial statements.

ALLBIRDS, INC

CONSOLIDATED STATEMENTS OF CASH FLOWS
FOR THE YEARS ENDED DECEMBER 31, 2019 AND 2020
(In thousands)

	December 31, 2019	December 31, 2020
CASH FLOWS FROM OPERATING ACTIVITIES:		
Net Loss	(14,527)	(25,860)
Adjustments to reconcile net loss to net cash uses in operating activities:		
Depreciation and amortization	3,378	7,088
Amortization of debt issuance costs	41	49
Stock-based compensation	4,246	6,784
Warrant expense	(202)	—
Deferred taxes	3,038	(39)
Change in fair value of preferred stock warrant liability	1,329	(749)
Changes in assets and liabilities:		
Accounts receivable	(57)	(740)
Inventory	(10,827)	(13,867)
Prepaid expenses and other current assets	(4,746)	(8,784)
Accounts payable and accrued expenses	16,162	1,249
Other long-term liabilities	1,470	1,944
Deferred revenue	737	812
Net cash provided by (used in) operating activities	42	(32,113)
CASH FLOWS FROM INVESTING ACTIVITIES:		
Purchase of property and equipment	(13,122)	(14,350)
Investment in equity securities	—	(2,000)
Changes in security deposits	(2,056)	(2,396)
Net cash used in investing activities	(15,178)	(18,746)
CASH FLOWS FROM FINANCING ACTIVITIES:		
Proceeds from the issuance of preferred stock, net of issuance costs	24,971	101,749
Payment of debt issuance costs	(248)	—
Proceeds from bank loans	—	18,294
Principal payments on bank loans	—	(18,294)
Proceeds from the exercise of stock options	588	440
Other	393	—
Net cash provided by financing activities	25,704	102,189
EFFECT OF FOREIGN EXCHANGE RATE CHANGES ON CASH AND CASH EQUIVALENTS	(37)	909
NET INCREASE IN CASH, CASH EQUIVALENTS, AND RESTRICTED CASH	10,531	52,239
CASH, CASH EQUIVALENTS AND RESTRICTED CASH- Beginning of year	64,481	75,012
CASH, CASH EQUIVALENTS AND RESTRICTED CASH— End of year	75,012	$ 127,251
SUPPLEMENTAL DISCLOSURES OF CASH FLOW INFORMATION:		
Cash paid for interest	$ 55	$ 235
Cash paid for taxes	$ 179	$ 110
NONCASH INVESTING AND FINANCING ACTIVITIES:		
Purchase of property and equipment included in accrued liabilities	$ 677	$ 138
Repurchase of stock options	$ —	$ 640
Reconciliation of cash, cash equivalents, and restricted cash to the consolidated balance sheets		
Cash and cash equivalents	$ 74,312	$ 126,551
Restricted cash, recorded in prepaid expenses and other current assets	700	700
Total cash, cash equivalents and restricted cash	$ 75,012	$ 127,251

See accompanying notes to consolidated financial statements.

1. DESCRIPTION OF BUSINESS

DESCRIPTION OF BUSINESS Allbirds, Inc. ("Allbirds" and, together with its wholly owned subsidiaries, the "Company," "we," "our") was incorporated in the state of Delaware on May 6, 2015. Allbirds is a global lifestyle brand that innovates with naturally derived materials to make better footwear and apparel products in a better way, while treading lighter on our planet. The majority of our revenue is from sales directly to consumers via our digital and store channels.

Impacts of the Coronavirus ("COVID-19") Pandemic

In December 2019, a novel strain of coronavirus ("COVID-19") was reported, and during 2020 expanded into a worldwide pandemic, leading to significant business and supply chain disruptions. The outbreak was declared a global pandemic by the World Health Organization in March 2020 and has caused governments and public health officials to impose restrictions and to recommend precautions to mitigate the spread of the virus.

In March 2020, we temporarily closed our retail stores. The stores began reopening in accordance with local government and public health authority guidelines, during the second quarter of 2020 for most locations. Most retail stores have remained open, while certain locations have temporarily closed based on government and health authority guidance in those markets. No retail stores have been permanently closed.

Throughout the rest of 2020, our distribution centers and retail stores operated with restrictive and precautionary measures in place such as reduced operating hours, physical distancing, enhanced cleaning and sanitation, and limited occupancy levels.

In response to the COVID-19 pandemic, various government programs have been announced which provide financial relief for affected businesses. The most significant relief measures which we qualified for are the Employee Retention Credit under the Coronavirus Aid, Relief, and Economic Security Act ("CARES Act") in the United States. During fiscal 2020 we recognized payroll subsidies totaling $0.2 million under the wage subsidy programs and similar plans in other jurisdictions. These subsidies were recorded as a reduction in the associated wage costs which we incurred, and were recognized in selling, general and administrative expense. In addition, in April 2020, we received notification of approval, through JPMorgan Chase Bank, N.A., from the U.S. Small Business Administration ("SBA") to fund our request for a loan under the SBA's Paycheck Protection Program ("PPP Loan") created as part of the CARES Act. We received proceeds of $4.3 million from the PPP Loan in April 2020 and repaid the amount in full in May 2020.

Temporary closures of all stores as a result of COVID-19 and associated reduction in operating income during fiscal 2020 was considered to be a qualitative indicator of impairment and we performed an assessment of recoverability by asset group for long-lived assets. As a result of the analysis, no impairment charge was considered necessary.

2. SIGNIFICANT ACCOUNTING POLICIES

Basis of preparation—The consolidated financial statements have been presented in U.S. dollars and prepared in accordance with United States generally accepted accounting principles ("GAAP").

Principles of Consolidation—The consolidated financial statements include the accounts of Allbirds, Inc. and our wholly owned subsidiaries. All intercompany balances and transactions have been eliminated in consolidation.

Use of Estimates—The preparation of financial statements in conformity with GAAP requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities at the date of the financial statements and reported amounts of revenues and expenses during the reporting period. Actual results could differ from these estimates.

Cash and Cash Equivalents—We consider all highly liquid investments with an original maturity date of three months or less as cash equivalents. As of December 31, 2019 and 2020, cash and cash equivalents consist of cash deposited with banks. We place our cash and cash equivalents with several high credit quality financial

institutions which, at times, may be in excess of Federal Deposit Insurance Corporation ("FDIC") insurance limits. We have not experience any losses in such accounts and periodically evaluate the credit worthiness of the financial institutions. Our foreign bank accounts are not subject to FDIC insurance.

Accounts Receivable—Accounts receivable results from credit card deposits in transit at the balance sheet date, the majority of which are settled within 2-3 business days.

Inventory—Inventory consists of finished goods, stated at the lower of cost or net realizable value. We value our inventory using the weighted-average cost method and include product cost from our supplier, freight, import duties and other landing costs.

We periodically review inventory and make provisions as necessary to appropriately value slow-moving, damaged, and excess inventory. To determine if the value of inventory requires a write-down, we estimate the market value of inventory by considering current and anticipated demand, customer preferences and buying trends, and the age of the merchandise. For the periods ended December 31, 2019 and 2020, we recorded an inventory provision of $1.3 million and $1.2 million respectively.

Actual shrinkage is recorded throughout the year based on the results of physical inventory counts. We recorded write-downs of $1.9 million and $2.3 million in cost of revenue in the consolidated statements of operations and comprehensive loss for the years ended December 31, 2019 and 2020, respectively.

Property and Equipment—Property and equipment are stated at cost. Depreciation and amortization are computed using the straight-line method over the estimated useful lives of the respective assets, generally three to five years. Leasehold improvements are amortized over the shorter of estimated useful lives of the assets or the term of the associated property lease. Expenditures for repairs and maintenance are charged to expense as incurred. Upon disposition, the cost and related accumulated depreciation are removed from the accounts, and the resulting gain or loss is reflected in the consolidated statements of operations and comprehensive loss as selling, general, and administrative expense.

Useful lives by major asset classes are below:

	Estimate Useful Lives
Computers and equipment	3 years
Furniture and fixtures	3 years
Machinery and equipment	5 years
Internal use software	3 years
Leasehold improvements	5 years

Capitalized Internal Use Software—Costs of software developed for internal use is accounted for in accordance with Financial Accounting Standards Board ("FASB") Accounting Standards Codification ("ASC") Subtopic 350-40, *Internal-Use Software*. Capitalization of costs begins when the preliminary project stage is completed, management authorizes and commits to funding the computer software project, it is probable that the project will be completed, and the software will be used to perform the function intended. Such costs are capitalized in the period incurred. Capitalization ceases at the point when the project is substantially complete and ready for its intended use. The capitalized costs are amortized using the straight-line method over the estimated useful lives of the software, which is generally three years. For the years ended December 31, 2019 and 2020, we capitalized $1.4 million and $5.7 million, respectively, in internal use software recorded in property and equipment in the consolidated balance sheets.

Long-Lived Assets—We evaluate the recoverability of property and equipment and other long-lived assets, including identifiable intangible assets with definite lives, whenever events or changes in circumstances indicate that the carrying amount of an asset may not be recoverable. Recoverability of assets held and used is measured by comparing the carrying amount of an asset or an asset group to the estimated undiscounted future net cash flows expected to be generated by the asset or asset group. If the carrying amount of an asset or asset group exceeds these

estimated future cash flows, an impairment charge is recognized as the amount by which the carrying amount of the assets exceeds the fair value of the asset or asset group, based on discounted cash flows. Assets to be disposed of are reported at the lower of their carrying amount or fair value less cost to sell. There were no impairment losses recorded for the years ended December 31, 2019 and 2020.

Segments - Operating segments are defined as components of an entity for which separate financial information is available and that is regularly reviewed by our chief operating decision maker ("CODM"), in deciding how to allocate resources to an individual segment and in assessing performance. Our CODMs are the co-Chief Executive Officers. We operate in one operating segment and one reportable segment, as the CODMs review financial information presented on an aggregate basis for purposes of making operating decisions, allocating resources, and evaluating financial performance.

Revenue Recognition—We adopted FASB ASC 606, *Revenue from Contracts with Customers*, effective January 1, 2019 using the modified retrospective method. ASC 606 supersedes the revenue recognition requirements in FASB ASC 605, *Revenue Recognition*. Results for the years ended December 31, 2019 and 2020 are presented under ASC 606, while prior period amounts were not adjusted and continue to be reported in accordance with ASC 605. Upon adoption of ASC 606, we recorded a cumulative-effect adjustment to reduce beginning accumulated deficit by $0.8 million as of January 1, 2019, due to the change in the timing of the recognition of deferred revenue. The impact of applying ASC 606 was not material to our consolidated financial statements for the year ended December 31, 2019.

We recognize revenue through the following steps: (1) identification of the contract, or contracts, with the customer; (2) identification of the performance obligations in the contract; (3) determination of the transaction price; (4) allocation of the transaction price to the performance obligations in the contract; and (5) recognition of revenue when, or as, we satisfy a performance obligation.

Revenue transactions associated with the sale of our inventory comprise a single performance obligation which consists of the sale of products to customers through our channels. Payment is due at the time of purchase, without significant financing components. The consideration received from customers is not variable. We recognize revenue when we satisfy our performance obligations by transferring control of the promised goods to the customer. This occurs at the time products are shipped to customers for orders placed online, and at the point of sale for retail sales in the store. This transfer of control represents a single deliverable and revenue is recognized at a point in time. We account for shipping and handling fees charged to customers as revenue and we account for shipping and handling costs as fulfillment costs. We recognize the revenue and cost associated with shipping and handling at the time the products are shipped to the customer. Discounts provided to customers are accounted for as a reduction of revenue. Revenues are presented net of any taxes collected from customers and remitted to governmental authorities.

We have two types of contractual liabilities: (i) cash collections of purchases via our digital channel, which are included in deferred revenue and are recognized as revenue upon shipment; and (ii) unredeemed gift cards and merchandise credits, which are included in deferred revenue and recognized as revenue upon redemption.

Gift cards sold to customers do not carry an expiration date and are recorded as deferred revenue until they are redeemed, at which point revenue is recognized. From historical experience, a majority of gift cards are redeemed within a 12-month period from the card issuance date.

For the year ended December 31, 2019 and 2020, we recognized $1.4 million and $2.1 million, respectively of revenue that was deferred as of December 31, 2018 and 2019. As of December 31, 2019 and 2020, we had $0.3 million and $0.7 million, respectively, in cash collections of purchases via our digital channel which had not yet shipped, and $1.8 million and $2.2 million, respectively, in gift card liabilities included in deferred revenue in the consolidated balance sheets. The deferred revenue balance of $2.9 million at December 31, 2020 is expected to be recognized over the next 12 months.

We record a reserve for estimated product returns, based upon historical return trends, in each reporting period against revenue, as a component of net revenue, with an offsetting increase to accrued expenses. We recorded a sales refund reserve of $5.7 million and $5.2 million as of December 31, 2019 and 2020, respectively. We have also recorded a related inventory returns receivable, with an offsetting decrease to cost of revenue, for product returns of

$1.6 million and $1.4 million as of December 31, 2019 and 2020, respectively. The inventory returns receivable is included in prepaid expenses and other current assets as of December 31, 2019 and 2020 in the consolidated balance sheets.

We recognized the following net revenue by geographic area based on the primary shipping address of the customer where the sale was made in our digital channel, and based on the physical store location where the sale was at a retail store. The following table disaggregates the Company's net revenue by geographic area, where no individual foreign country contributed in excess of 10% of net revenue for the years ended December 31, 2019 and 2020:

(in thousands)	December 31, 2019	December 31, 2020
Net revenue by primary geographical market:		
United States	$ 166,579	$ 166,960
International	27,094	52,336
Total	$ 193,673	$ 219,296

Cost of Revenue—Cost of revenue primarily consists of the cost of purchased inventory, inbound and outbound shipping costs, import duties, and distribution center and related equipment costs. Shipping costs to receive products from our suppliers are included in the cost of inventory and recognized as cost of revenue upon sale of products to our customers.

Selling, General, and Administrative Expense—Selling, general, and administrative expense consists of personnel and related expenses, as well as third-party consulting and contractor expenses. It also includes rent expense and associated utilities, depreciation and amortization expense, software costs, third-party professional fees, payment processing fees and other general expenses.

Marketing Expense—Marketing expense consists of advertising costs and is expensed as incurred.

Stock-Based Compensation—Stock-based compensation expense related to stock awards is recognized based on the fair value of the awards granted. The fair value of each option award is valued on the grant date using the Black-Scholes option pricing model. 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 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 option awards represent managements best estimates. These estimates involve inherent uncertainties and the application of management's judgment. The related stock-based compensation expense is recognized on a straight-line basis over the requisite service period.

We adopted FASB Accounting Standards Update ("ASU") 2018-07, *Compensation-Stock Compensation (Topic 718): Improvements to Nonemployee Share-Based Payment Accounting*, on January 1, 2019, and the accounting for stock-based awards granted to non-employees were accounted for in accordance with FASB ASC 718, *Compensation—Stock Compensation* ("ASC 718") on a prospective basis. The ASU expanded the scope of ASC 718 to include share-based payment transactions for acquiring goods and services from non-employees. Accordingly, we have applied ASC 718 to non-employee awards, except for specific guidance on inputs to an option pricing model and the attribution of cost (that is, the period of time over which share-based payment awards vest and the pattern of cost recognition over that period).

Income Taxes—We record deferred tax assets and liabilities based on differences between the book and tax bases of assets and liabilities. The deferred tax assets and liabilities are calculated by applying enacted tax rates and laws to taxable years in which such differences are expected to reverse. We determine whether a valuation allowance is necessary in accordance with the provisions of the FASB ASC 740, *Income Taxes*. We recognize the benefits from our deferred tax assets only when an analysis of both positive and negative factors indicate that it is more likely than not that the benefits will be realized.

Our estimate of the potential outcome of any uncertain tax position is subject to our assessment of relevant risks, facts, and circumstances existing at that time. Obtaining new information, settlements with tax authorities and the expiration of statutes of limitations may cause adjustments in income tax expense in the period this occurs.

Comprehensive (Loss) Income—Comprehensive (loss) income represents net loss for the period plus the results of certain other changes in stockholder's deficit. For the years ended December 31, 2019 and December 31, 2020, we recorded other comprehensive loss of $0.0 million and income of $2.2 million, respectively, as a result of foreign currency translation adjustments, particularly changes in the euro, Chinese yuan, British pound, and New Zealand dollar.

Foreign Currency Translation and Transactions—Adjustments resulting from translating foreign functional currency financial statements of our global subsidiaries into U.S. dollars are included in the foreign currency translation adjustment in accumulated other comprehensive (loss) income. The remeasurement of our global subsidiaries' assets and liabilities, which are denominated in a foreign currency, are recorded in other expense, within the consolidated statements of operations and comprehensive loss.

Fair Value Measurements—FASB ASC 820, *Fair Value Measurements*, defines fair value, establishes a framework for measuring fair value under GAAP, and enhances disclosures about fair value measurements. It clarifies that fair value is an exit price, representing the amount that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants. As such, fair value is a market-based measurement that should be determined based on assumptions that market participants would use in pricing an asset or liability. As a basis for considering such assumptions, ASC 820 establishes a three-tier value hierarchy, which prioritizes the inputs used in measuring fair value as follows:

Level 1—Observable inputs, such as quoted prices in active markets

Level 2—Inputs other than the quoted prices in active markets that are observable either directly or indirectly

Level 3—Unobservable inputs in which there is little or no market data, which requires us to develop our own assumptions.

This hierarchy requires us to use observable market data, when available, and to minimize the use of unobservable inputs when determining fair value. Refer to Note 8 Fair Value Measurements for disclosure details.

Fair Value of Common Stock and Convertible Preferred Stock—Prior to our initial public offering, given the absence of a public trading market of our common stock, and in accordance with the American Institute of Certified Public Accountants Accounting and Valuation Guide, Valuation of Privately-Held Company Equity Securities Issued as Compensation, our board of directors exercised reasonable judgment and considered numerous and subjective factors to determine the best estimate of fair value of our common stock, including:

a. independent third-party valuations of our common stock;

b. the prices at which we sold our common and convertible preferred stock to outside investors in arms-length transactions ;

c. the rights, preferences, and privileges of our convertible preferred stock relative to those of our common stock;

d. our results of operations, financial position, and capital resources;

e. industry outlook;

f. the lack of marketability of our common stock;

g. the fact that the option grants involve illiquid securities in a private company;

h. the likelihood of achieving a liquidity event, such as an initial public offering or a sale of our company, given prevailing market conditions;

i. the history and nature of our business, industry trends, and competitive environment; and

j. general economic outlook including economic growth, inflation and unemployment, interest rate environment, and global economic trends.

In valuing our common stock, our board of directors determines the equity value of our business using various valuation methods, including the sale of preferred stock to unrelated third parties and combinations of income and market approaches, with input from management. The income approach estimates value based on the expectation of future cash flows that a company will generate. These future cash flows are discounted to their present values using a discount rate derived from an analysis of the cost of capital of comparable publicly traded companies in our industry or similar business operations as of each valuation date and is adjusted to reflect the risks inherent in our cash flows. For each valuation, the equity value determined by the income and market approaches is allocated to the common stock using either the option pricing method, ("OPM"), or a hybrid method. The hybrid method is a hybrid of the probability weighted expected return method ("PWERM") and the OPM.

The OPM is based on a Black-Scholes option pricing model, which allows for the identification of a range of possible future outcomes, each with an associated probability. The OPM is appropriate to use when the range of possible future outcomes is difficult to predict and thus creates highly speculative forecasts. PWERM involves a forward-looking analysis of the possible future outcomes of the enterprise. This method is particularly useful when discrete future outcomes can be predicted at a relatively high confidence level with a probability distribution. Discrete future outcomes considered under the PWERM include an initial public offering, as well as other market-based outcomes. Determining the fair value of the enterprise using the PWERM requires us to develop assumptions and estimates for both the probability of an initial public offering liquidity event and stay private outcomes, as well as the expected values those outcomes could yield. Our valuations prior to and as of December 31, 2020 were based on the OPM.

In addition, we also considered any secondary transactions involving our capital stock. In our evaluation of those transactions, we considered the facts and circumstances of each transaction to determine the extent to which they represented a fair value exchange. Factors considered include transaction volume, timing, whether the transactions occurred among willing and unrelated parties, and whether the transactions involved investors with access to our financial information.

Recent Accounting Pronouncements—As an "emerging growth company," the Jumpstart Our Business Startups Act, or the JOBS Act, allows us to delay adoption of new or revised accounting pronouncements applicable to public companies until such pronouncements are made applicable to private companies. For certain pronouncements, we have elected to use the adoption dates applicable to private companies. As a result, our financial statements may not be comparable to the financial statements of issuers who are required to comply with the effective date for new or revised accounting standards that are applicable to public companies.

Recently Adopted Accounting Pronouncements

In November 2016, the FASB, issued Accounting Standards Update No. 2016-18, *Statement of Cash Flows (Topic 230): Restricted Cash* ("ASU 2016-18"). ASU 2016-18 requires restricted cash be included with cash and cash equivalents when reconciling the total beginning and ending amounts on the statement of cash flows. The standard also requires companies who report cash and restricted cash separately on the balance sheet to reconcile those amounts to the statement of cash flows. We adopted ASU 2016-18 as of January 1, 2019. Restricted cash serves as collateral for corporate card program obligations of the Company. The restricted funds consist of bank deposits and cannot be withdrawn from our account without the prior written consent of the secured parties. The restricted cash is classified as short-term based on the timing of expected payments on the corporate card program.

In August 2018, the FASB issued Accounting Standards Update No. 2018-13, *Fair Value Measurement (Topic 820), Disclosure Framework—Changes to the Disclosure Requirements for Fair Value Measurement*, ("ASU 2018-13"). This update removed the following disclosure requirements: (1) the amount of and reasons for transfers between Level 1 and Level 2 of the fair value hierarchy; (2) the policy for timing of transfers between levels; and (3) the valuation processes for Level 3 fair value measurements. Additionally, this update added the following disclosure requirements: (1) the changes in unrealized gains and losses for the period included in other

comprehensive income and loss for recurring Level 3 fair value measurements held at the end of the reporting period; (2) the range and weighted average of significant unobservable inputs used to develop Level 3 fair value measurements. For certain unobservable inputs, an entity may disclose other quantitative information (such as the median or arithmetic average) in lieu of the weighted average if the entity determines that other quantitative information would be a more reasonable and rational method to reflect the distribution of unobservable inputs used to develop Level 3 fair value measurements. ASU 2018-13 was effective for fiscal years beginning after December 15, 2019 with early adoption permitted. We adopted this update as of January 1, 2020, and noted no effect on the financial statements and related disclosures.

Recently Issued Accounting Pronouncements

In February 2016, the FASB issued Accounting Standards Update No. 2016-02, *Leases (Topic 842)* ("ASU 2016-02"), which requires recognition of lease assets and lease liabilities in the balance sheet by the lessees for lease contracts with a lease term of more than 12 months. ASU 2016-02 should be applied on a modified retrospective basis and is effective for financial statements issued for fiscal years beginning after December 15, 2021, and interim periods within those fiscal years. Early adoption is permitted. We are currently evaluating the impact of adoption of this standard on our consolidated financial statements and disclosures.

In August 2018, the FASB issued Accounting Standards Update No. 2018-15, *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* ("ASU 2018-15"). In discussing the topic of cloud computing accounting, ASU 2018-15 aligns the accounting for costs incurred to implement a cloud computing arrangement that is a service arrangement with the guidance on capitalizing costs associated with developing or obtaining internal-use software. The ASU can be applied on a retrospective or prospective basis and is effective for financial statements issued for fiscal years beginning after December 15, 2020, and interim periods within those fiscal years. Early adoption is permitted. We are currently evaluating the impact of adoption of this standard on our consolidated financial statements and disclosures.

In December 2019, the FASB issued Accounting Standards Update 2019-12, *Income Taxes (Topic 740): Simplifying the Accounting for Income Taxes* ("ASU 2019-12"), which is intended to simplify various aspects related to accounting for income taxes. ASU 2019-12 removes certain exceptions to the general principles in Topic 740 and also clarifies and amends existing guidance to improve consistent application. ASU 2019-12 is effective for public business entities for fiscal years beginning after December 15, 2021, with early adoption permitted. We are currently evaluating the impact of adoption of this standard on our consolidated financial statements and disclosures.

3. INVENTORY

(in thousands)	December 31, 2019	December 31, 2020
Finished goods	$ 45,583	$ 60,447
Reserve to reduce inventories to net realizable value	(1,256)	(1,225)
Inventory	$ 44,327	$ 59,222

4. PROPERTY AND EQUIPMENT - NET

Property and equipment consisted of the following as of December 31, 2019 and 2020:

(in thousands)	December 31, 2019	December, 31 2020
Leasehold improvements	$ 13,953	$ 18,568
Furniture and fixtures	3,467	6,209
Internal use software	3,310	9,031
Machinery and equipment	488	676
Computers and equipment	382	618

	21,600	35,102
Less accumulated depreciation and amortization	(5,017)	(11,801)
	$ 16,583	$ 23,301

Depreciation and amortization expense for the years ended December 31, 2019 and 2020, was approximately $3.4 million and $6.7 million, respectively recognized in selling, general and administrative expense in the consolidated statements of operations and comprehensive loss. There were no assets disposed of in the years ended December 31, 2019 and 2020. As of December 31, 2019 and 2020, unamortized capitalized internal use software costs were $2.2 million and $6.7 million, respectively.

Geographic Information

The following table summarizes our long-lived assets by geographic area, which consist of property and equipment, net. No individual foreign country represented in excess of 10% of total long-lived assets balance for the years ended December 31, 2019, and 2020:

(in thousands)	December 31, 2019	December 31, 2020
Long-lived assets:		
United States	$ 13,003	$ 19,091
International	3,580	4,210
Total	$ 16,583	$ 23,301

5. PREPAID EXPENSES AND OTHER CURRENT ASSETS

Prepaid expenses and other current assets consisted of the following as of December 31, 2019 and 2020:

(in thousands)	December 31, 2019	December 31, 2020
Accounts and other receivable	$ 1,377	$ 2,416
Inventory returns receivable	1,636	1,376
Security deposits	135	551
Prepaid expenses	3,975	4,118
Tax receivable	6,939	17,951
Restricted cash	700	700
	$ 14,762	$ 27,112

6. OTHER ASSETS

Other assets consisted of the following as of December 31, 2019 and 2020:

(in thousands)	December 31, 2019	December 31, 2020
Investment in equity securities	$ —	$ 2,000
Security deposits	2,838	2,457
Intangible assets	77	935
Debt issuance costs	206	156
Deferred tax assets	314	354
	$ 3,435	$ 5,902

Investment in equity securities - On November 20, 2020, we entered into an agreement to make a minority equity investment of $2 million in Natural Fiber Welding, Inc. in exchange for 201,207 shares of Series A-3

Preferred Stock. Our investment is carried at cost, less any impairment, plus or minus changes resulting from observable price changes in orderly transactions for an identical or similar investment of the same issuer. Throughout the year, we assess whether impairment indicators exist to trigger the performance of an impairment analysis. There were no impairment charges for the year ended December 31, 2020.

Intangible assets include intellectual property purchased from West Harbor Technologies, LLC for $1.3 million, including transaction costs of $0.1 million, in January 2020. The intangible asset has an estimated useful life of 3 years and the depreciation and amortization charge of $0.4 million is recognized in selling, general and administrative expense in the consolidated statements of operations and comprehensive loss.

7. ACCRUED EXPENSES AND OTHER CURRENT LIABILITIES

Accrued expenses consisted of the following as of December 31, 2019 and 2020:

(in thousands)	December 31, 2019	December 31, 2020
Sales-refund reserve	$ 5,679	$ 5,249
Taxes payable	6,662	11,998
Employee-related liabilities	3,170	3,581
Accrued expenses	4,194	10,663
	$ 19,705	$ 31,491

8. FAIR VALUE MEASUREMENTS

We record cash and cash equivalents, accounts receivable, accounts payable, and accrued expenses at cost. The carrying values of these instruments approximate their fair value due to their short-term maturities.

Refer to Note 2, Significant Accounting Policies, for additional detail regarding our fair value measurement methodology.

The following tables present information about our financial assets and liabilities measured at fair value on a recurring basis as of December 31, 2019 and 2020 and indicate the level in the fair value hierarchy in which we classify the fair value measurement.

	December 31, 2019			
(in thousands)	Level 1	Level 2	Level 3	Total
Liabilities				
Warrant liability	$ —	$ —	$ 6,594	$ 6,594
	$ —	$ —	$ 6,594	$ 6,594

	December 31, 2020			
(in thousands)	Level 1	Level 2	Level 3	Total
Liabilities				
Warrant liability	$ —	$ —	$ 5,845	$ 5,845
	$ —	$ —	$ 5,845	$ 5,845

Warrant Liability - the fair value of our preferred stock warrant liability is based on significant unobservable inputs, which represent Level 3 measurements within the fair value hierarchy. In determining the fair value of the convertible preferred stock warrant liability, we used the probability weighted average values from (i) a Black-Scholes calculation and (ii) an option pricing model. We measure and report our preferred stock warrant liability at the estimated fair value on a recurring basis. As discussed further in Note 11, the preferred stock warrant liability was estimated using assumptions related to the remaining contractual term of the warrants, the risk-free interest rate and volatility of our comparable public companies over the remaining term, and the fair value of underlying shares. The significant unobservable inputs used in the fair value measurement of the preferred stock warrant liability are

the fair value of the underlying stock at the valuation date and the estimated term of the warrants. The value from the Black-Scholes calculation reflects the value in an initial public offering scenario with the contractual term of the warrants, which was weighted by management's estimated probability of a potential initial public offering at the applicable valuation date. The value from the option pricing model reflects the value in an alternative exit scenario at which point the warrants were expected to be exercised. Generally, increases (decreases) in the fair value of the underlying stock and estimated term would result in a directionally similar impact to the fair value measurement.

The following table presents a summary of the changes in fair value of our Level 3 liabilities for the years ended December 31, 2019 and 2020:

(in thousands)	Warrants
Balance at December 31, 2018	$ 5,265
Increase in fair value included in other expense	1,329
Balance at December 31, 2019	6,594
Decrease in fair value included in other expense	(749)
Balance at December 31, 2020	$ 5,845

9. LONG-TERM DEBT

Long-Term Debt—On February 20, 2019, we entered into a credit agreement with JPMorgan Chase Bank, N.A (the "Credit Agreement"). The Credit Agreement is an asset-based loan with a revolving line of credit of up to $40.0 million and an optional accordion, which, if exercised, would allow the Company to increase the aggregate commitment by up to $35.0 million, subject to obtaining additional lender commitments and satisfying certain conditions. Pursuant to the terms of the revolving credit facility, we may reduce the total amount available for borrowing under such facility, subject to certain conditions. The Credit Agreement has a maturity date of February 20, 2024.

Borrowings under our revolving credit facility use the London Interbank Offered Rate ("LIBOR"), as a reference rate. Interest on borrowings under the revolving credit facility accrues at a variable rate equal to (i) the one-month LIBOR (adjusted LIBOR Rate for a one month interest period on a given day) plus 2.50%, plus (ii) a specified spread of 1.25% or 1.5% dependent on the average quarterly loan balance, calculated on the last day of each fiscal quarter being less than $32.0 million or greater than or equal to $32.0 million, respectively. The commitment fee under the Credit Agreement is 0.20% per annum on the average daily unused portion of each lender's commitment. In addition, we are required to pay a fronting fee of 0.125% per annum on the average daily aggregate face amount of issued and outstanding letters of credit. Interest, commitment fees and fronting fees are payable monthly, in arrears.

In July 2017, the United Kingdom's Financial Conduct Authority announced its intention to stop compelling banks to submit LIBOR rates after 2021. This may result in alternate reference rates or new methods of calculating LIBOR to be established. If LIBOR ceases to exist, an amendment to the revolving credit facility will be required to reflect an alternative rate of interest that gives consideration to the then prevailing market convention for determining a rate of interest for similar syndicated loans in the United States. The potential impacts of these actions cannot be fully predicted and may result in additional exposure to interest rate risk.

The Credit Agreement includes customary conditions to borrowing, events of default, affirmative and negative financial covenants, reporting requirements and other non-financial covenants, including covenants that restrict our ability to pay dividends. The Credit Agreement also has certain stated events of default provisions which would permit the lenders to accelerate the repayment of debt outstanding if not cured within the applicable grace periods. The events of default generally include breaches of contract, failure to make required loan payments, insolvency, cessation of business, notice of lien or assessment, and other proceedings, whether voluntary or involuntary, that would require the repayment of amounts borrowed. We were in compliance with all covenants at and during the year ended December 31, 2020.

As of December 31, 2019 and 2020, debt issuance cost of $0.2 million is included in other assets in the consolidated balance sheets. During 2020, we drew down $14.0 million from line of credit and fully repaid the principal and associated interest and fees during the year. As of December 31, 2019 and 2020, there were no amounts outstanding under the Credit Agreement.

10. STOCKHOLDERS' DEFICIT

As of December 31, 2019 and 2020, we were authorized to issue 212,164,055 and 230,192,013 shares of capital stock, respectively, comprised of 145,000,000 and 154,379,258 shares of common stock and 67,164,055 and 75,812,755 shares of convertible preferred stock, respectively. All classes of our stock have a par value of $0.0001.

At December 31, 2020, convertible preferred stock consisted of the following (in thousands, except share amounts):

Preferred stock

	December 31, 2020			
(in thousands, except share amounts)	Shares Authorized	Shares Issued and Outstanding	Aggregate Liquidation Preference	Carrying Value, net of issuance cost
Series Seed	24,405,575	23,301,015	$ 2,330	$ 2,173
Series A	26,212,040	26,212,040	7,339	7,375
Series B	6,167,015	6,167,015	18,501	18,287
Series C	4,559,065	4,559,065	50,013	49,496
Series D	5,820,360	2,103,089	27,109	26,893
Series E	8,648,700	8,648,695	99,979	99,825
Total	75,812,755	70,990,919	$ 205,271	$ 204,049

During 2020, 155,209 shares of the Company's Series D Preferred Stock were issued and outstanding. The shares have a par value of $0.0001, with an issue price of $12.89 per share for the aggregate purchase price of approximately $1.9 million, net of issuance costs of $0.1 million.

On September 22, 2020, the Company entered into an agreement with a group of investors to issue and sell 8,648,695, shares of the Company's Series E Convertible Preferred Stock. The shares have a par value of $0.0001, with an issue price of $11.56 per share for the aggregate purchase price of approximately $99.8 million, net of issuance costs of $0.2 million.

As of December 31, 2020, the Series Seed Preferred Stock, Series A Preferred Stock, Series B Preferred Stock, Series C Preferred Stock, Series D Preferred Stock and Series E Preferred Stock (together, the "Preferred Stock") had the following rights, preferences, privileges, and restrictions:

Voting—Each holder of Preferred Stock is entitled to the number of votes equal to the number of shares of common stock into which the shares of Preferred Stock held by such holder could be converted as of the record date. The holders of shares of the Preferred Stock are entitled to vote on all matters on which the common stock shall be entitled to vote. Holders of Preferred Stock are entitled to notice of any stockholders' meeting in accordance with our bylaws. Fractional votes shall not, however, be permitted and any fractional voting rights shall be disregarded. The holders of Preferred Stock get to elect separate directors to our board of directors. The holders of Preferred Stock have protective rights to vote separately to approve significant changes to our operating agreement and major transactions.

Dividends—Dividends on shares of Preferred Stock shall be 8% per annum, when and if declared by our board of directors. The dividends are noncumulative. No distribution shall be made with respect to the common stock until all declared but unpaid dividends on the Preferred Stock have been paid or set aside for payment to the holders of the Preferred Stock. After the payment or setting aside for payment of the dividends and additional dividends (other than dividends on common stock payable solely on common stock) set aside or paid in any fiscal year shall be set

aside or paid among the holders of the Preferred Stock and common stock then outstanding in proportion to the greatest whole number of shares of common stock, which would be held by each holder if all shared of Preferred Stock were converted at the then-effective conversion rate.

Liquidation—In the event of certain deemed liquidation events where dissolution of the Company does not occur, the holders of the Preferred Stock can voluntarily require us to redeem their shares at the liquidation preference using the remaining assets after the deemed liquidation event. The liquidation preference means $11.56 per share of Series E Preferred Stock, $12.89 per share of Series D Preferred Stock, $10.97 per share of Series C Preferred Stock, $3.00 per share of Series B Preferred Stock, $0.28 per share of Series A Preferred Stock, and $0.10 per share of Series Seed Preferred Stock, subject to adjustment as outlined below. In a liquidation event where dissolution occurs, the holders of the Preferred Stock would be paid any amounts out of our remaining assets before holders of the common stock are paid. Any distributions that are below the liquidation preference amounts will be paid pro rata to holders of the Preferred Stock. Each share of Preferred Stock shall automatically be converted into fully paid, nonassessable shares of common stock at the then-effective conversion rate for such share (i) upon the closing of an underwritten initial public offering pursuant to an effective registration statement filed under the Securities Act, covering the offer and sale of our common stock, on the New York Stock Exchange or Nasdaq, resulting in at least $50.0 million of gross proceeds (a "Qualified IPO"), (ii) upon the settlement of the initial trade of shares of common stock on the New York Stock Exchange or Nasdaq by means of an effective registration statement under the Securities Act that registers shares of existing Common Stock of the Corporation for resale (a "Direct Listing"), or (iii) upon our receipt of a written request for such conversion from a majority of the holders of Preferred Stock, or, if later, the effective date for conversion specified in such request.

Conversion—Each share of Preferred Stock is convertible, at the option of the holder thereof, at any time after the date of issuance of such share at the office of the Company or any transfer agent for the Preferred Stock, into that number of fully paid, nonassessable shares of common stock determined by multiplying such share by the Conversion Rate for such series. The conversion rate of a series of Preferred Stock means a number equal to the then-applicable original issue rate for such series divided by the then-applicable conversion rate for such series. The original issue price and conversion rate at the date of the issuance means $11.56 per share of Series E Preferred Stock $12.89 per share of Series D Preferred Stock, $10.97 per share of Series C Preferred Stock, $3.00 per share for Series B Preferred Stock, $0.28 per share for Series A Preferred Stock, and $0.10 for the Series Seed Preferred Stock. Each share of Preferred Stock shall automatically be converted into fully paid, nonassessable shares of common stock at the then-effective conversion rate for such share (i) upon the closing of a Qualified IPO, (ii) upon a Direct Listing, or (iii) upon our receipt of a written request for such conversion from a majority of the holders of Preferred Stock, or, if later, the effective date for conversion specified in such request.

Redemption—The Preferred Stock is not redeemable.

Protective Provisions—In the event we issue additional shares of common stock after the Preferred Stock original issue date without consideration or for a consideration per share less than the conversion rate in effect immediately prior to such issuance, then and in each such event the conversion rate shall be reduced to a price equal to such conversion rate multiplied by the following fraction: the numerator of which is equal to the number of shares of common stock outstanding or deemed to be outstanding immediately prior to such issuance plus the number of shares of common stock, which the aggregate consideration we receive for the total number of additional shares of common stock so issued would purchase at the conversion rate in effect immediately prior to such issuance; and the denominator of which is equal to the number of shares of common stock outstanding or deemed to be outstanding immediately prior to such issuance plus the number of additional shares of common stock actually issued.

Common Stock

Founder Shares—In connection with our formation, we issued 45,000,000 shares of common stock to capitalize the corporation. In conjunction with the shares issued, recipients (also our employees) entered into agreements with us whereby such shares became subject to our right to repurchase shares from the employee if the employee ceases continuous full-time employment with us for any reason at the lesser of the fair market value of the shares on the date the repurchase option is exercised or the original purchase price paid by the employees for the shares. Pursuant to the terms of the agreements, 1/48th of the shares of common stock are released from the

repurchase right on a monthly basis over the vesting period, subject to continued service. We have accounted for the value of the issued shares on the date the agreements were entered into as compensation over the requisite service period.

The entire 45,000,000 shares of common stock issued were fully vested as of December 31, 2019. Total shares vested in the year ended December 31, 2019 were 3,750,000, and stock-based compensation expense of $0.1 million was recorded in selling, general, and administrative expense in the consolidated statements of operations and comprehensive loss. We record stock-based compensation expense on a straight-line basis over the vesting period.

Stock Split—On December 13, 2019, we amended and restated our certificate of incorporation to effect a 5:1 stock split of our common stock and, increase the number of shares of common stock authorized for issuance to 145,000,000. There was no change in the par value of our common stock. All shares of common stock, stock options and per share information presented in the consolidated financial statements have been adjusted to reflect the stock split on a retroactive basis for all periods presented.

Common stock reserved for future issuance as of December 31, 2020 consists of the following:

	December 31, 2020
Shares reserved for preferred stock outstanding	70,990,919
Options issued and outstanding	15,612,071
Shares available for future option grants	4,455,401
Total	91,058,391

The voting, dividend, and liquidation rights of the holders of common stock are subject to and qualified by the rights, powers, and preferences of the holders of Preferred Stock.

Voting—The holders of common stock are entitled to one vote for each share of common stock. There is no cumulative voting. Except as expressly provided within the certificate of incorporation, the common stock shall vote with all other classes on all matters.

11. WARRANTS

Preferred Stock Warrants—In connection with a 2015 agreement with Venture Lending and Leasing VII and Venture Lending and Leasing VIII (the "VLL Agreement"), we issued warrants to purchase 1,104,560 shares of our Preferred Stock at an exercise price of $0.10 that expire on September 30, 2026 with an initial fair value of $0.8 million. The preferred stock warrants contain a down round and anti-dilution adjustment provision on the exercise price. The Company will recognize on a prospective basis the value of the effect of the down round feature in the warrant when it is triggered (i.e., when the exercise price is adjusted downward). This value is measured as the difference between (1) the financial instrument's fair value (without the down round feature) using the pre-trigger exercise price and (2) the financial instrument's fair value (with the down round feature) using the reduced exercise price. The value of the effect of the down round feature will be reflected in the change in fair value of the warrant liability. The preferred stock warrants may be exercised in whole or in part at any time and include a cashless exercise option which allows the holder to receive fewer shares of stock in exchange for the warrants rather than paying cash to exercise. The preferred stock warrants can be exercised for either Series Seed Preferred Stock or Series A Preferred Stock. All of the preferred stock warrants are outstanding at December 31, 2019 and 2020.

The preferred stock warrants are classified as a liability and initially recorded at fair value upon entering the VLL Agreement. It is subsequently remeasured to fair value at each reporting date and the changes in the fair value of the warrant liability are recognized in other expense in the consolidated statements of operations and comprehensive loss.

We determined the fair value of the preferred stock warrants as of December 31, 2019 and 2020 by using the most recent valuation performed for the Series D Preferred Stock and Series E Preferred Stock, respectively and interpolating the value on a straight-line basis through December 31, 2019 and 2020.

The value of our Preferred Stock warrants were estimated using the probability weighted-average values from (i) a Black-Scholes calculation and (ii) an option pricing model. The following assumptions were used to estimate the fair value of the preferred stock warrants as of December 31, 2019 and 2020:

	December 31, 2019	December 31, 2020
Expected term (in years)	6.67	5.75
Fair value of underlying shares	$ 6.05	$ 5.38
Risk-free interest rate	1.80 %	0.47 %
Volatility	50.0 %	65.1 %
Expected dividend yield	— %	— %

Common Stock Warrants—Through 2016, we issued warrants to purchase common stock to various third parties. We determined the fair value of these warrants using the Black-Scholes option pricing model.

Following is a summary of the terms of the warrants and warrant activity as well as warrants outstanding at December 31, 2020:

Date of issuance	October 2015/ March 2016	October 2016	July 2018 - Allotment 1	July 2018 - Allotment 2
Number of warrants	2,103,930	157,580	122,735	184,100
Exercise Price	$ 0.10	$ 0.07	$ 1.28	$ 1.28
Status	Vested	Vested	Vested	Partially vested
Expiration	October 2024	October 2026	July 2028	July 2028

Date of issuance	October 2015/ March 2016	October 2016	July 2018
Outstanding at December 31, 2018	717,225	157,580	306,835
Exercised 2019	—	—	—
Outstanding at December 31, 2019	717,225	157,580	306,835
Exercised 2020	—	—	—
Outstanding at December 31, 2020	717,225	157,580	306,835
Fair value at December 31, 2020 (in thousands)	$ 8	$ 62	$ 584

In July 2018, we issued 122,735 warrants to purchase common stock to a third party with an exercise price of $1.28. Fifty percent of the warrants vested immediately upon issuance and the remainder of the warrants vest ratably over 24 months. An additional 184,100 warrants to purchase common stock were also issued in July 2018 to the same third-party with an exercise price of $1.28, and vest ratably over 36 months beginning when services are first rendered, beginning in 2019. The warrants were issued as part of the West Investments V, LLC agreement discussed in Note 15 in exchange for various marketing services. For the years ended December 31, 2019 and 2020, we recorded approximately $0.2 million and $0.2 million, respectively, related to the vesting of warrants, which was recorded in prepaid expenses and other current assets and additional paid-in capital until the related services are rendered at which point it is recognized in marketing expenses. Additionally, related to the West Investments V, LLC agreement, we made a $1 million cash prepayment in each of the years ended December 31, 2019 and 2020 that was recorded to prepaid expenses and other current assets. Based on services rendered to date, we recognized $0.8 million and $1.5 million for the years ended December 31, 2019 and 2020, respectively. As of December 31, 2020, and 2019, we had $1.4 million and $0.9 million remaining in prepaid expenses and other current assets. All warrants were outstanding at December 31, 2019 and 2020.

12. STOCK TRANSACTIONS

On September 5, 2018, we received a promissory note from an employee in consideration for the early exercise of 825,000 shares of common stock options. In June 2020, the employee resigned from the company and the promissory note was amended and restated to reflect the loan amount related to the vested shares, and the cancellation of indebtedness and our repurchase of the employee's unvested shares. The promissory note is secured by the underlying shares of common stock and bears interest at the lesser of 2.86% per annum or the maximum rate permissible by law (which under the laws of the State of California shall be deemed to be the laws relating to permissible rates of interest on commercial loans).

On November 19, 2018, we received a promissory note from an employee in consideration for the early exercise of 220,000 shares of common stock options. The promissory note is secured by the underlying shares of common stock and bears interest at 2.86% per annum.

Since the notes are limited recourse notes, the note receivables are not reflected in our consolidated balance sheet as of December 31, 2019 and 2020.

13. STOCK-BASED COMPENSATION

In 2015, we adopted the 2015 Equity Incentive Plan (the "Plan") that authorized the granting of options for shares of common stock. The Plan provides for the granting of incentive stock options, non-statutory stock options, stock appreciation rights, restricted stock awards, and other stock awards to employees, non-employee directors, and consultants. The board of directors may suspend or terminate the Plan at any time. Unless terminated sooner by the board of directors, the Plan will automatically terminate on the day before the 10th anniversary of the earlier of (i) the date the Plan was adopted by the board of directors, or (ii) the date the Plan was approved by our stockholders. No stock awards may be granted under the Plan while the Plan is suspended or after it is terminated.

In accordance with the Plan, the stated exercise price shall not be less than 100% of the fair market value of common stock on the grant date of the stock awards. Employee options generally vest over four years, with 25% vesting one year from the date of hire for initial grants or from the date of grant for subsequent grants, and then 1/48th each month thereafter. If unexercised, options granted to employees generally expire upon the earlier of 10 years from the date of grant or three months after termination.

As of December 31, 2020, we had authorized the granting of options for 26,918,466 shares of our common stock under the Plan and 4,455,401 shares remained available for issuance under the Plan.

A summary of the status of the Plan as of December 31, 2019 and 2020, and changes during the years then ended is presented below:

	Options Outstanding			
	Number of Options	Weighted-Average Exercise Price	Weighted-Average Remaining Contractual Term (In Years)	Aggregate Intrinsic Value (In Thousands)
Outstanding at December 31, 2019	13,844,715	$ 2.41	$ 8.36	$ 53,077
Granted	3,563,886	4.16	N/A	706
Exercised	(492,604)	0.63	N/A	1,832
Forfeited	(781,647)	2.66	N/A	1,450
Cancelled	(522,279)	0.40	N/A	2,029
Outstanding at December 31, 2020	15,612,071	2.75	7.74	26,879
Vested and exercisable at December 31, 2020	7,400,440	1.47	6.66	21,913
Amount expected to vest at December 31, 2020	8,211,631	$ 3.90	$ 8.70	$ 4,966

Stock-based compensation expense, included in selling, general and administrative expense in the consolidated statements of operations and comprehensive loss, for the years ended December 31, 2019 and 2020 was comprised of the following:

(in thousands)	December 31, 2019	December 31, 2020
Employee stock options	$ 3,550	$ 6,528
Non-employee stock options	583	$ 66
Restricted stock awards relating to founder shares	113	$ —
Total stock-based compensation expense	$ 4,246	$ 6,594

For the years ended December 31, 2019 and 2020, the aggregate intrinsic value of options exercised was $5.5 million and $1.7 million, respectively.

As of December 31, 2020, there was approximately $17.2 million of total unrecognized compensation cost related to unvested share-based compensation arrangements granted under the plan. The remaining unrecognized compensation cost is expected to be recognized over the weighted-average remaining vesting period of approximately 1.27 years.

The weighted-average fair value of options granted during the years ended December 31, 2019 and 2020 was $5.64 and $4.80 per share, respectively. We calculated the fair value of each option using an expected volatility over the expected life of the option, which was estimated using the average volatility of comparable publicly traded companies. The expected life of options granted is based on the simplified method to estimate the expected life of the stock options, giving consideration to the contractual terms and vesting schedules. The following weighted average assumptions were used for issuances during the years ended December 31, 2019 and 2020, for employees and non-employees:

Employees—

	December 31, 2019	December 31, 2020
Risk-free interest rate	1.67 %	0.97 %
Dividend yield	—	—
Volatility	46.57 %	49.48 %
Expected lives (years)	6.1	6.0
Fair value of common stock	$ 5.19	$ 4.99

Non-employees—

	December 31, 2019	December 31, 2020
Risk-free interest rate	1.80 %	0.69 %
Dividend yield	—	—
Volatility	47.02 %	50.42 %
Expected lives (years)	9.7	10.0
Fair value of common stock	$ 5.08	$ 4.16

Option Repricing—On June 27, 2020, we completed a repricing transaction for certain holders of outstanding options with an exercise price per share greater than $4.12, to an exercise price per share of $4.12. The repricing was accounted for as a modification under ASC 718. The repricing did not make any other changes to the terms of the option awards. We recognized $0.1 million of incremental stock-based compensation expense at the time of the transaction, which related to the vested portion of the shares. The stock-based compensation expense associated with

unvested shares is recognized over time as the shares vest. The total incremental stock-based compensation recognized relating to the repricing was $0.3 million as of December 31, 2020.

14. INCOME TAXES

We record deferred income taxes using enacted tax laws and rates for the years in which the taxes are expected to be paid. Deferred income tax assets and liabilities are recorded based on the differences between the financial reporting and income tax bases of assets and liabilities.

The components of loss before provision for income taxes are as follows for the years ended December 31, 2019 and 2020:

(in thousands)	December 31, 2019	December 31, 2020
Loss before provision for income taxes		
United States	$ (3,573)	$ (29,889)
Foreign	(7,279)	(84)
Total	$ (10,852)	$ (29,973)

Our total (provision) benefit for income taxes consists of the following for the years ended December 31, 2019 and 2020:

(in thousands)	December 31, 2019	December 31, 2020
Current:		
Federal	$ (425)	$ 4,024
State	(148)	(48)
Foreign	(64)	(217)
	(637)	3,759
Deferred		
Federal	(2,686)	—
State	(460)	—
Foreign	108	354
	(3,038)	354
Total (provision) benefit for income taxes	$ (3,675)	$ 4,113

The reconciliation of our effective tax rate to the statutory federal rate of 21% for the years ended December 31, 2019 and 2020 is as follows:

(in thousands)	December 31, 2019	December 31, 2020
Income tax benefit at statutory rate	(21.00)%	(21.00)%
State income taxes-net of federal provision (benefit)	6.05 %	(3.77)%
Foreign rate differential	(2.21)%	0.22 %
Stock-based compensation	4.61 %	3.83 %
Warrant fair value adjustment	2.57 %	(0.52)%
Charitable contribution	(2.57)%	(0.43)%
Return to provision and other	(2.45)%	(0.14)%
Benefits provided by the CARES Act	— %	(6.22)%
Uncertain tax positions	1.64 %	1.16 %
Tax credits	(4.76)%	(6.93)%
Other	1.04 %	— %
Valuation allowance	50.95 %	20.08 %
Total provision (benefit) for income taxes	33.87 %	(13.72)%

Significant components of our net deferred tax assets (included in other assets in the consolidated balance sheets) as of December 31, 2019 and 2020, are as follows:

(in thousands)	December 31, 2019	December 31, 2020
Deferred tax asset:		
Inventory	$ 1,360	$ 1,469
Deferred rent	523	1,568
Accruals	1,126	782
Stock-based compensation	468	673
Net operating loss carryforwards	716	3,903
R&D credits	—	1,700
Charitable contributions	1,680	2,269
Deferred revenue	197	406
Advertising	635	740
Intercompany payable	552	552
Other	425	308
Total gross deferred tax assets	7,682	14,370
Less valuation allowance	(6,317)	(10,319)
Total deferred tax assets	1,365	4,051
Deferred tax liabilities:		
Prepaid expenses	(327)	(205)
Depreciation	(519)	(3,477)
State taxes	(205)	(15)
Total deferred tax liabilities	(1,051)	(3,697)
Net deferred tax assets	$ 314	$ 354

Because we are in a current year pre-tax book loss and expected to be in taxable loss in the immediate future which are significant negative evidence, a valuation allowance was maintained against the deferred tax assets in the

United States and certain foreign jurisdictions in 2020. We do not believe that the deferred tax assets are more likely than not realizable.

We follow the guidance for accounting for uncertainty in income taxes in accordance with FASB ASC 740, which clarifies uncertainty in income taxes recognized in an enterprise's financial statements. The standard also prescribes a recognition threshold and measurement standard for the financial statement recognition and measurement of an income tax position taken, or expected to be taken, in an income tax return. Only tax positions that meet the more likely than not recognition threshold may be recognized. In addition, the standard provides guidance on derecognition, classification, interest and penalties, accounting in interim periods, and disclosure. As of December 31, 2019 and 2020, the balance of unrecognized tax benefits of $0.4 million and $0.7 million, respectively, relate to tax credits that, if recognized, would affect the effective tax rate. Our tax years for 2016 through 2020 are still subject to examination by the tax authorities.

A tabular reconciliation of the total amounts of unrecognized tax benefits for the year presented is as follows (in thousands):

(in thousands)	December 31, 2019	December 31, 2020
Unrecognized tax benefits - at beginning of year	$ 124	$ 417
Increases in balances related to tax positions taken in prior years	80	—
Decreases in balances related to tax positions taken in prior years	—	(13)
Increases in balances related to tax positions taken in current year	213	287
Lapses in statutes of limitations	—	—
Unrecognized tax benefits - at end of year	$ 417	$ 691

The United States government enacted the Tax Cuts and Jobs Act (the "TCJA") in December 2017, which significantly reformed the U.S Internal Revenue Code of 1986, as amended (the "IRC"). The TCJA, among other things, contains significant changes to corporate taxation, including reduction of the corporate tax rate from a top marginal rate of 35% to a flat rate of 21%, limitation on the deductibility of interest expense to 30% of adjusted earnings (except for certain small businesses), limitation of the deduction for net operating losses ("NOL") generated in taxable years beginning after December 31, 2017 to 80% of current year taxable income, elimination of NOL carrybacks, one time taxation of offshore earnings at reduced rates regardless of whether they are repatriated, reduction or elimination of U.S. tax on foreign earnings (subject to certain important exceptions), immediate deductions for certain new investments instead of deductions for depreciation expense over time, and modifying or repealing many business deductions and credits.

We commenced foreign operations in 2018. At that time, and prior to the enactment of the TCJA, we had an indefinite investment assertion on all of our undistributed earnings from foreign subsidiaries. As a result of the enactment of the TCJA, we have reevaluated our historic assertion, and continue to assert these earnings to be indefinitely reinvested. For the years ended December 31, 2019 and 2020, undistributed earnings from foreign subsidiaries were immaterial.

For the years ended December 31, 2019 and 2020, we had income tax NOL carryforwards for our United States federal, state and foreign operations of approximately $3.2 million and $19.3 million, respectively, and research and development credits of $0.4 million and $2.5 million, respectively, which will expire as follows:

(in thousands)	December 31, 2019	December 31, 2020
NOL		
2020-2025 (Foreign)	$ 1,480	$ 967
2020-2030 (Foreign)	457	196
2020-2040 (Foreign)	—	2
2020-2040 (States)	—	3,335
Indefinite (Foreign)	—	2,247
Indefinite (Federal)	1,267	12,577
Total	$ 3,204	$ 19,324
R&D Credits		
2020-2040 (Federal)	$ —	$ 1,391
Indefinite (State)	422	1,108
Total	$ 422	$ 2,499

Utilization of some of the federal and state NOL and credit carryforwards are subject to annual limitations due to the "change in ownership" provisions of the IRC and similar state provisions. We do not anticipate these limitations, if any, will significantly impact our ability to utilize the NOLs and tax credit carryforwards.

15. COMMITMENTS AND CONTINGENCIES

Operating Leases—We lease various office and retail spaces with lease terms ranging from 1 year to 12 years, certain of which contain renewal provisions.

We recognize rent expense on a straight-line basis and has recorded the difference between the straight-line rent and the amount paid as deferred rent liability, which is reflected in the consolidated balance sheets as other long-term liabilities. Rent expense for the years ended December 31, 2019 and 2020, was approximately $6.2 million and $8.6 million, respectively.

Our commitments for minimum lease payments under noncancelable operating leases are as follows:

(in thousands)	Operating Leases
Fiscal year ending December 31	
2021	$ 10,073
2022	8,315
2023	6,934
2024	6,532
2025 and after	19,086
Total Minimum lease payments	$ 50,940

On June 14, 2018, we entered into an agreement with West Investments V, LLC, a related party, for a celebrity endorsement. The agreement represents a royalty arrangement for using the celebrity's name and association in marketing in certain regions as well as marketing services. The agreement requires us to pay a royalty fee, calculated as 6% of net revenue as defined by the contract generated in select markets in Asia, subject to a minimum cumulative guarantee of $5 million, over a three-year term. If the royalty fees paid are less than the guaranteed minimum, the shortfall can be settled by either a cash payment, or, we can find a buyer for the equity held by West Investments V, LLC for at least the shortfall amount. If we find a buyer, West Investments V, LLC must forfeit equity held in order to receive the shortfall payment. For each of the years ended December 31, 2019 and 2020, we paid a $1 million advance, which is recorded in prepaid expenses and other current assets in the consolidated

balance sheet. Prepayments combined with share-based compensation from warrants issued to West Investments V, LLC are recognized as expense in the period services are received by us in accordance with the agreement.

On May 7, 2018, we entered into a supplier agreement with Braskem S.A. that requires us, through our manufacturers, to commit to purchase a minimum amount of material, agreed annually. For 2021, we agreed to purchase a minimum of 800 tons of material for approximately $3.1 million. The price per ton is determined monthly and the terms of the minimum commitment in the contract are negotiated each year. In 2019 and 2020, our manufacturers' purchased approximately $2.1 million and $1.6 million of material from Braskem S.A., respectively.

Legal Proceedings—We are subject to various claims and legal proceedings that arise in the ordinary course of our business activities. Although the outcome of any legal proceedings cannot be predicted with certainty, for the years ended December 31, 2019 and 2020, the ultimate liability of the Company, if any, is not expected to have a material effect on our financial position or operations.

16. NET LOSS PER SHARE

The following table sets forth the computation of basic and diluted net loss per share attributable to common stockholders:

(in thousands, except share and per share data)	December 31, 2019	December 31, 2020
Net loss attributable to common stockholders	$ (14,527)	$ (25,860)
Weighted-average shares used in computing net loss per share attributable to common stockholders, basic and diluted	51,469,007	53,005,424
Net loss per share attributable to common stockholders, basic and diluted	$ (0.28)	$ (0.49)

The potential shares of common stock that were excluded from the computation of diluted net loss per share attributable to common stockholders for the period presented because including them would have been antidilutive are as follows:

	December 31, 2019	December 31, 2020
Outstanding stock options	13,844,715	15,612,071
Convertible preferred stock	62,187,015	70,990,919
Convertible preferred stock warrants	1,104,560	1,104,560
Common stock warrants	1,181,640	1,181,640
Total	78,317,930	88,889,190

17. BENEFIT PLAN

We sponsor a 401(k) defined contribution plan covering eligible employees who elect to participate. We are allowed to make discretionary profit sharing and matching contributions as defined in the plan and as approved by our board of directors. No discretionary profit-sharing contributions were made for the years ended December 31, 2019 and 2020. We made $0.5 million and $1.1 million in matching contributions for the years ended December 31, 2019 and 2020, respectively. We have no intention to terminate the plan.

18. SUBSEQUENT EVENTS

Management has evaluated events occurring after December 31, 2020, and through June 16, 2021, the date the consolidated financial statements were available for issuance.

In May 2021, with respect to the West Investments V, LLC contract discussed in Note 15, an existing investor purchased the equity held for $3.5 million, which was in excess of the anticipated shortfall amount of $2.0 million.

* * * * * *


allbirds

PART II

INFORMATION NOT REQUIRED IN PROSPECTUS

Item 13. Other Expenses of Issuance and Distribution.

The following table indicates the expenses to be incurred in connection with the offering described in this registration statement, other than underwriting discounts and commissions, all of which will be paid by us. All amounts are estimated except the SEC registration fee, the Financial Industry Regulatory Authority, Inc., or FINRA, filing fee and the exchange listing fee.

	Amount
SEC registration fee	$ *
FINRA filing fee	*
Exchange listing fee	*
Accountants' fees and expenses	*
Legal fees and expenses	*
Transfer agent's fees and expenses	*
Printing and engraving expenses	*
Miscellaneous	*
Total expenses	$ *

* To be provided by amendment.

Item 14. Indemnification of Directors and Officers.

Section 145 of the Delaware General Corporation Law, or DGCL, authorizes a court to award, or a corporation's board of directors to grant, indemnity to directors and officers in terms sufficiently broad to permit such indemnification under certain circumstances for liabilities, including reimbursement for expenses incurred, arising under the Securities Act. Our amended and restated certificate of incorporation that will be in effect immediately prior to the completion of this offering will permit indemnification of our directors, officers, employees and other agents to the maximum extent permitted by the DGCL, and our amended and restated bylaws that will be in effect immediately prior to the completion of this offering will provide that we will indemnify our directors and officers and permit us to indemnify our employees and other agents, in each case to the maximum extent permitted by the DGCL.

We have entered into indemnification agreements with our directors and officers, whereby we have agreed to indemnify our directors and officers to the fullest extent permitted by law, including indemnification against expenses and liabilities incurred in legal proceedings to which the director or officer was, or is threatened to be made, a party by reason of the fact that such director or officer is or was a director, officer, employee or agent of Allbirds, Inc., provided that such director or officer acted in good faith and in a manner that the director or officer reasonably believed to be in, or not opposed to, the best interest of Allbirds, Inc. At present, there is no pending litigation or proceeding involving a director or officer of Allbirds, Inc. regarding which indemnification is sought, nor is the registrant aware of any threatened litigation that may result in claims for indemnification.

We maintain insurance policies that indemnify our directors and officers against various liabilities arising under the Securities Act and the Exchange Act that might be incurred by any director or officer in his or her capacity as such.

Item 15. Recent Sales of Unregistered Securities.

Since June 1, 2018, we have issued the following unregistered securities (after giving effect to a five-for-one forward stock split effected in December 2019):

Preferred Stock Issuances

In October 2018, we issued an aggregate of 4,559,065 shares of our Series C convertible preferred stock to 61 accredited investors at a purchase price of $10.96716 per share, for an aggregate purchase price of approximately $50.0 million.

Between December 2019 and February 2020, we sold an aggregate of 2,103,089 shares of our Series D convertible preferred stock to 17 accredited investors at a purchase price of $12.8858 per share, for an aggregate purchase price of approximately $27.1 million.

Between September 2020 and October 2020, we sold an aggregate of 8,648,695 shares of our Series E convertible preferred stock to 18 accredited investors at a purchase price of $11.56243 per share, for an aggregate purchase price of approximately $100.0 million.

2015 Plan-Related Issuances

From June 1, 2018 through the filing date of this registration statement, we granted to certain directors, officers, employees, consultants and other service providers options to purchase an aggregate of 14,752,676 shares of our common stock under our 2015 Equity Incentive Plan, as amended, or 2015 Plan, at exercise prices ranging from $1.282 to $8.33 per share.

From June 1, 2018 through the filing date of this registration statement, we issued and sold an aggregate of 6,777,456 shares of our common stock upon the exercise of options granted under our 2015 Plan, at exercise prices ranging from $0.022 to $4.892 per share.

In June 2020, we effected a repricing of outstanding and unexercised options to purchase an aggregate of 4,704,656 shares of our common stock, to an exercise price of $4.12 per share. To effect such option repricing, all such outstanding stock options were amended solely to reduce the exercise price to $4.12 per share; the amended options otherwise continued to have all the same terms and conditions under which they were granted, including the number of underlying shares of our common stock and the expiration date.

Warrant-Related Issuances

From June 1, 2018 through the filing date of this registration statement, we issued warrants to purchase up to an aggregate of 306,835 shares of our common stock to one accredited investor at an exercise price of $1.282 per share.

From June 1, 2018 through the filing date of this registration statement, we issued 245,468 shares of our common stock upon the exercise of warrants to purchase shares of our common stock to an accredited investor at an exercise price of $1.282 per share.

None of the foregoing transactions involved any underwriters, underwriting discounts or commissions, or any public offering. Unless otherwise specified above, we believe these transactions were exempt from registration under the Securities Act in reliance on Section 4(2) of the Securities Act (and Regulation D or Regulation S promulgated thereunder) or Rule 701 promulgated under Section 3(b) of the Securities Act as transactions by an issuer not involving any public offering or under benefit plans and contracts relating to compensation as provided under Rule 701. The recipients of the securities in each of these transactions represented their intentions to acquire the securities for investment only and not with a view to or for sale in connection with any distribution thereof, and appropriate legends were placed on the share certificates issued in these transactions. All recipients had adequate access, through their relationships with us, to information about us. The sales of these securities were made without any general solicitation or advertising.

Item 16. Exhibits and Financial Statement Schedules.

(a) Exhibits.

Exhibit Number	Description of Exhibit
1.1*	Form of Underwriting Agreement.
3.1	Seventh Amended and Restated Certificate of Incorporation of the Registrant, as currently in effect.
3.2	Amended and Restated Bylaws of the Registrant, as currently in effect.
3.3*	Form of Amended and Restated Certificate of Incorporation of the Registrant, to be effective immediately prior to the completion of this offering.
3.4*	Form of Amended and Restated Bylaws of the Registrant, to be effective immediately prior to the completion of this offering.
4.1*	Form of Class A common stock certificate of the Registrant.
5.1*	Opinion of Cooley LLP.
10.1	Fifth Amended and Restated Investors' Rights Agreement by and among the Registrant and certain of its stockholders, dated September 22, 2020.
10.2+	Allbirds, Inc. 2015 Equity Incentive Plan, as amended, and forms of agreements thereunder.
10.3+*	Allbirds, Inc. 2021 Equity Incentive Plan and forms of agreements thereunder.
10.4+*	Allbirds, Inc. 2021 Employee Stock Purchase Plan.
10.5+*	Offer Letter by and between the Registrant and Joseph Zwillinger.
10.6+*	Offer Letter by and between the Registrant and Timothy Brown.
10.7+*	Offer Letter by and between the Registrant and Michael Bufano.
10.8+*	Offer Letter by and between the Registrant and Joe Vernachio.
10.9*	Standard Multi-Tenant Office Lease – Gross, by and among the Registrant, International Settlement Holding Corporation, Kristina Gavello Marital Trust, Gail Gavello, James A. Macial, Gregory A. Maciel, Barry A. Maciel by Gregory A. Maciel POA, Barry Macial Trust, Claude D. Perasso, Clotilde Gloria, Claudia Bressie, Laura Perell, Jeanne Peters and Mary Anne Scarlett, dated July 13, 2016.
21.1*	List of subsidiaries of the Registrant.
23.1*	Consent of Deloitte & Touche LLP, independent registered public accounting firm.
23.2*	Consent of Cooley LLP (included in Exhibit 5.1).
24.1*	Power of Attorney.

* To be filed by amendment
\+ Indicates management contract or compensatory plan

(b) Financial Statement Schedules.

All financial statement schedules are omitted because the information required to be set forth therein is not applicable or is shown in the consolidated financial statements or the notes thereto.

Item 17. Undertakings.

The undersigned registrant hereby undertakes to provide to the underwriters at the closing specified in the underwriting agreement certificates in such denominations and registered in such names as required by the underwriters to permit prompt delivery to each purchaser.

Insofar as indemnification for liabilities arising under the Securities Act may be permitted to directors, officers and controlling persons of the registrant under the foregoing provisions or otherwise, the registrant has been advised that in the opinion of the SEC such indemnification is against public policy as expressed in the Securities Act and is, therefore, unenforceable. If a claim for indemnification against such liabilities (other than the payment by the registrant of expenses incurred or paid by a director, officer or controlling person of the registrant in the successful defense of any action, suit or proceeding) is asserted by such director, officer or controlling person in connection

with the securities being registered, the registrant will, unless in the opinion of its counsel the matter has been settled by controlling precedent, submit to a court of appropriate jurisdiction the question whether such indemnification by it is against public policy as expressed in the Securities Act and will be governed by the final adjudication of such issue.

The undersigned registrant hereby undertakes that:

(1) For purposes of determining any liability under the Securities Act, the information omitted from the form of prospectus filed as part of this registration statement in reliance upon Rule 430A and contained in a form of prospectus filed by the registrant under Rule 424(b)(1) or (4) or 497(h) under the Securities Act shall be deemed to be part of this registration statement as of the time it was declared effective.

(2) For the purpose of determining any liability under the Securities Act, each post-effective amendment that contains a form of prospectus shall be deemed to be a new registration statement relating to the securities offered therein, and the offering of such securities at that time shall be deemed to be the initial bona fide offering thereof.

SIGNATURES

Pursuant to the requirements of the Securities Act of 1933, the registrant has duly caused this registration statement to be signed on its behalf by the undersigned, thereunto duly authorized, in the City of San Francisco, State of California, on , 2021.

Allbirds, Inc.

By: _____
Joseph Zwillinger
Co-Chief Executive Officer

POWER OF ATTORNEY

KNOW ALL PERSONS BY THESE PRESENTS, that each person whose signature appears below constitutes and appoints Joseph Zwillinger, Timothy Brown, and Michael Bufano and each one of them, as his or her true and lawful attorneys-in-fact and agents, with full power of substitution and resubstitution, for him or her and in their name, place and stead, in any and all capacities, to sign any and all amendments (including post-effective amendments) to this registration statement, and to sign any registration statement for the same offering covered by this registration statement that is to be effective on filing pursuant to Rule 462(b) under the Securities Act of 1933, as amended, and all post-effective amendments thereto, and to file the same, with all exhibits thereto and other documents in connection therewith, with the Securities and Exchange Commission, granting unto said attorneys-in-fact and agents, and each of them, full power and authority to do and perform each and every act and thing requisite and necessary to be done in connection therewith, as fully to all intents and purposes as he or she might or could do in person, hereby ratifying and confirming all that said attorneys-in-fact and agents or any of them, or his or her substitute or substitutes, may lawfully do or cause to be done by virtue hereof.

Pursuant to the requirements of the Securities Act of 1933, this registration statement has been signed by the following persons in the capacities and on the dates indicated.

Signature	Title	Date
Joseph Zwillinger	Co-Chief Executive Officer and Director *(Principal Executive Officer)*	, 2021
Michael Bufano	Chief Financial Officer *(Principal Financial Officer and Principal Accounting Officer)*	, 2021
Neil Blumenthal	Director	, 2021
Dick Boyce	Director	, 2021
Timothy Brown	Director	, 2021
Mandy Fields	Director	, 2021
Nancy Green	Director	, 2021
Dan Levitan	Director	, 2021
Emily Weiss	Director	, 2021

SEVENTH AMENDED AND RESTATED
CERTIFICATE OF INCORPORATION
OF
ALLBIRDS, INC.

(A PUBLIC BENEFIT CORPORATION)

(Pursuant to Sections 242 and 245 of the
General Corporation Law of the State of Delaware)

Allbirds, Inc., a corporation organized and existing under and by virtue of the provisions of the General Corporation Law of the State of Delaware (the "**General Corporation Law**"),

DOES HEREBY CERTIFY:

1. That the name of this corporation is Allbirds, Inc., and that this corporation was originally incorporated pursuant to the General Corporation Law on May 6, 2015 under the name Bozz, Inc.

2. That this corporation's board of directors duly adopted resolutions proposing to amend and restate the Certificate of Incorporation of this corporation, declaring said amendment and restatement to be advisable and in the best interests of this corporation and its stockholders, and authorizing the appropriate officers of this corporation to solicit the consent of the stockholders therefor, which resolution setting forth the proposed amendment and restatement is as follows:

RESOLVED, that the Certificate of Incorporation of this corporation be amended and restated in its entirety to read as follows:

FIRST: The name of this corporation is Allbirds, Inc. (the "**Corporation**").

SECOND: The address of the registered office of the Corporation in the State of Delaware is 251 Little Falls Drive, City of Wilmington, County of New Castle, 19808. The name of its registered agent at such address is Corporation Service Company.

THIRD: The nature of the business or purposes to be conducted or promoted is to engage in any lawful act or activity for which corporations may be organized under the General Corporation Law. The Corporation shall be a public benefit corporation as contemplated by subchapter XV of the General Corporation Law, or any successor provisions, that it is intended to operate in a responsible and sustainable manner and to produce a public benefit or benefit, and is to be managed in a manner that balances the stockholders pecuniary interests, the best interests of those materially affected by the corporation's conduct and the public benefit or benefits identified in this certificate of incorporation. If the General Corporation Law is amended to alter or further define the management and operation of public benefit corporations, then the Corporation shall be managed and operated in accordance with the General Corporation Law as so amended. In addition, the Corporation will promote the following public benefit: environmental conservation.

FOURTH: The total number of shares of all classes of stock which the Corporation shall have authority to issue is (i) 154,379,258 shares of Common Stock, $0.0001 par value per share ("**Common Stock**") and (ii) 75,812,755 shares of Preferred Stock, $0.0001 par value per share ("**Preferred Stock**").

The following is a statement of the designations and the powers, privileges and rights, and the qualifications, limitations or restrictions thereof in respect of each class of capital stock of the Corporation.

A. COMMON STOCK

1. General. The voting, dividend and liquidation rights of the holders of the Common Stock are subject to and qualified by the rights, powers and preferences of the holders of the Preferred Stock set forth herein.

2. Voting. The holders of the Common Stock are entitled to one vote for each share of Common Stock held at all meetings of stockholders (and written actions in lieu of meetings); provided, however, that, except as otherwise required by law, holders of Common Stock, as such, shall not be entitled to vote on any amendment to the Certificate of Incorporation that relates solely to the terms of one or more outstanding series of Preferred Stock if the holders of such affected series are entitled, either separately or together with the holders of one or more other such series, to vote thereon pursuant to the Certificate of Incorporation or pursuant to the General Corporation Law. There shall be no cumulative voting. The number of authorized shares of Common Stock may be increased or decreased (but not below the number of shares thereof then outstanding) by (in addition to any vote of the holders of one or more series of Preferred Stock that may be required by the terms of the Certificate of Incorporation) the affirmative vote of the holders of shares of capital stock of the Corporation representing a majority of the votes represented by all outstanding shares of capital stock of the Corporation entitled to vote, irrespective of the provisions of Section 242(b)(2) of the General Corporation Law.

B. PREFERRED STOCK

24,405,575 shares of the authorized and unissued Preferred Stock of the Corporation are hereby designated "**Series Seed Preferred Stock**", 26,212,040 shares of the authorized and unissued Preferred Stock of the Corporation are hereby designated "**Series A Preferred Stock**", and 6,167,015 shares of the authorized but unissued Preferred Stock of the Corporation are hereby designated "**Series B Preferred Stock**", 4,559,065 shares of the authorized but unissued Preferred Stock of the Corporation are hereby designated "**Series C Preferred Stock**", 5,820,360 shares of the authorized but unissued Preferred Stock of the Corporation are hereby designated "**Series D Preferred Stock**", 8,648,700 shares of the authorized but unissued Preferred Stock of the Corporation are hereby designated "**Series E Preferred Stock**". The Series Seed Preferred Stock, the Series A Preferred Stock, the Series B Preferred Stock, the Series C Preferred Stock, the Series D Preferred Stock and the Series E Preferred Stock are collectively referred to as the "**Series Preferred Stock**". The Series Preferred Stock has the following rights, preferences, powers, privileges and restrictions, qualifications and limitations. Unless otherwise indicated, references to "sections" or "subsections" in this Part B of this Article Fourth refer to sections and subsections of Part B of this Article Fourth.

1. Dividends. The holders of Series Preferred Stock shall be entitled to receive, out of any funds of the Corporation lawfully available for dividends under the laws of the State of Delaware, if, as and when declared by the Corporation's Board of Directors (the "**Board of Directors**") in its discretion, preferential dividends at the rate of 8% of the Series Seed Original Issue Price, Series A Original Issue Price, Series B Original Issue Price, Series C Original Issue Price, Series D Original Issue Price or Series E Original Issue Price, as applicable (each as defined below), per share per annum, and no more, on a pari passu basis and before any dividends shall be declared or paid upon or set apart for, or other distribution shall be ordered or made in respect of, any shares of Common Stock; provided, however, that dividends on the Series Preferred Stock shall be noncumulative, so that if such dividends on

the Series Preferred Stock are not declared or paid in whole or in part, the unpaid dividends shall not accumulate.

Following declaration and payment of the preferential dividends above in any calendar year, the Corporation shall not declare, pay or set aside any additional dividends on shares of any other class or series of capital stock of the Corporation (other than dividends on shares of Common Stock payable in shares of Common Stock with respect to which a conversion price adjustment is made pursuant to Subsection 4.5, 4.6, 4.7 or 4.8 below) unless (in addition to the obtaining of any consents required elsewhere in the Certificate of Incorporation) the holders of the Series Preferred Stock then outstanding shall first receive, or simultaneously receive, a dividend on each outstanding share of Series Preferred Stock, in addition to the preferential dividends described above, in an amount at least equal to (i) in the case of a dividend on Common Stock or any class or series that is convertible into Common Stock, that dividend per share of Series Preferred Stock as would equal the product of (A) the dividend payable on each share of such class or series determined, if applicable, as if all shares of such class or series had been converted into Common Stock and (B) the number of shares of Common Stock issuable upon conversion of a share of Series Preferred Stock, in each case calculated on the record date for determination of holders entitled to receive such dividend or (ii) in the case of a dividend on any class or series that is not convertible into Common Stock, at a rate per share of Series Preferred Stock determined by (A) dividing the amount of the dividend payable on each share of such class or series of capital stock by the original issuance price of such class or series of capital stock (subject to appropriate adjustment in the event of any stock dividend, stock split, combination or other similar recapitalization with respect to such class or series) and (B) multiplying such fraction by an amount equal to the Series Seed Original Issue Price, Series A Original Issue Price, Series B Original Issue Price, Series C Original Issue Price, Series D Original Issue Price or Series E Original Issue Price, as applicable (each as defined below); provided that, if the Corporation declares, pays or sets aside, on the same date, a dividend on shares of more than one class or series of capital stock of the Corporation, the dividend payable to the holders of Series Preferred Stock pursuant to this Section 1 shall be calculated based upon the dividend on the class or series of capital stock that would result in the highest Series Preferred Stock dividend. The "**Series Seed Original Issue Price**" shall mean $0.09506 per share, subject to appropriate adjustment in the event of any stock dividend, stock split, combination or other similar recapitalization with respect to the Series Seed Preferred Stock. The "**Series A Original Issue Price**" shall mean $0.28422 per share, subject to appropriate adjustment in the event of any stock dividend, stock split, combination or other similar recapitalization with respect to the Series A Preferred Stock. The "**Series B Original Issue Price**" shall mean $2.99982 per share, subject to appropriate adjustment in the event of any stock dividend, stock split, combination or other similar recapitalization with respect to the Series B Preferred Stock. The "**Series C Original Issue Price**" shall mean $10.96716 per share, subject to appropriate adjustment in the event of any stock dividend, stock split, combination or other similar recapitalization with respect to the Series C Preferred Stock. The "**Series D Original Issue Price**" shall mean $12.8858 per share, subject to appropriate adjustment in the event of any stock dividend, stock split, combination or other similar recapitalization with respect to the Series D Preferred Stock. The "**Series E Original Issue Price**" shall mean $11.56243 per share, subject to appropriate adjustment in the event of any stock dividend, stock split, combination or other similar recapitalization with respect to the Series E Preferred Stock.

2. Liquidation, Dissolution or Winding Up; Certain Mergers, Consolidations and Asset Sales.

2.1 Preferential Payments to Holders of Series Preferred Stock. In the event of any voluntary or involuntary liquidation, dissolution or winding up of the Corporation, each holder of shares of Series Preferred Stock then outstanding shall be entitled to be paid out of the assets of the Corporation available for distribution to its stockholders, and in the event of a Deemed Liquidation Event

(as defined below), the holders of shares of Series Preferred Stock then outstanding shall be entitled to be paid out of the consideration payable to stockholders in such Deemed Liquidation Event or out of the Available Proceeds (as defined below), as applicable, on a pari passu basis and before any payment shall be made to the holders of Common Stock by reason of their ownership thereof, an amount per share equal to the greater of (i) the Series E Original Issue Price, the Series D Original Issue Price, Series C Original Issue Price, the Series B Original Issue Price, the Series A Original Issue Price or Series Seed Original Issue Price, as applicable, plus any dividends declared but unpaid thereon, or (ii) such amount per share as would have been payable to such holder of a series of Series Preferred Stock had such holder's shares of such series of capital stock been converted (pursuant to Section 4, immediately prior to such liquidation, dissolution, winding up or Deemed Liquidation Event and regardless of whether such holder actually converted and provided that, as a result of an actual conversion, such holder would receive, in the aggregate, an amount greater than the amount that would be distributed to such holder if such holder did not convert such holder's shares of such series of Series Preferred Stock into shares of Common Stock (i.e. pursuant to clause (i) above)) (the amount payable pursuant to this sentence is hereinafter referred to as the "**Series Seed Liquidation Amount**" for each share of Series Seed Preferred Stock, the "**Series A Liquidation Amount**" for each share of Series A Preferred Stock, the "**Series B Liquidation Amount**" for each share of the Series B Preferred Stock, the "**Series C Liquidation Amount**" for each share of Series C Preferred Stock, the "**Series D Liquidation Amount**" for each share of Series D Preferred Stock or the "**Series E Liquidation Amount**" for each share of Series E Preferred Stock, and together with the Series Seed Liquidation Amount, the Series A Liquidation Amount, the Series B Liquidation Amount, the Series C Liquidation Amount and the Series D Liquidation Amount, the "**Series Preferred Liquidation Amount**"). All references to the Series Preferred Liquidation Amount herein shall mean the applicable Series Preferred Liquidation Amount. If upon any such liquidation, dissolution or winding up of the Corporation or Deemed Liquidation Event, the assets of the Corporation available for distribution to its stockholders shall be insufficient to pay the holders of shares of Series Preferred Stock the full amount to which they shall be entitled under this Subsection 2.1, the holders of shares of Series Preferred Stock shall share ratably in any distribution of the assets available for distribution in proportion to the respective amounts which would otherwise be payable in respect of the shares held by them upon such distribution if all amounts payable on or with respect to such shares were paid in full.

2.2 Payments to Holders of Common Stock. In the event of any voluntary or involuntary liquidation, dissolution or winding up of the Corporation, after the payment in full of all preferential amounts required to be paid to the holders of shares of Series Preferred Stock, the remaining assets of the Corporation available for distribution to its stockholders or, in the case of a Deemed Liquidation Event, the consideration not payable to the holders of shares of Series Preferred Stock pursuant to Subsection 2.1 or the remaining Available Proceeds, as the case may be, shall be distributed among the holders of shares of Common Stock, pro rata based on the number of shares held by each such holder.

2.3 Deemed Liquidation Events.

2.3.1 Definition. Each of the following events shall be considered a "**Deemed Liquidation Event**" unless the holders of at least 70% of the outstanding shares of Series Preferred Stock (as determined on an as-converted basis) elect otherwise by written notice sent to the Corporation at least 10 days prior to the effective date of any such event:

(a) a merger or consolidation in which

(i) the Corporation is a constituent party or

(ii) a subsidiary of the Corporation is a constituent party and the Corporation issues shares of its capital stock pursuant to such merger or consolidation,

except any such merger or consolidation involving the Corporation or a subsidiary in which the shares of capital stock of the Corporation outstanding immediately prior to such merger or consolidation continue to represent, or are converted into or exchanged for shares of capital stock that represent, immediately following such merger or consolidation, a majority, by voting power, of the capital stock of (1) the surviving or resulting corporation; or (2) if the surviving or resulting corporation is a wholly owned subsidiary of another corporation immediately following such merger or consolidation, the parent corporation of such surviving or resulting corporation *provided* that, for the purpose of this Subsection 2.3.1, all shares of Common Stock issuable upon exercise of options outstanding immediately prior to such merger or consolidation or upon conversion of Convertible Securities (as defined below) outstanding immediately prior to such merger or consolidation shall be deemed to be outstanding immediately prior to such merger or consolidation and, if applicable, deemed to be converted or exchanged in such merger or consolidation on the same terms as the actual outstanding shares of Common Stock are converted or exchanged; or

(b) the sale, lease, transfer, exclusive license or other disposition, in a single transaction or series of related transactions, by the Corporation or any subsidiary of the Corporation of all or substantially all the assets of the Corporation and its subsidiaries taken as a whole, or the sale or disposition (whether by merger, consolidation or otherwise) of one or more subsidiaries of the Corporation if substantially all of the assets of the Corporation and its subsidiaries taken as a whole are held by such subsidiary or subsidiaries, except where such sale, lease, transfer, exclusive license or other disposition is to a wholly owned subsidiary of the Corporation.

2.3.2 Effecting a Deemed Liquidation Event.

(a) The Corporation shall not have the power to effect a Deemed Liquidation Event referred to in Subsection 2.3.1(a)(i) unless the agreement or plan of merger or consolidation for such transaction (the "**Merger Agreement**") provides that the consideration payable to the stockholders of the Corporation in such Deemed Liquidation Event shall be allocated to the holders of capital stock of the Corporation in accordance with Subsections 2.1 and 2.2.

(b) In the event of a Deemed Liquidation Event referred to in Subsection 2.3.1(a)(ii) or 2.3.1(b), if the Corporation does not effect a dissolution of the Corporation under the General Corporation Law within 90 days after such Deemed Liquidation Event, then (i) the Corporation shall send a written notice to each holder of Series Preferred Stock no later than the 90th day after the Deemed Liquidation Event advising such holders of their right (and the requirements to be met to secure such right) pursuant to the terms of the following clause; (ii) to require the redemption of such shares of Series Preferred Stock, and (iii) if the holders of at least 60% of the outstanding shares of Series Preferred Stock (as determined on an as-converted basis, the "**Requisite Holders**") so request in a written instrument delivered to the Corporation not later than 120 days after such Deemed Liquidation Event, the Corporation shall use the consideration received by the Corporation for such Deemed Liquidation Event (net of any retained liabilities associated with the assets sold or technology licensed, as determined in good faith by the Board of Directors of the Corporation)**,** together with any other assets of the Corporation available for distribution to its stockholders, all to the extent permitted by Delaware law governing distributions to stockholders (the "**Available Proceeds**"), on the 150th day after such Deemed Liquidation Event, to redeem all outstanding shares of Series Preferred Stock at a price per share equal to the Series

Preferred Liquidation Amount. Notwithstanding the foregoing, in the event of a redemption pursuant to the preceding sentence, if the Available Proceeds are not sufficient to redeem all outstanding shares of Series Preferred Stock, the Corporation shall redeem a pro rata portion of each holder's shares of Series Preferred Stock to the fullest extent of such Available Proceeds, based on the respective amounts which would otherwise be payable in respect of the shares to be redeemed if the Available Proceeds were sufficient to redeem all such shares, and shall redeem the remaining shares as soon as it may lawfully do so under Delaware law governing distributions to stockholders. Prior to the distribution or redemption provided for in this Subsection 2.3.2(b), the Corporation shall not expend or dissipate the consideration received for such Deemed Liquidation Event, except to discharge expenses incurred in connection with such Deemed Liquidation Event or in the ordinary course of business.

(c) In the event of any redemption of the Series Preferred Stock pursuant to Subsection 2.3.2, the Corporation shall send written notice of such redemption (the "**Redemption Notice**") to each holder of record of Series Preferred Stock promptly following the receipt of request for such redemption. Each Redemption Notice shall state: (A) the number of shares of Series Preferred Stock held by the holder that the Corporation shall redeem on the redemption date specified in the Redemption Notice (the "**Redemption Date**"); (B) the Redemption Date and the amount of the Available Proceeds such holder is entitled to receive pursuant to such redemption (the "**Redemption Price**"); (C) the date upon which the holder's right to convert such shares terminates (as determined in accordance with Subsection 4.1); and (D) that the holder is to surrender to the Corporation, in the manner and at the place designated, his, her or its certificate or certificates representing the shares of Series Preferred Stock to be redeemed.

(d) On or before the Redemption Date, each holder of shares of Series Preferred Stock to be redeemed on such Redemption Date, unless such holder has exercised his, her or its right to convert such shares as provided in Section 4, shall surrender the certificate or certificates representing such shares (or, if such registered holder alleges that such certificate has been lost, stolen or destroyed, a lost certificate affidavit and agreement reasonably acceptable to the Corporation to indemnify the Corporation against any claim that may be made against the Corporation on account of the alleged loss, theft or destruction of such certificate) to the Corporation, in the manner and at the place designated in the Redemption Notice, and thereupon the Redemption Price for such shares shall be payable to the order of the person whose name appears on such certificate or certificates as the owner thereof. In the event less than all of the shares of Series Preferred Stock represented by a certificate are redeemed, a new certificate representing the unredeemed shares of Series Preferred Stock shall promptly be issued to such holder.

(e) If the Redemption Notice shall have been duly given, and if on the Redemption Date the Redemption Price payable upon redemption of the shares of Series Preferred Stock to be redeemed on such Redemption Date is paid or tendered for payment or deposited with an independent payment agent so as to be available therefor in a timely manner, then notwithstanding that the certificates evidencing any of the shares of Series Preferred Stock so called for redemption shall not have been surrendered, dividends with respect to such shares of Series Preferred Stock shall cease to accrue after such Redemption Date and all rights with respect to such shares shall forthwith after the Redemption Date terminate, except only the right of the holders to receive the Redemption Price without interest upon surrender of their certificate or certificates therefor.

(f) Any shares of Series Preferred Stock which are redeemed or otherwise acquired by the Corporation or any of its subsidiaries shall be automatically and immediately canceled and shall not be reissued, sold or transferred. Neither the Corporation nor any of its

subsidiaries may exercise any voting or other rights granted to the holders of Series Preferred Stock following redemption.

2.3.3 Amount Deemed Paid or Distributed. The amount deemed paid or distributed to the holders of capital stock of the Corporation upon any such merger, consolidation, sale, transfer, exclusive license, other disposition or redemption shall be the cash or the value of the property, rights or securities to be paid or distributed to such holders by the Corporation or the acquiring person, firm or other entity. The value of such property, rights or securities shall be determined in good faith by the Board of Directors of the Corporation, including members of the Board of Directors of the Corporation representing a majority of those members of the Board of Directors of the Corporation who are not employees of the Corporation (such majority non-employee members, the "**Non-Employee Majority Directors**").

2.3.4 Allocation of Escrow and Contingent Consideration. If, in connection with a Deemed Liquidation Event, any portion of the consideration payable to the stockholders of the Corporation is placed into escrow and/or is payable to the stockholders of the Corporation subject to contingencies (the "**Additional Consideration**"), the acquisition or Merger Agreement shall provide that (a) the portion of such consideration that is not placed in escrow and not subject to any contingencies (the "**Initial Consideration**") shall be allocated among the holders of capital stock of the Corporation in accordance with Subsections 2.1 and 2.2 above as if the Initial Consideration were the only consideration payable in connection with such Deemed Liquidation Event and (b) any Additional Consideration which becomes payable to the stockholders of the Corporation upon release from escrow or satisfaction of contingencies shall be allocated among the holders of capital stock of the Corporation in accordance with Subsections 2.1 and 2.2 above after taking into account the previous payment of the Initial Consideration as part of the same transaction. For the purposes of this Subsection 2.3.4, consideration placed into escrow or retained as holdback to be available for satisfaction of indemnification or similar obligations in connection with such Deemed Liquidation Event shall be deemed to be Additional Consideration.

3. Voting.

3.1 General. On any matter presented to the stockholders of the Corporation for their action or consideration at any meeting of stockholders of the Corporation (or by written consent of stockholders in lieu of meeting), each holder of outstanding shares of Series Preferred Stock shall be entitled to cast the number of votes equal to the number of whole shares of Common Stock into which the shares of Series Preferred Stock held by such holder are convertible as of the record date for determining stockholders entitled to vote on such matter. Except as provided by law or by the other provisions of the Certificate of Incorporation, holders of Series Preferred Stock shall vote together with the holders of Common Stock as a single class.

3.2 Election of Directors. The holders of record of the shares of Series A Preferred Stock, exclusively and as a separate class, shall be entitled to elect one director of the Corporation (the "**Series A Director**") and the holders of record of the shares of Common Stock, exclusively and as a separate class, shall be entitled to elect two directors of the Corporation (the "**Common Directors**"). Any director elected as provided in the preceding sentence may be removed without cause by, and only by, the affirmative vote of the holders of the shares of the class or series of capital stock entitled to elect such director or directors, given either at a special meeting of such stockholders duly called for that purpose or pursuant to a written consent of stockholders. If the holders of shares of Series A Preferred Stock or Common Stock, as the case may be, fail to elect a sufficient number of directors to fill all directorships for which they are entitled to elect directors, voting exclusively and as

a separate class, pursuant to the first sentence of this Subsection 3.2, then any directorship not so filled shall remain vacant until such time as the holders of the Series A Preferred Stock or Common Stock, as the case may be, elect a person to fill such directorship by vote or written consent in lieu of a meeting; and no such directorship may be filled by stockholders of the Corporation other than by the stockholders of the Corporation that are entitled to elect a person to fill such directorship, voting exclusively and as a separate class. The holders of record of the shares of Common Stock and of any other class or series of voting stock (including the Series Preferred Stock), exclusively and voting together as a single class, shall be entitled to elect the balance of the total number of directors of the Corporation. At any meeting held for the purpose of electing a director, the presence in person or by proxy of the holders of a majority of the outstanding shares of the class or series entitled to elect such director shall constitute a quorum for the purpose of electing such director. Except as otherwise provided in this Subsection 3.2, a vacancy in any directorship filled by the holders of any class or series shall be filled only by vote or written consent in lieu of a meeting of the holders of such class or series or by any remaining director or directors elected by the holders of such class or series pursuant to this Subsection 3.2.

3.3 Series Preferred Stock Protective Provisions. At any time when at least 18,953,188 of the shares of Series Preferred Stock (subject to appropriate adjustment in the event of any stock dividend, stock split, combination or other similar recapitalization with respect to any Series Preferred Stock) are outstanding, the Corporation shall not, either directly or indirectly by amendment, merger, consolidation or otherwise, do any of the following without (in addition to any other vote required by law or the Certificate of Incorporation) the written consent or affirmative vote of the Requisite Holders, given in writing or by vote at a meeting, consenting or voting (as the case may be) separately as a class, and any such act or transaction entered into without such consent or vote shall be null and void *ab initio*, and of no force or effect:

3.3.1 liquidate, dissolve or wind-up the business and affairs of the Corporation, effect any merger or consolidation or any other Deemed Liquidation Event, or consent to any of the foregoing;

3.3.2 amend, alter or repeal any provision of the Certificate of Incorporation or Bylaws of the Corporation; *provided, however*, that any amendments to or alterations of the Certificate of Incorporation and Bylaws of the Corporation that have the effect of implementing a dual- or multi-class voting structure with respect to the Common Stock shall not require the approval of the Requisite Holders under this subsection; and *provided, further*, that any amendment, alteration, repeal or waiver that changes the requisite threshold to (x) waive the occurrence of a Deemed Liquidation Event pursuant to Subsection 2.3.1 or (y) trigger a Mandatory Conversion Election pursuant to Subsection 5.1 shall require the written consent or affirmative vote of the holders of at least 70% of the outstanding shares of Series Preferred Stock (as determined on an as-converted basis).

3.3.3 waive, alter or change the rights, preferences or privileges of any Series Preferred Stock;

3.3.4 create, or authorize the creation of, or issue or obligate itself to issue shares of, any additional class or series of capital stock, or increase or decrease the authorized number of shares of Series Preferred Stock (or any series thereof), Common Stock, or any additional class or series of capital stock;

3.3.5 (i) reclassify, alter or amend any existing security of the Corporation that is *pari passu* with any Series Preferred Stock in respect of the distribution of assets on the liquidation, dissolution or winding up of the Corporation, the payment of dividends or rights of redemption, if such reclassification, alteration or amendment would render such other security senior to

any Series Preferred Stock in respect of any such right, preference, or privilege or (ii) reclassify, alter or amend any existing security of the Corporation that is junior to any Series Preferred Stock in respect of the distribution of assets on the liquidation, dissolution or winding up of the Corporation, the payment of dividends or rights of redemption, if such reclassification, alteration or amendment would render such other security senior to or *pari passu* with any Series Preferred Stock in respect of any such right, preference or privilege;

3.3.6 purchase or redeem (or permit any subsidiary to purchase or redeem) or pay or declare any dividend or make any distribution on, any shares of capital stock of the Corporation other than repurchases of stock from former employees, officers, directors, consultants or other persons who performed services for the Corporation or any subsidiary pursuant to employee or consultant agreements approved by the Board of Directors of the Corporation, in connection with the cessation of such employment or service at the lower of the original purchase price or the then-current fair market value thereof;

3.3.7 increase or decrease the authorized number of directors constituting the Corporation's Board of Directors;

3.3.8 enter into or be a party to any transaction (including, without limitation, amendment of any existing agreement), other than ordinary course compensation arrangements, with any director, executive officer, or Founder (as defined below), unless such transaction is approved by a majority of the Board of Directors, including the Non-Employee Majority Directors; for purposes herein, the term "**Founder**" shall mean each of Joseph Zwillinger and Timothy Brown; or

3.3.9 cause or permit the Corporation or any of its subsidiaries to, without approval of the Board of Directors, sell, issue, sponsor, create or distribute any digital tokens, cryptocurrency or other blockchain-based assets (collectively, "**Tokens**"), including through a pre-sale, initial coin offering, token distribution event or crowdfunding, or through the issuance of any instrument convertible into or exchangeable for Tokens.

3.4 Series Seed Preferred Stock Protective Provisions. At any time when at least 5,000,000 shares of Series Seed Preferred Stock (subject to appropriate adjustment in the event of any stock dividend, stock split, combination or other similar recapitalization with respect to the Series Seed Preferred Stock) are outstanding, the Corporation shall not, either directly or indirectly by amendment, merger, consolidation or otherwise, do any of the following without (in addition to any other vote required by law or the Certificate of Incorporation) the written consent or affirmative vote of the holders of a majority of the then outstanding shares of Series Seed Preferred Stock, given in writing or by vote at a meeting, consenting or voting (as the case may be) separately as a class and any such act or transaction entered into without such consent or vote shall be void *ab initio*, and of no force or effect:

3.4.1 increase or decrease the authorized number of shares of Series Seed Preferred Stock; or

3.4.2 amend, waive, alter or repeal any provision of the Certificate of Incorporation of the Corporation in a manner that adversely impacts the Series Seed Preferred Stock differently than the other series of Series Preferred Stock; *provided, however*, that the creation of a new security having rights, preferences or privileges senior to or on parity with the Series Seed Preferred Stock does not require the approval of the holders of Series Seed Preferred Stock under this subsection.

3.5 Series A Preferred Stock Protective Provisions. At any time when at least 5,000,000 shares of Series A Preferred Stock (subject to appropriate adjustment in the event of any stock

dividend, stock split, combination or other similar recapitalization with respect to the Series A Preferred Stock) are outstanding, the Corporation shall not, either directly or indirectly by amendment, merger, consolidation or otherwise, do any of the following without (in addition to any other vote required by law or the Certificate of Incorporation) the written consent or affirmative vote of the holders of a majority of the then outstanding shares of Series A Preferred Stock, given in writing or by vote at a meeting, consenting or voting (as the case may be) separately as a class and any such act or transaction entered into without such consent or vote shall be void *ab initio*, and of no force or effect:

3.5.1 increase or decrease the authorized number of shares of Series A Preferred Stock; or

3.5.2 amend, waive, alter or repeal any provision of the Certificate of Incorporation of the Corporation in a manner that adversely impacts the Series A Preferred Stock differently than the other series of Series Preferred Stock; *provided, however*, that the creation of a new security having rights, preferences or privileges senior to or on parity with the Series A Preferred Stock does not require the approval of the holders of Series A Preferred Stock under this subsection.

3.6 Series B Preferred Stock Protective Provisions. At any time when at least 2,500,000 shares of Series B Preferred Stock (subject to appropriate adjustment in the event of any stock dividend, stock split, combination or other similar recapitalization with respect to the Series B Preferred Stock) are outstanding, the Corporation shall not, either directly or indirectly by amendment, merger, consolidation or otherwise, do any of the following without (in addition to any other vote required by law or the Certificate of Incorporation) the written consent or affirmative vote of the holders of a majority of the then outstanding shares of Series B Preferred Stock, given in writing or by vote at a meeting, consenting or voting (as the case may be) separately as a class and any such act or transaction entered into without such consent or vote shall be void *ab initio*, and of no force or effect:

3.6.1 increase or decrease the authorized number of shares of Series B Preferred Stock; or

3.6.2 amend, waive, alter or repeal any provision of the Certificate of Incorporation of the Corporation in a manner that adversely impacts the Series B Preferred Stock differently than the other series of Series Preferred Stock; *provided, however*, that the creation of a new security having rights, preferences or privileges on parity with the Series B Preferred Stock does not require the approval of the holders of Series B Preferred Stock under this subsection.

3.7 Series C Preferred Stock Protective Provisions. At any time when at least 900,000 shares of Series C Preferred Stock (subject to appropriate adjustment in the event of any stock dividend, stock split, combination or other similar recapitalization with respect to the Series C Preferred Stock) are outstanding, the Corporation shall not, either directly or indirectly by amendment, merger, consolidation or otherwise, do any of the following without (in addition to any other vote required by law or the Certificate of Incorporation) the written consent or affirmative vote of the holders of a majority of the then outstanding shares of Series C Preferred Stock, given in writing or by vote at a meeting, consenting or voting (as the case may be) separately as a class and any such act or transaction entered into without such consent or vote shall be void *ab initio*, and of no force or effect:

3.7.1 increase or decrease the authorized number of shares of Series C Preferred Stock; or

3.7.2 amend, waive, alter or repeal any provision of the Certificate of Incorporation of the Corporation in a manner that adversely impacts the Series C Preferred Stock

differently than the other series of Series Preferred Stock; *provided, however*, that the creation of a new security having rights, preferences or privileges on parity with the Series C Preferred Stock does not require the approval of the holders of Series C Preferred Stock under this subsection.

3.8 Series D Preferred Stock Protective Provisions. At any time when at least 20% of the shares of Series D Preferred Stock issued pursuant to that certain Series D Preferred Stock Purchase Agreement, by and among the Corporation and the parties thereto, dated of or about even date herewith (subject to appropriate adjustment in the event of any stock dividend, stock split, combination or other similar recapitalization with respect to the Series D Preferred Stock) are outstanding, the Corporation shall not, either directly or indirectly by amendment, merger, consolidation or otherwise, do any of the following without (in addition to any other vote required by law or the Certificate of Incorporation) the written consent or affirmative vote of the holders of a majority of the then outstanding shares of Series D Preferred Stock, given in writing or by vote at a meeting, consenting or voting (as the case may be) separately as a class and any such act or transaction entered into without such consent or vote shall be void *ab initio*, and of no force or effect:

3.8.1 increase or decrease the authorized number of shares of Series D Preferred Stock; or

3.8.2 amend, waive, alter or repeal any provision of the Certificate of Incorporation of the Corporation in a manner that adversely impacts the Series D Preferred Stock differently than the other series of Series Preferred Stock; *provided, however*, that the creation of a new security having rights, preferences or privileges on parity with the Series D Preferred Stock does not require the approval of the holders of Series D Preferred Stock under this subsection.

3.9 Series E Preferred Stock Protective Provisions. At any time when at least 20% of the shares of Series E Preferred Stock issued pursuant to that certain Series E Preferred Stock Purchase Agreement, by and among the Corporation and the parties thereto, dated of or about even date herewith (subject to appropriate adjustment in the event of any stock dividend, stock split, combination or other similar recapitalization with respect to the Series E Preferred Stock) are outstanding, the Corporation shall not, either directly or indirectly by amendment, merger, consolidation or otherwise, do any of the following without (in addition to any other vote required by law or the Certificate of Incorporation) the written consent or affirmative vote of the holders of a majority of the then outstanding shares of Series E Preferred Stock, given in writing or by vote at a meeting, consenting or voting (as the case may be) separately as a class and any such act or transaction entered into without such consent or vote shall be void *ab initio*, and of no force or effect:

3.9.1 increase or decrease the authorized number of shares of Series E Preferred Stock; or

3.9.2 amend, waive, alter or repeal any provision of the Certificate of Incorporation of the Corporation in a manner that adversely impacts the Series E Preferred Stock differently than the other series of Series Preferred Stock; *provided, however*, that the creation of a new security having rights, preferences or privileges on parity with the Series E Preferred Stock does not require the approval of the holders of Series E Preferred Stock under this subsection.

4. Optional Conversion.

The holders of the Series Preferred Stock shall have conversion rights as follows (the "**Conversion Rights**"):

4.1 Right to Convert.

4.1.1 Conversion Ratio. Each share of Series Preferred Stock shall be convertible, at the option of the holder thereof, at any time and from time to time, and without the payment of additional consideration by the holder thereof, into such number of fully paid and non-assessable shares of Common Stock as is determined: (i) in the case of Series Seed Preferred Stock, by dividing the Series Seed Original Issue Price by the Series Seed Conversion Price (as defined below) in effect at the time of conversion, (ii) in the case of the Series A Preferred Stock, by dividing the Series A Original Issue Price by the Series A Conversion Price (as defined below), (iii) in the case of the Series B Preferred Stock, by dividing the Series B Original Issue Price by the Series B Conversion Price (as defined below), (iv) in the case of the Series C Preferred Stock, by dividing the Series C Original Issue Price by the Series C Conversion Price (as defined below), (v) in the case of the Series D Preferred Stock, by dividing the Series D Original Issue Price by the Series D Conversion Price (as defined below), and (vi) in the case of the Series E Preferred Stock, by dividing the Series E Original Issue Price by the Series E Conversion Price (as defined below). The conversion price for the Series Seed Preferred Stock shall initially be equal to $0.09506 (the "**Series Seed Conversion Pric**e"). The conversion price for the Series A Preferred Stock shall initially be equal to $0.28422 (the "**Series A Conversion Price**"). The conversion price for the Series B Preferred Stock shall initially be equal to $2.99982 (the "**Series B Conversion Price**"). The conversion price for the Series C Preferred Stock shall initially be equal to $10.96716 (the "**Series C Conversion Price**"). The conversion price for the Series D Preferred Stock shall initially be equal to $12.8858 (the "**Series D Conversion Price**"). The conversion price for the Series E Preferred Stock shall initially be equal to $11.56243 (the "**Series E Conversion Price**"), and together with the Series Seed Conversion Price, the Series A Conversion Price, the Series B Conversion Price, the Series C Conversion Price and the Series D Conversion Price, the "**Series Preferred Conversion Price**"). All references to the Series Preferred Conversion Price herein shall mean the applicable Series Preferred Conversion Price as so adjusted. Such initial Series Preferred Conversion Price, and the rate at which shares of Series Preferred Stock may be converted into shares of Common Stock, shall be subject to adjustment as provided below. In the event of a notice of redemption of any shares of Series Preferred Stock pursuant to Subsection 2.3.2 hereof, the Conversion Rights of the shares designated for redemption shall terminate at the close of business on the last full day preceding the date fixed for redemption, unless the redemption price is not fully paid on such redemption date, in which case the Conversion Rights for such shares shall continue until such price is paid in full.

4.1.2 Termination of Conversion Rights. In the event of a liquidation, dissolution or winding up of the Corporation or a Deemed Liquidation Event, the Conversion Rights shall terminate at the close of business on the last full day preceding the date fixed for the payment of any such amounts distributable on such event to the holders of Series Preferred Stock.

4.2 Fractional Shares. No fractional shares of Common Stock shall be issued upon conversion of the Series Preferred Stock. In lieu of any fractional shares to which the holder would otherwise be entitled, the Corporation shall pay cash equal to such fraction multiplied by the fair market value of a share of Common Stock as determined in good faith by the Board of Directors of the Corporation. Whether or not fractional shares would be issuable upon such conversion shall be determined on the basis of the total number of shares of Series Preferred Stock the holder is at the time

converting into Common Stock and the aggregate number of shares of Common Stock issuable upon such conversion.

4.3 Mechanics of Conversion.

4.3.1 Notice of Conversion. In order for a holder of Series Preferred Stock to voluntarily convert shares of Series Preferred Stock into shares of Common Stock, such holder shall (a) provide written notice to the Corporation's transfer agent at the office of the transfer agent for such Series Preferred Stock (or at the principal office of the Corporation if the Corporation serves as its own transfer agent) that such holder elects to convert all or any number of such holder's shares of Series Preferred Stock and, if applicable, any event on which such conversion is contingent and (b), if such holder's shares are certificated, surrender the certificate or certificates for such shares of Series Preferred Stock (or, if such registered holder alleges that such certificate has been lost, stolen or destroyed, a lost certificate affidavit and agreement reasonably acceptable to the Corporation to indemnify the Corporation against any claim that may be made against the Corporation on account of the alleged loss, theft or destruction of such certificate), at the office of the transfer agent for such Series Preferred Stock (or at the principal office of the Corporation if the Corporation serves as its own transfer agent). Such notice shall state such holder's name or the names of the nominees in which such holder wishes the shares of Common Stock to be issued. If required by the Corporation, any certificates surrendered for conversion shall be endorsed or accompanied by a written instrument or instruments of transfer, in form satisfactory to the Corporation, duly executed by the registered holder or his, her or its attorney duly authorized in writing. The close of business on the date of receipt by the transfer agent (or by the Corporation if the Corporation serves as its own transfer agent) of such notice and, if applicable, certificates (or lost certificate affidavit and agreement) shall be the time of conversion (the "**Conversion Time**"), and the shares of Common Stock issuable upon conversion of the specified shares shall be deemed to be outstanding of record as of such date. The Corporation shall, as soon as practicable after the Conversion Time (i) issue and deliver to such holder of Series Preferred Stock, or to his, her or its nominees, a certificate or certificates for the number of full shares of Common Stock issuable upon such conversion in accordance with the provisions hereof and a certificate for the number (if any) of the shares of Series Preferred Stock represented by the surrendered certificate that were not converted into Common Stock, (ii) pay in cash such amount as provided in Subsection 4.2 in lieu of any fraction of a share of Common Stock otherwise issuable upon such conversion and (iii) pay all declared but unpaid dividends on the shares of Series Preferred Stock converted.

4.3.2 Reservation of Shares. The Corporation shall at all times when any Series Preferred Stock shall be outstanding, reserve and keep available out of its authorized but unissued capital stock, for the purpose of effecting the conversion of the Series Preferred Stock, such number of its duly authorized shares of Common Stock as shall from time to time be sufficient to effect the conversion of all outstanding Series Preferred Stock; and if at any time the number of authorized but unissued shares of Common Stock shall not be sufficient to effect the conversion of all then outstanding shares of the Series Preferred Stock, the Corporation shall take such corporate action as may be necessary to increase its authorized but unissued shares of Common Stock to such number of shares as shall be sufficient for such purposes, including, without limitation, engaging in best efforts to obtain the requisite stockholder approval of any necessary amendment to the Certificate of Incorporation. Before taking any action which would cause an adjustment reducing the Series Preferred Conversion Price below the then par value of the shares of Common Stock issuable upon conversion of any Series Preferred Stock, the Corporation will take any corporate action which may, in the opinion of its counsel, be necessary in order that the Corporation may validly and legally issue fully paid and non-assessable shares of Common Stock at such adjusted Series Preferred Conversion Price.

4.3.3 Effect of Conversion. All shares of Series Preferred Stock which shall have been surrendered for conversion as herein provided shall no longer be deemed to be outstanding and all rights with respect to such shares shall immediately cease and terminate at the Conversion Time, except only the right of the holders thereof to receive shares of Common Stock in exchange therefor, to receive payment in lieu of any fraction of a share otherwise issuable upon such conversion as provided in Subsection 4.2 and to receive payment of any dividends declared but unpaid thereon. Any shares of Series Preferred Stock so converted shall be retired and cancelled and may not be reissued as shares of such series, and the Corporation may thereafter take such appropriate action (without the need for stockholder action) as may be necessary to reduce the authorized number of shares of such Series Preferred Stock accordingly.

4.3.4 No Further Adjustment. Upon any such conversion, no adjustment to the Series Preferred Conversion Price shall be made for any declared but unpaid dividends on any Series Preferred Stock surrendered for conversion or on the Common Stock delivered upon conversion.

4.3.5 Taxes. The Corporation shall pay any and all issue and other similar taxes that may be payable in respect of any issuance or delivery of shares of Common Stock upon conversion of any shares of Series Preferred Stock pursuant to this Section 4. The Corporation shall not, however, be required to pay any tax which may be payable in respect of any transfer involved in the issuance and delivery of shares of Common Stock in a name other than that in which the shares of Series Preferred Stock so converted were registered, and no such issuance or delivery shall be made unless and until the person or entity requesting such issuance has paid to the Corporation the amount of any such tax or has established, to the satisfaction of the Corporation, that such tax has been paid.

4.4 Adjustments to Series Preferred Conversion Price for Diluting Issues.

4.4.1 Special Definitions. For purposes of this Article Fourth, the following definitions shall apply:

(a) "**Option**" shall mean rights, options or warrants to subscribe for, purchase or otherwise acquire Common Stock or Convertible Securities.

(b) "**Series E Original Issue Date**" shall mean the date on which the first share of Series E Preferred Stock was issued.

(c) "**Convertible Securities**" shall mean any evidences of indebtedness, shares or other securities directly or indirectly convertible into or exchangeable for Common Stock, but excluding Options.

(d) "**Additional Shares of Common Stock**" shall mean all shares of Common Stock issued (or, pursuant to Subsection 4.4.3 below, deemed to be issued) by the Corporation after the Series E Original Issue Date, other than (1) the following shares of Common Stock and (2) shares of Common Stock deemed issued pursuant to the following Options and Convertible Securities (clauses (1) and (2), collectively, "**Exempted Securities**"):

(i) shares of Common Stock, Options or Convertible Securities issued as a dividend or distribution on Series Preferred Stock;

(ii) shares of Common Stock, Options or Convertible Securities issued by reason of a

dividend, stock split, split-up or other distribution on shares of Common Stock that is covered by Subsections 4.5, 4.6, 4.7 or 4.8;

(iii) shares of Common Stock or Options issued to employees or directors of, or consultants or advisors to, the Corporation or any of its subsidiaries pursuant to a plan, agreement or arrangement approved by the Board of Directors of the Corporation, including the Non-Employee Majority Directors;

(iv) shares of Common Stock or Convertible Securities actually issued upon the exercise of Options or shares of Common Stock actually issued upon the conversion or exchange of Convertible Securities, in each case provided such issuance is pursuant to the terms of such Option or Convertible Security;

(v) shares of Common Stock, Options or Convertible Securities issued to banks, equipment lessors or other financial institutions, or to real property lessors, pursuant to a debt financing, equipment leasing or real property leasing transaction approved by the Board of Directors of the Corporation, including the Non-Employee Majority Directors;

(vi) shares of Common Stock, Options or Convertible Securities issued to suppliers or third party service providers in connection with the provision of goods or services pursuant to transactions approved by the Board of Directors of the Corporation, including the Non-Employee Majority Directors;

(vii) shares of Common Stock, Options or Convertible Securities issued pursuant to the acquisition of another corporation by the Corporation by merger, purchase of substantially all of the assets or other reorganization or to a joint venture agreement, provided that such issuances are approved by the Board of Directors of the Corporation, including the Non-Employee Majority Directors;

(viii) shares of Common Stock, Options or Convertible Securities issued in connection with sponsored research, collaboration, technology license, development, OEM, marketing or other

similar agreements or strategic partnerships approved by the Board of Directors of the Corporation, including the Non-Employee Majority Directors;

(ix) shares of Common Stock issued in connection with a Qualified IPO; or

(x) shares of Common Stock issued in connection with that certain Series E Preferred Stock Purchase Agreement, by and among the Corporation and the parties thereto, dated of or about even date herewith as may be amended from time to time.

4.4.2 No Adjustment of Series Preferred Conversion Price. No adjustment in the Series Preferred Conversion Price shall be made as the result of the issuance or deemed issuance of Additional Shares of Common Stock if the Corporation receives written notice from the Requisite Holders agreeing that no such adjustment shall be made as the result of the issuance or deemed issuance of such Additional Shares of Common Stock, provided that (i) written consent of the holders of a majority of the then outstanding shares of Series C Preferred Stock shall be required for a waiver of any adjustment otherwise applicable to the Series C Preferred Stock, (ii) written consent of the holders of a majority of the then outstanding shares of Series D Preferred Stock shall be required for a waiver of any adjustment otherwise applicable to the Series D Preferred Stock, and (iii) written consent of the holders of a majority of the then outstanding shares of Series E Preferred Stock shall be required for a waiver of any adjustment otherwise applicable to the Series E Preferred Stock.

4.4.3 Deemed Issue of Additional Shares of Common Stock.

(a) If the Corporation at any time or from time to time after the Series E Original Issue Date shall issue any Options or Convertible Securities (excluding Options or Convertible Securities which are themselves Exempted Securities) or shall fix a record date for the determination of holders of any class of securities entitled to receive any such Options or Convertible Securities, then the maximum number of shares of Common Stock (as set forth in the instrument relating thereto, assuming the satisfaction of any conditions to exercisability, convertibility or exchangeability but without regard to any provision contained therein for a subsequent adjustment of such number) issuable upon the exercise of such Options or, in the case of Convertible Securities and Options therefor, the conversion or exchange of such Convertible Securities, shall be deemed to be Additional Shares of Common Stock issued as of the time of such issue or, in case such a record date shall have been fixed, as of the close of business on such record date.

(b) If the terms of any Option or Convertible Security, the issuance of which resulted in an adjustment to the Series Preferred Conversion Price pursuant to the terms of Subsection 4.4.4, are revised as a result of an amendment to such terms or any other adjustment pursuant to the provisions of such Option or Convertible Security (but excluding automatic adjustments to such terms pursuant to anti-dilution or similar provisions of such Option or Convertible Security) to provide for either (1) any increase or decrease in the number of shares of Common Stock issuable upon the exercise, conversion and/or exchange of any such Option or Convertible Security or (2) any increase or decrease in the consideration payable to the Corporation upon such exercise, conversion and/or exchange, then, effective upon such increase or decrease becoming effective, the Series Preferred Conversion Price computed upon the original issue of such Option or Convertible Security (or upon the

occurrence of a record date with respect thereto) shall be readjusted to such Series Preferred Conversion Price as would have obtained had such revised terms been in effect upon the original date of issuance of such Option or Convertible Security. Notwithstanding the foregoing, no readjustment pursuant to this clause (b) shall have the effect of increasing the Series Preferred Conversion Price to an amount which exceeds the lower of (i) the Series Preferred Conversion Price in effect immediately prior to the original adjustment made as a result of the issuance of such Option or Convertible Security, or (ii) the Series Preferred Conversion Price that would have resulted from any issuances of Additional Shares of Common Stock (other than deemed issuances of Additional Shares of Common Stock as a result of the issuance of such Option or Convertible Security) between the original adjustment date and such readjustment date.

(c) If the terms of any Option or Convertible Security (excluding Options or Convertible Securities which are themselves Exempted Securities), the issuance of which did not result in an adjustment to the Series Preferred Conversion Price pursuant to the terms of Subsection 4.4.4 (either because the consideration per share (determined pursuant to Subsection 4.4.5) of the Additional Shares of Common Stock subject thereto was equal to or greater than the Series Preferred Conversion Price then in effect, or because such Option or Convertible Security was issued before the Series E Original Issue Date), are revised after the Series E Original Issue Date as a result of an amendment to such terms or any other adjustment pursuant to the provisions of such Option or Convertible Security (but excluding automatic adjustments to such terms pursuant to anti-dilution or similar provisions of such Option or Convertible Security) to provide for either (1) any increase in the number of shares of Common Stock issuable upon the exercise, conversion or exchange of any such Option or Convertible Security or (2) any decrease in the consideration payable to the Corporation upon such exercise, conversion or exchange, then such Option or Convertible Security, as so amended or adjusted, and the Additional Shares of Common Stock subject thereto (determined in the manner provided in Subsection 4.4.3(a)) shall be deemed to have been issued effective upon such increase or decrease becoming effective.

(d) Upon the expiration or termination of any unexercised Option or unconverted or unexchanged Convertible Security (or portion thereof) which resulted (either upon its original issuance or upon a revision of its terms) in an adjustment to the Series Preferred Conversion Price pursuant to the terms of Subsection 4.4.4, the Series Preferred Conversion Price shall be readjusted to such Series Preferred Conversion Price as would have obtained had such Option or Convertible Security (or portion thereof) never been issued.

(e) If the number of shares of Common Stock issuable upon the exercise, conversion and/or exchange of any Option or Convertible Security, or the consideration payable to the Corporation upon such exercise, conversion and/or exchange, is calculable at the time such Option or Convertible Security is issued or amended but is subject to adjustment based upon subsequent events, any adjustment to the Series Preferred Conversion Price provided for in this Subsection 4.4.3 shall be effected at the time of such issuance or amendment based on such number of shares or amount of consideration without regard to any provisions for subsequent adjustments (and any subsequent adjustments shall be treated as provided in clauses (b) and (c) of this Subsection 4.4.3). If the number of shares of Common Stock issuable upon the exercise, conversion and/or exchange of any Option or Convertible Security, or the consideration payable to the Corporation upon such exercise, conversion and/or exchange, cannot be calculated at all at the time such Option or Convertible Security is issued or amended, any adjustment to the Series Preferred Conversion Price that would result under the terms of this Subsection 4.4.3 at the time of such issuance or amendment shall instead be effected at the time such number of shares and/or amount of consideration is first calculable (even if subject to subsequent adjustments), assuming for purposes of calculating such adjustment to the Series Preferred Conversion Price that such issuance or amendment took place at the time such calculation can first be made.

4.4.4 Adjustment of Series Preferred Conversion Price Upon Issuance of Additional Shares of Common Stock. In the event the Corporation shall at any time or from time to time after the Series E Original Issue Date issue Additional Shares of Common Stock (including Additional Shares of Common Stock deemed to be issued pursuant to Subsection 4.4.3), without consideration or for a consideration per share less than the Series Preferred Conversion Price in effect immediately prior to such issuance or deemed issuance, then the Series Preferred Conversion Price shall be reduced, concurrently with such issue, to a price (calculated to the nearest one-hundredth of a cent) determined in accordance with the following formula:

$$CP_2 = CP_1 * (A + B) \div (A + C).$$

For purposes of the foregoing formula, the following definitions shall apply:

(a) "CP_2" shall mean the Series Preferred Conversion Price in effect immediately after such issuance or deemed issuance of Additional Shares of Common Stock

(b) "CP_1" shall mean the Series Preferred Conversion Price in effect immediately prior to such issuance or deemed issuance of Additional Shares of Common Stock;

(c) "A" shall mean the number of shares of Common Stock outstanding immediately prior to such issuance or deemed issuance of Additional Shares of Common Stock (treating for this purpose as outstanding all shares of Common Stock issuable upon exercise of Options outstanding immediately prior to such issuance or deemed issuance or upon conversion or exchange of Convertible Securities (including the Series Preferred Stock) outstanding (assuming exercise of any outstanding Options therefor) immediately prior to such issuance or deemed issuance);

(d) "B" shall mean the number of shares of Common Stock that would have been issued or deemed issued if such Additional Shares of Common Stock had been issued at a price per share equal to CP_1 (determined by dividing the aggregate consideration received by the Corporation in respect of such issue by CP_1); and

(e) "C" shall mean the number of such Additional Shares of Common Stock issued in such transaction.

4.4.5 Determination of Consideration. For purposes of this Subsection 4.4, the consideration received by the Corporation for the issue of any Additional Shares of Common Stock shall be computed as follows:

(a) Cash and Property: Such consideration shall:

(i) insofar as it consists of cash, be computed at the aggregate amount of cash received by the Corporation, excluding amounts paid or payable for accrued interest;

(ii) insofar as it consists of property other than cash, be computed at the fair market value thereof at the time of such issue, as determined in good faith by the Board of Directors of the Corporation, including the Non-Employee Majority Directors; and

(iii) in the event Additional Shares of Common Stock are issued together with other shares or securities or other assets of the Corporation for consideration which covers both, be the proportion of such consideration so received, computed as provided in clauses (i) and (ii) above, as determined in good faith by the Board of Directors of the Corporation, including the Non-Employee Majority Directors.

(b) Options and Convertible Securities. The consideration per share received by the Corporation for Additional Shares of Common Stock deemed to have been issued pursuant to Subsection 4.4.3, relating to Options and Convertible Securities, shall be determined by dividing:

(i) the total amount, if any, received or receivable by the Corporation as consideration for the issue of such Options or Convertible Securities, plus the minimum aggregate amount of additional consideration (as set forth in the instruments relating thereto, without regard to any provision contained therein for a subsequent adjustment of such consideration) payable to the Corporation upon the exercise of such Options or the conversion or exchange of such Convertible Securities, or in the case of Options for Convertible Securities, the exercise of such Options for Convertible Securities and the conversion or exchange of such Convertible Securities, by

(ii) the maximum number of shares of Common Stock (as set forth in the instruments relating thereto, without regard to any provision contained therein for a subsequent adjustment of such number) issuable upon the exercise of such Options or the conversion or exchange of such Convertible Securities, or in the case of Options for Convertible Securities, the exercise of such Options for Convertible Securities and the conversion or exchange of such Convertible Securities.

4.4.6 Multiple Closing Dates. In the event the Corporation shall issue on more than one date Additional Shares of Common Stock that are a part of one transaction or a series of related transactions and that would result in an adjustment to the Series Preferred Conversion Price pursuant to the terms of Subsection 4.4.4, then, upon the final such issuance, the Series Preferred Conversion Price shall be readjusted to give effect to all such issuances as if they occurred on the date of the first such issuance (and without giving effect to any additional adjustments as a result of any such subsequent issuances within such period).

4.5 Adjustment for Stock Splits and Combinations. If the Corporation shall at any time or from time to time after the Series E Original Issue Date effect a subdivision of the outstanding Common Stock, the Series Preferred Conversion Price in effect immediately before that subdivision shall be proportionately decreased so that the number of shares of Common Stock issuable on conversion of each share of such series shall be increased in proportion to such increase in the aggregate number of shares of Common Stock outstanding. If the Corporation shall at any time or from time to time after the Series E Original Issue Date combine the outstanding shares of Common Stock, the Series Preferred Conversion Price in effect immediately before the combination shall be proportionately increased so that the number of shares of Common Stock issuable on conversion of each share of such series shall be decreased in proportion to such decrease in the aggregate number of shares of Common Stock outstanding. Any adjustment under this subsection shall become effective at the close of business on the date the subdivision or combination becomes effective.

4.6 Adjustment for Certain Dividends and Distributions. In the event the Corporation at any time or from time to time after the Series E Original Issue Date shall make or issue, or fix a record date for the determination of holders of Common Stock entitled to receive, a dividend or other distribution payable on the Common Stock in additional shares of Common Stock, then and in each such event the Series Preferred Conversion Price in effect immediately before such event shall be decreased as of the time of such issuance or, in the event such a record date shall have been fixed, as of the close of business on such record date, by multiplying the Series Preferred Conversion Price then in effect by a fraction:

(1) the numerator of which shall be the total number of shares of Common Stock issued and outstanding immediately prior to the time of such issuance or the close of business on such record date, and

(2) the denominator of which shall be the total number of shares of Common Stock issued and outstanding immediately prior to the time of such issuance or the close of business on such record date plus the number of shares of Common Stock issuable in payment of such dividend or distribution.

Notwithstanding the foregoing (a) if such record date shall have been fixed and such dividend is not fully paid or if such distribution is not fully made on the date fixed therefor, the Series Preferred Conversion Price shall be recomputed accordingly as of the close of business on such record date and thereafter the Series Preferred Conversion Price shall be adjusted pursuant to this subsection as of the time of actual payment of such dividends or distributions; and (b) that no such adjustment shall be made if the holders of Series Preferred Stock simultaneously receive a dividend or other distribution of shares of Common Stock in a number equal to the number of shares of Common Stock as they would have received if all outstanding shares of Series Preferred Stock had been converted into Common Stock on the date of such event.

4.7 Adjustments for Other Dividends and Distributions. In the event the Corporation at any time or from time to time after the Series E Original Issue Date shall make or issue, or fix a record date for the determination of holders of Common Stock entitled to receive, a dividend or other distribution payable in securities of the Corporation (other than a distribution of shares of Common Stock in respect of outstanding shares of Common Stock) or in other property and the provisions of Section 1 do not apply to such dividend or distribution, then and in each such event the holders of Series Preferred Stock shall receive, simultaneously with the distribution to the holders of Common Stock, a dividend or other distribution of such securities or other property in an amount equal to the amount of

such securities or other property as they would have received if all outstanding shares of Series Preferred Stock had been converted into Common Stock on the date of such event.

4.8 Adjustment for Merger or Reorganization, etc. Subject to the provisions of Subsection 2.3, if there shall occur any reorganization, recapitalization, reclassification, consolidation or merger involving the Corporation in which the Common Stock (but not the Series Preferred Stock) is converted into or exchanged for securities, cash or other property (other than a transaction covered by Subsections 4.4, 4.6 or 4.7), then, following any such reorganization, recapitalization, reclassification, consolidation or merger, each share of Series Preferred Stock shall thereafter be convertible in lieu of the Common Stock into which it was convertible prior to such event into the kind and amount of securities, cash or other property which a holder of the number of shares of Common Stock of the Corporation issuable upon conversion of one share of Series Preferred Stock immediately prior to such reorganization, recapitalization, reclassification, consolidation or merger would have been entitled to receive pursuant to such transaction; and, in such case, appropriate adjustment (as determined in good faith by the Board of Directors of the Corporation) shall be made in the application of the provisions in this Section 4 with respect to the rights and interests thereafter of the holders of the Series Preferred Stock, to the end that the provisions set forth in this Section 4 (including provisions with respect to changes in and other adjustments of the Series Preferred Conversion Price) shall thereafter be applicable, as nearly as reasonably may be, in relation to any securities or other property thereafter deliverable upon the conversion of the Series Preferred Stock. For the avoidance of doubt, nothing in this Subsection 4.8 shall be construed as preventing the holders of Series Preferred Stock from seeking any appraisal rights to which they are otherwise entitled under the General Corporation Law in connection with a merger triggering an adjustment hereunder, nor shall this Subsection 4.8 be deemed conclusive evidence of the fair value of the shares of Series Preferred Stock in any such appraisal proceeding.

4.9 Certificate as to Adjustments. Upon the occurrence of each adjustment or readjustment of the Series Preferred Conversion Price pursuant to this Section 4, the Corporation at its expense shall, as promptly as reasonably practicable but in any event not later than 10 days thereafter, compute such adjustment or readjustment in accordance with the terms hereof and furnish to each holder of Series Preferred Stock a certificate setting forth such adjustment or readjustment (including the kind and amount of securities, cash or other property into which the Series Preferred Stock is convertible) and showing in detail the facts upon which such adjustment or readjustment is based. The Corporation shall, as promptly as reasonably practicable after the written request at any time of any holder of Series Preferred Stock (but in any event not later than 10 days thereafter), furnish or cause to be furnished to such holder a certificate setting forth (i) the Series Preferred Conversion Price then in effect, and (ii) the number of shares of Common Stock and the amount, if any, of other securities, cash or property which then would be received upon the conversion of Series Preferred Stock.

4.10 Notice of Record Date. In the event:

(a) the Corporation shall take a record of the holders of its Common Stock (or other capital stock or securities at the time issuable upon conversion of the Series Preferred Stock) for the purpose of entitling or enabling them to receive any dividend or other distribution, or to receive any right to subscribe for or purchase any shares of capital stock of any class or any other securities, or to receive any other security; or

(b) of any capital reorganization of the Corporation, any reclassification of the Common Stock of the Corporation, or any Deemed Liquidation Event; or

(c) of the voluntary or involuntary dissolution, liquidation or winding-up of the Corporation,

then, and in each such case, the Corporation will send or cause to be sent to the holders of the Series Preferred Stock a notice specifying, as the case may be, (i) the record date for such dividend, distribution or right, and the amount and character of such dividend, distribution or right, or (ii) the effective date on which such reorganization, reclassification, consolidation, merger, transfer, dissolution, liquidation or winding-up is proposed to take place, and the time, if any is to be fixed, as of which the holders of record of Common Stock (or such other capital stock or securities at the time issuable upon the conversion of the Series Preferred Stock) shall be entitled to exchange their shares of Common Stock (or such other capital stock or securities) for securities or other property deliverable upon such reorganization, reclassification, consolidation, merger, transfer, dissolution, liquidation or winding-up, and the amount per share and character of such exchange applicable to the Series Preferred Stock and the Common Stock. Such notice shall be sent at least 10 days prior to the record date or effective date for the event specified in such notice.

5. Mandatory Conversion.

5.1 Trigger Events. Upon the earlier of (x) the closing of the sale of shares of Common Stock to the public in a firm-commitment underwritten public offering pursuant to an effective registration statement under the Securities Act of 1933, as amended (the "**Securities Act**"), resulting in at least $50,000,000 of gross proceeds to the Corporation and the Common Stock being traded or listed on the New York Stock Exchange or Nasdaq (a "**Qualified IPO**") or (y) the settlement of the initial trade of shares of Common Stock on the New York Stock Exchange or Nasdaq by means of an effective registration statement under the Securities Act that registers shares of existing Common Stock of the Corporation for resale (a "**Direct Listing**") then (i) all outstanding shares of Series Preferred Stock shall automatically be converted into shares of Common Stock, at the then effective conversion rate as calculated pursuant to Subsection 4.1.1 and (ii) such shares may not be reissued by the Corporation. Upon the date and time, or the occurrence of an event, specified by vote or written consent of the holders of at least 70% of the outstanding shares of Series Preferred Stock (as determined on an as-converted basis) (a "**Mandatory Conversion Election**"), (i) (a) all outstanding shares of Series Preferred Stock or (b) any pro rata portion across all holders of outstanding shares of Series Preferred Stock (as computed on an as-converted basis) shall automatically be converted into shares of Common Stock, as calculated pursuant to Subsection 4.1.1; and (ii) such shares may not be reissued by the Corporation. A Qualified IPO, a Direct Listing and any Mandatory Conversion Election are referred to below as the "**Mandatory Conversion Time**".

5.2 Procedural Requirements. All holders of record of shares of Series Preferred Stock shall be sent written notice of the Mandatory Conversion Time and the place designated for mandatory conversion of all or any portion of such shares of Series Preferred Stock pursuant to this Section 5. Such notice need not be sent in advance of the occurrence of the Mandatory Conversion Time. Upon receipt of such notice, each holder of shares of Series Preferred Stock shall surrender his, her or its certificate or certificates for all or any portion of such shares (or, if such holder alleges that such certificate has been lost, stolen or destroyed, a lost certificate affidavit and agreement reasonably acceptable to the Corporation to indemnify the Corporation against any claim that may be made against the Corporation on account of the alleged loss, theft or destruction of such certificate) to the Corporation at the place designated in such notice, and shall thereafter receive certificates for the number of shares of Common Stock to which such holder is entitled pursuant to this Section 5. On the Mandatory Conversion Time, all or any portion of the outstanding shares of Series Preferred Stock shall be deemed to have been converted into shares of Common Stock, which shall be deemed to be outstanding of record, and all rights with respect to the Preferred Stock so converted, including the rights, if any, to receive notices and vote (other than as a holder of Common Stock), will terminate, except only the rights of the holders thereof, upon surrender of their certificate or certificates therefor (or lost certificate affidavit and agreement), to

receive the items provided for in the last sentence of this Subsection 5.2. If so required by the Corporation, any certificates surrendered for conversion shall be endorsed or accompanied by written instrument or instruments of transfer, in form satisfactory to the Corporation, duly executed by the registered holder or by his, her or its attorney duly authorized in writing. All rights with respect to the Series Preferred Stock converted pursuant to Subsection 5.1, including the rights, if any, to receive notices and vote (other than as a holder of Common Stock), will terminate at the Mandatory Conversion Time (notwithstanding the failure of the holder or holders thereof to surrender any certificates at or prior to such time), except only the rights of the holders thereof, upon surrender of any certificate or certificates of such holders (or lost certificate affidavit and agreement) therefor, to receive the items provided for in the next sentence of this Subsection 5.2. As soon as practicable after the Mandatory Conversion Time and, if applicable, the surrender of any certificate or certificates (or lost certificate affidavit and agreement) for Series Preferred Stock, the Corporation shall (a) issue and deliver to such holder, or to his, her or its nominees, a certificate or certificates for the number of full shares of Common Stock issuable on such conversion in accordance with the provisions hereof; (b) pay cash as provided in Subsection 4.2 in lieu of any fraction of a share of Common Stock otherwise issuable upon such conversion and the payment of any declared but unpaid dividends on the shares of Series Preferred Stock converted; and (c) in the case of a partial Mandatory Conversion Election, a new certificate evidencing any shares of Preferred Stock not so converted but evidenced by a surrendered certificate.

5.3 All certificates evidencing shares of Series Preferred Stock which are required to be surrendered for conversion in accordance with the provisions hereof shall, from and after a Mandatory Conversion Time, in respect of the Series Preferred Stock converted, be deemed to have been retired and cancelled and the shares of Series Preferred Stock represented thereby converted into Common Stock for all purposes notwithstanding the failure of the holder or holders thereof to surrender such certificates on or prior to such date. Such converted Series Preferred Stock shall be retired and cancelled and may not be reissued as shares of such series, and the Corporation may thereafter take such appropriate action (without the need for stockholder action) as may be necessary to reduce the authorized number of shares of Series Preferred Stock (or the applicable series thereof) accordingly.

6. Redeemed or Otherwise Acquired Shares. Any shares of Series Preferred Stock that are redeemed, converted or otherwise acquired by the Corporation or any of its subsidiaries shall be automatically and immediately cancelled and retired and shall not be reissued, sold or transferred. Neither the Corporation nor any of its subsidiaries may exercise any voting or other rights granted to the holders of Series Preferred Stock following redemption, conversion or acquisition. Except with respect to the distribution of Available Proceeds as provided in Section 2.3.2, the Series Preferred Stock of the Corporation shall not be automatically redeemable at the option of the holder thereof.

7. Waiver. Except as otherwise set forth herein, any of the rights, powers, preferences and other terms of a series of Preferred Stock set forth herein may be waived prospectively or retrospectively on behalf of all holders of such series of Preferred Stock by the affirmative written consent or vote of the holders of a majority of the shares of such series of Preferred Stock then outstanding.

8. Notices. Any notice required or permitted by the provisions of this Article Fourth to be given to a holder of shares of Series Preferred Stock shall be mailed, postage prepaid, to the post office address last shown on the records of the Corporation, or given by electronic communication in compliance with the provisions of the General Corporation Law, and shall be deemed sent upon such mailing or electronic transmission.

FIFTH: Subject to any additional vote required by the Certificate of Incorporation or Bylaws, in furtherance and not in limitation of the powers conferred by statute, the Board of Directors is

expressly authorized to make, repeal, alter, amend and rescind any or all of the Bylaws of the Corporation.

SIXTH: Subject to any additional vote required by the Certificate of Incorporation, the number of directors of the Corporation shall be determined in the manner set forth in the Bylaws of the Corporation. Each director shall be entitled to one vote on each matter presented to the Board of Directors; provided, however, that the affirmative vote of the Non-Employee Majority Directors shall be required for the authorization by the Board of Directors of any matters requiring such directors' votes set forth in that certain Amended and Restated Investors Rights Agreement, dated as of the Original Issue Date of the Series E Preferred Stock, by and among the Corporation and other parties thereto, as may be amended from time to time.

SEVENTH: Elections of directors need not be by written ballot unless the Bylaws of the Corporation shall so provide.

EIGHTH: Meetings of stockholders may be held within or without the State of Delaware, as the Bylaws of the Corporation may provide. The books of the Corporation may be kept outside the State of Delaware at such place or places as may be designated from time to time by the Board of Directors or in the Bylaws of the Corporation.

NINTH: To the fullest extent permitted by law, a director of the Corporation shall not be personally liable to the Corporation or its stockholders for monetary damages for breach of fiduciary duty as a director. If the General Corporation Law or any other law of the State of Delaware is amended after approval by the stockholders of this Article Ninth to authorize corporate action further eliminating or limiting the personal liability of directors, then the liability of a director of the Corporation shall be eliminated or limited to the fullest extent permitted by the General Corporation Law as so amended.

Any disinterested failure to satisfy Section 365 of the General Corporation Law shall not, for the purposes of Sections 102(b)(7) or 145 of the General Corporation Law, or for the purposes of any use of the term "good faith" in this certificate of incorporation or the Corporation's bylaws in regard to the indemnification or advancement of expenses of officers, directors, employees and agents, constitute an act or omission not in good faith, or a breach of the duty of loyalty. Any repeal or modification of this Article Ninth shall not adversely affect any right or protection of a director of the Corporation existing at the time of such repeal or modification.

Any repeal or modification of the foregoing provisions of this Article Ninth by the stockholders of the Corporation shall not adversely affect any right or protection of a director of the Corporation existing at the time of, or increase the liability of any director of the Corporation with respect to any acts or omissions of such director occurring prior to, such repeal or modification.

TENTH: To the fullest extent permitted by applicable law, the Corporation is authorized to provide indemnification of (and advancement of expenses to) directors, officers and agents of the Corporation (and any other persons to which General Corporation Law permits the Corporation to provide indemnification) through Bylaw provisions, agreements with such agents or other persons, vote of stockholders or disinterested directors or otherwise, in excess of the indemnification and advancement otherwise permitted by Section 145 of the General Corporation Law.

Any amendment, repeal or modification of the foregoing provisions of this Article Tenth shall not adversely affect any right or protection of any director, officer or other agent of the Corporation existing at the time of such amendment, repeal or modification.

ELEVENTH: The Corporation renounces, to the fullest extent permitted by law, any interest or expectancy of the Corporation in, or in being offered an opportunity to participate in, any Excluded Opportunity. An "**Excluded Opportunity**" is any matter, transaction or interest that is presented to, or acquired, created or developed by, or which otherwise comes into the possession of (i) any director of the Corporation who is not an employee of the Corporation or any of its subsidiaries, or (ii) any holder of Series Preferred Stock or any partner, member, director, stockholder, employee or agent of any such holder, other than someone who is an employee of the Corporation or any of its subsidiaries (collectively, "**Covered Persons**"), unless such matter, transaction or interest is presented to, or acquired, created or developed by, or otherwise comes into the possession of, a Covered Person expressly and solely in such Covered Person's capacity as a director of the Corporation.

TWELFTH: To the extent sections of state corporations codes setting forth minimum requirements for the Corporation's retained earnings and/or net assets are applicable to the Corporation's repurchase of shares of Common Stock, such code sections shall not apply, to the greatest extent permitted by applicable law, with respect to repurchases by the Corporation of its Common Stock from employees, officers, directors, advisors, consultants or other persons performing services for the Corporation or any subsidiary pursuant to agreements under which the Corporation has the right to repurchase such shares at cost upon the occurrence of certain events, such as the termination of service to the Corporation. Distributions by the Corporation may be made without regard to the "preferential dividends arrears amount" or any "preferential rights amount," as such terms may be defined in state corporations codes.

THIRTEENTH: Unless the Corporation consents in writing to the selection of an alternative forum, the Court of Chancery in the State of Delaware (or, if the Court of Chancery does not have jurisdiction, the federal district court for the District of Delaware) shall be the sole and exclusive forum for any stockholder (including a beneficial owner) to bring (i) any derivative action or proceeding brought on behalf of the Corporation, (ii) any action asserting a claim of breach of fiduciary duty owed by any director, officer or other employee of the Corporation to the Corporation or the Corporation's stockholders, (iii) any action asserting a claim against the Corporation, its directors, officers or employees arising pursuant to any provision of the Delaware General Corporation Law or the Corporation's certificate of incorporation or bylaws or (iv) any action asserting a claim against the Corporation, its directors, officers or employees governed by the internal affairs doctrine, except for, as to each of (i) through (iv) above, any claim as to which the Court of Chancery determines that there is an indispensable party not subject to the jurisdiction of the Court of Chancery (and the indispensable party does not consent to the personal jurisdiction of the Court of Chancery within ten days following such determination), which is vested in the exclusive jurisdiction of a court or forum other than the Court of Chancery, or for which the Court of Chancery does not have subject matter jurisdiction. If any provision or provisions of this Article Thirteenth shall be held to be invalid, illegal or unenforceable as applied to any person or entity or circumstance for any reason whatsoever, then, to the fullest extent permitted by law, the validity, legality and enforceability of such provisions in any other circumstance and of the remaining provisions of this Article Thirteenth (including, without limitation, each portion of any sentence of this Article Thirteenth containing any such provision held to be invalid, illegal or unenforceable that is not itself held to be invalid, illegal or unenforceable) and the application of such provision to other persons or entities and circumstances shall not in any way be affected or impaired thereby. Any person or entity purchasing or otherwise acquiring or holding any interest in shares of capital stock of the Corporation shall be deemed to have notice of and consented to the provisions of this Article Thirteenth.

* * *

3. That the foregoing amendment and restatement was approved by the holders of the requisite number of shares of this corporation in accordance with Section 228 of the General Corporation Law.

4. That this Seventh Amended and Restated Certificate of Incorporation, which restates and integrates and further amends the provisions of this corporation's Amended and Restated Certificate of Incorporation, has been duly adopted in accordance with Sections 242 and 245 of the General Corporation Law.

IN WITNESS WHEREOF, this Seventh Amended and Restated Certificate of Incorporation has been executed by a duly authorized officer of this corporation on this September 21, 2020.

By: /s/ Joseph Zwillinger

Joseph Zwillinger

Co-Chief Executive Officer

AMENDED AND RESTATED

BYLAWS

OF

ALLBIRDS, INC.

(A DELAWARE CORPORATION)

ARTICLE I

OFFICES

Section 1. Registered Office. The registered office of the corporation in the State of Delaware shall be 2711 Centerville Road, Suite 400, City of Wilmington, County of New Castle, 19808 or in such other location as the Board of Directors may from time to time determine or the business of the corporation may require.

Section 2. Other Offices. The corporation shall also have and maintain an office or principal place of business at such place as may be fixed by the Board of Directors, and may also have offices at such other places, both within and without the State of Delaware, as the Board of Directors may from time to time determine or the business of the corporation may require.

ARTICLE II

CORPORATE SEAL

Section 3. Corporate Seal. The Board of Directors may adopt a corporate seal. Said seal may be used by causing it or a facsimile thereof to be impressed or affixed or reproduced or otherwise.

ARTICLE III

STOCKHOLDERS' MEETINGS

Section 4. Place of Meetings. Meetings of the stockholders of the corporation may be held at such place, either within or without the State of Delaware, as may be determined from time to time by the Board of Directors. The Board of Directors may, in its sole discretion, determine that the meeting shall not be held at any place, but may instead be held solely by means of remote communication as provided under the Delaware General Corporation Law ("***DGCL***").

Section 5. Annual Meeting.

(a) The annual meeting of the stockholders of the corporation, for the purpose of election of directors and for such other business as may lawfully come before it, shall be held on such date and at such time as may be designated from time to time by the Board of Directors. Nominations of persons for election to the Board of Directors of the corporation and the proposal of business to be considered by the stockholders may be made at an annual meeting of stockholders: (i) pursuant to the corporation's notice of meeting of stockholders; (ii) by or at the direction of the Board of Directors; or (iii) by any stockholder of the corporation who was a stockholder of record at the time of giving of notice provided for in the following paragraph, who is entitled to vote at the meeting and who complied with the notice procedures set forth in this Section.

(b) At an annual meeting of the stockholders, only such business shall be conducted as shall have been properly brought before the meeting. For nominations or other business to be properly brought before an annual meeting by a stockholder pursuant to clause (iii) of paragraph (a) of this Section, (i) the stockholder must have given timely notice thereof in writing to the Secretary of the corporation, (ii) such other business must be a proper matter for stockholder action under the DGCL and applicable law, (iii) if the stockholder, or the beneficial owner on whose behalf any such proposal or nomination is made, has provided the corporation with a Solicitation Notice (as defined in this paragraph), such stockholder or beneficial owner must, in the case of a proposal, have delivered a proxy statement and form of proxy to holders of at least the percentage of the corporation's voting shares required under applicable law to carry any such proposal, or, in the case of a nomination or nominations, have delivered a proxy statement and

form of proxy to holders of a percentage of the corporation's voting shares reasonably believed by such stockholder or beneficial owner to be sufficient to elect the nominee or nominees proposed to be nominated by such stockholder, and must, in either case, have included in such materials the Solicitation Notice, and (iv) if no Solicitation Notice relating thereto has been timely provided pursuant to this Section, the stockholder or beneficial owner proposing such business or nomination must not have solicited a number of proxies sufficient to have required the delivery of such a Solicitation Notice under this Section. To be timely, a stockholder's notice shall be delivered to the Secretary at the principal executive offices of the corporation not later than the close of business on the 90th day nor earlier than the close of business on the 120th day prior to the first anniversary of the preceding year's annual meeting; provided, however, that in the event that the date of the annual meeting is advanced more than 30 days prior to or delayed by more than 30 days after the anniversary of the preceding year's annual meeting, notice by the stockholder to be timely must be so delivered not earlier than the close of business on the 120th day prior to such annual meeting and not later than the close of business on the later of the 90th day prior to such annual meeting or the 10th day following the day on which public announcement of the date of such meeting is first made. In no event shall the public announcement of an adjournment of an annual meeting commence a new time period for the giving of a stockholder's notice as described above. Such stockholder's notice shall set forth: (A) as to each person whom the stockholder proposed to nominate for election or reelection as a director all information relating to such person that is required to be disclosed in solicitations of proxies for election of directors in an election contest, or is otherwise required, in each case pursuant to Regulation 14A under the Securities Exchange Act of 1934, as amended (the "***1934 Act***") and Rule 14a-4(d) thereunder (including such person's written consent to being named in the proxy statement as a nominee and to serving as a director if elected); (B) as to any other business that the stockholder proposes to bring before the meeting, a brief description of the business desired to be brought before the meeting, the reasons for conducting such business at the meeting and any material interest in such business of such stockholder and the beneficial owner, if any, on whose behalf the proposal is made; and (C) as to the stockholder giving the notice and the beneficial owner, if any, on whose behalf the nomination or proposal is made (i) the name and address of such stockholder, as they appear on the corporation's books, and of such beneficial owner, (ii) the class and number of shares of the corporation which are owned beneficially and of record by such stockholder and such beneficial owner, and (iii) whether either such stockholder or beneficial owner intends to deliver a proxy statement and form of proxy to holders of, in the case of the proposal, at least the percentage of the corporation's voting shares required under applicable law to carry the proposal or, in the case of a nomination or nominations, a sufficient number of holders of the corporation's voting shares to elect such nominee or nominees (an affirmative statement of such intent, a "***Solicitation Notice***").

(c) Notwithstanding anything in the second sentence of paragraph (b) of this Section to the contrary, in the event that the number of directors to be elected to the Board of Directors of the corporation is increased and there is no public announcement naming all of the nominees for director or specifying the size of the increased Board of Directors made by the corporation at least 100 days prior to the first anniversary of the preceding year's annual meeting, a stockholder's notice required by this Section shall also be considered timely, but only with respect to nominees for any new positions created by such increase, if it shall be delivered to the Secretary at the principal executive offices of the corporation not later than the close of business on the 10th day following the day on which such public announcement is first made by the corporation.

(d) Only such persons who are nominated in accordance with the procedures set forth in this Section (or elected or appointed pursuant to Article IV of these Bylaws) shall be eligible to serve as directors and only such business shall be conducted at a meeting of stockholders as shall have been brought before the meeting in accordance with the procedures set forth in this Section. Except as

otherwise provided by law, the Chairman of the meeting shall have the power and duty to determine whether a nomination or any business proposed to be brought before the meeting was made, or proposed, as the case may be, in accordance with the procedures set forth in these Bylaws and, if any proposed nomination or business is not in compliance with these Bylaws, to declare that such defective proposal or nomination shall not be presented for stockholder action at the meeting and shall be disregarded.

(e) Notwithstanding the foregoing provisions of this Section, in order to include information with respect to a stockholder proposal in the proxy statement and form of proxy for a stockholders' meeting, stockholders must provide notice as required by the regulations promulgated under the 1934 Act. Nothing in these Bylaws shall be deemed to affect any rights of stockholders to request inclusion of proposals in the corporation proxy statement pursuant to Rule 14a-8 under the 1934 Act.

(f) For purposes of this Section, "public announcement" shall mean disclosure in a press release reported by the Dow Jones News Service, Associated Press or comparable national news service or in a document publicly filed by the corporation with the Securities and Exchange Commission (the "***SEC***") pursuant to Section 13, 14 or 15(d) of the 1934 Act.

Section 6. Special Meetings.

(a) Special meetings of the stockholders of the corporation may be called, for any purpose or purposes, by (i) the Chairman of the Board of Directors, (ii) the Chief Executive Officer, (iii) the Board of Directors pursuant to a resolution adopted by a majority of the directors then in office or (iv) by the holders of shares entitled to cast not less than 20% of the votes at the meeting, and shall be held at such place, on such date, and at such time as the Board of Directors shall fix.

At any time or times that the corporation is subject to Section 2115(b) of the California General Corporation Law ("***CGCL***"), stockholders holding 5% or more of the outstanding shares shall have the right to call a special meeting of stockholders as set forth in Section 18(b) of these Bylaws.

(b) If a special meeting is properly called by any person or persons other than the Board of Directors, the request shall be in writing, specifying the general nature of the business proposed to be transacted, and shall be delivered personally or sent by certified or registered mail, return receipt requested, or by telegraphic or other facsimile transmission to the Chairman of the Board of Directors, the Chief Executive Officer, or the Secretary of the corporation. No business may be transacted at such special meeting otherwise than specified in such notice. The Board of Directors shall determine the time and place of such special meeting, which shall be held not less than 35 nor more than 120 days after the date of the receipt of the request. Upon determination of the time and place of the meeting, the officer receiving the request shall cause notice to be given to the stockholders entitled to vote, in accordance with the provisions of Section 7 of these Bylaws. Nothing contained in this paragraph (b) shall be construed as limiting, fixing, or affecting the time when a meeting of stockholders called by action of the Board of Directors may be held.

Section 7. Notice of Meetings. Except as otherwise provided by law, notice, given in writing or by electronic transmission, of each meeting of stockholders shall be given not less than 10 nor more than 60 days before the date of the meeting to each stockholder entitled to vote at such meeting, such notice to specify the place, if any, date and hour, in the case of special meetings, the purpose or purposes of the meeting, and the means of remote communications, if any, by which stockholders and proxyholders may be deemed to be present in person and vote at any such meeting. If mailed, notice is given when deposited in the United States mail, postage prepaid, directed to the stockholder at such stockholder's address as it appears on the records of the corporation. Notice of the time, place, if any, and purpose of any meeting of stockholders may be waived in writing, signed by the person entitled to notice

thereof or by electronic transmission by such person, either before or after such meeting, and will be waived by any stockholder by his or her attendance thereat in person, by remote communication, if applicable, or by proxy, except when the stockholder attends a meeting for the express purpose of objecting, at the beginning of the meeting, to the transaction of any business because the meeting is not lawfully called or convened. Any stockholder so waiving notice of such meeting shall be bound by the proceedings of any such meeting in all respects as if due notice thereof had been given.

Section 8. Quorum. At all meetings of stockholders, except where otherwise provided by statute or by the Certificate of Incorporation, or by these Bylaws, the presence, in person, by remote communication, if applicable, or by proxy duly authorized, of the holders of a majority of the outstanding shares of stock entitled to vote shall constitute a quorum for the transaction of business. In the absence of a quorum, any meeting of stockholders may be adjourned, from time to time, either by the chairman of the meeting or by vote of the holders of a majority of the shares represented thereat, but no other business shall be transacted at such meeting. The stockholders present at a duly called or convened meeting, at which a quorum is present, may continue to transact business until adjournment, notwithstanding the withdrawal of enough stockholders to leave less than a quorum. Except as otherwise provided by statute, or by the Certificate of Incorporation or these Bylaws, in all matters other than the election of directors, the affirmative vote of a majority of shares present in person, by remote communication, if applicable, or represented by proxy duly authorized at the meeting and entitled to vote generally on the subject matter shall be the act of the stockholders. Except as otherwise provided by statute, the Certificate of Incorporation or these Bylaws, directors shall be elected by a plurality of the votes of the shares present in person, by remote communication, if applicable, or represented by proxy duly authorized at the meeting and entitled to vote generally on the election of directors. Where a separate vote by a class or classes or series is required, except where otherwise provided by the statute or by the Certificate of Incorporation or these Bylaws, a majority of the outstanding shares of such class or classes or series, present in person, by remote communication, if applicable, or represented by proxy duly authorized, shall constitute a quorum entitled to take action with respect to that vote on that matter. Except where otherwise provided by statute or by the Certificate of Incorporation or these Bylaws, the affirmative vote of the majority (plurality, in the case of the election of directors) of shares of such class or classes or series present in person, by remote communication, if applicable, or represented by proxy at the meeting shall be the act of such class or classes or series.

Section 9. Adjournment and Notice of Adjourned Meetings. Any meeting of stockholders, whether annual or special, may be adjourned from time to time either by the chairman of the meeting or by the vote of a majority of the shares present in person, by remote communication, if applicable, or represented by proxy. When a meeting is adjourned to another time or place, if any, notice need not be given of the adjourned meeting if the time and place, if any, thereof are announced at the meeting at which the adjournment is taken. At the adjourned meeting, the corporation may transact any business which might have been transacted at the original meeting pursuant to the Certificate of Incorporation, these Bylaws or applicable law. If the adjournment is for more than 30 days or if after the adjournment a new record date is fixed for the adjourned meeting, a notice of the adjourned meeting shall be given to each stockholder of record entitled to vote at the meeting.

Section 10. Voting Rights. For the purpose of determining those stockholders entitled to vote at any meeting of the stockholders, except as otherwise provided by law, only persons in whose names shares stand on the stock records of the corporation on the record date, as provided in Section 12of these Bylaws, shall be entitled to vote at any meeting of stockholders. Every person entitled to vote or execute consents shall have the right to do so either in person, by remote communication, if applicable, or by an agent or agents authorized by a proxy granted in accordance with Delaware law. An agent so

appointed need not be a stockholder. No proxy shall be voted after three years from its date of creation unless the proxy provides for a longer period.

Section 11. Joint Owners of Stock. If shares or other securities having voting power stand of record in the names of two or more persons, whether fiduciaries, members of a partnership, joint tenants, tenants in common, tenants by the entirety, or otherwise, or if two or more persons have the same fiduciary relationship respecting the same shares, unless the Secretary is given written notice to the contrary and is furnished with a copy of the instrument or order appointing them or creating the relationship wherein it is so provided, their acts with respect to voting (including giving consent pursuant to Section 13) shall have the following effect: (a) if only one votes, his or her act binds all; (b) if more than one votes, the act of the majority so voting binds all; (c) if more than one votes, but the vote is evenly split on any particular matter, each faction may vote the securities in question proportionally, or may apply to the Delaware Court of Chancery for relief as provided in the DGCL, Section 217(b). If the instrument filed with the Secretary shows that any such tenancy is held in unequal interests, a majority or even-split for the purpose of subsection (c) shall be a majority or even-split in interest.

Section 12. List of Stockholders. The Secretary shall prepare and make, at least 10 days before every meeting of stockholders, a complete list of the stockholders entitled to vote at said meeting, arranged in alphabetical order, showing the address of each stockholder and the number of shares registered in the name of each stockholder. Such list shall be open to the examination of any stockholder, for any purpose germane to the meeting, on a reasonably accessible electronic network, provided that the information required to gain access to such list is provided with the notice of the meeting, or during ordinary business hours, at the principal place of business of the corporation. In the event that the corporation determines to make the list available on an electronic network, the corporation may take reasonable steps to ensure that such information is available only to stockholders of the corporation. The list shall be open to examination of any stockholder during the time of the meeting as provided by law.

Section 13. Action Without Meeting.

(a) Unless otherwise provided in the Certificate of Incorporation, any action required by statute to be taken at any annual or special meeting of the stockholders, or any action which may be taken at any annual or special meeting of the stockholders, may be taken without a meeting, without prior notice and without a vote, if a consent in writing, or by electronic transmission setting forth the action so taken, shall be signed by the holders of outstanding stock having not less than the minimum number of votes that would be necessary to authorize or take such action at a meeting at which all shares entitled to vote thereon were present and voted.

(b) Every written consent or electronic transmission shall bear the date of signature of each stockholder who signs the consent, and no written consent or electronic transmission shall be effective to take the corporate action referred to therein unless, within 60 days of the earliest dated consent delivered to the corporation in the manner herein required, written consents or electronic transmissions signed by a sufficient number of stockholders to take action are delivered to the corporation by delivery to its registered office in the State of Delaware, its principal place of business or an officer or agent of the corporation having custody of the book in which proceedings of meetings of stockholders are recorded. Delivery made to a corporation’s registered office shall be by hand or by certified or registered mail, return receipt requested.

(c) Prompt notice of the taking of the corporate action without a meeting by less than unanimous written consent shall be given to those stockholders who have not consented in writing or by electronic transmission and who, if the action had been taken at a meeting, would have been entitled to notice of the meeting if the record date for such meeting had been the date that written consents signed by

a sufficient number of stockholders to take action were delivered to the corporation as provided in Section 228(c) of the DGCL. If the action which is consented to is such as would have required the filing of a certificate under any section of the DGCL if such action had been voted on by stockholders at a meeting thereof, then the certificate filed under such section shall state, in lieu of any statement required by such section concerning any vote of stockholders, that written consent has been given in accordance with Section 228 of the DGCL.

(d) An electronic mail, facsimile or other electronic transmission consenting to an action to be taken and transmitted by a stockholder or proxyholder, shall be deemed to be written, signed and dated for the purposes of this Section, provided that any such electronic mail, facsimile or other electronic transmission sets forth or is delivered with information from which the corporation can determine (i) that the electronic mail, facsimile or other electronic transmission was transmitted by the stockholder or proxyholder or by a person or persons authorized to act for the stockholder and (ii) the date on which such stockholder or proxyholder or authorized person or persons transmitted such electronic mail, facsimile or electronic transmission. The date on which such electronic mail, facsimile or electronic transmission is transmitted shall be deemed to be the date on which such consent was signed. No consent given by electronic mail, facsimile or other electronic transmission shall be deemed to have been delivered until such consent is reproduced in paper form and until such paper form shall be delivered to the corporation by delivery to its registered office in the state of Delaware, its principal place of business or an officer or agent of the corporation having custody of the book in which proceedings of meetings of stockholders are recorded. Delivery made to a corporation's registered office shall be made by hand or by certified or registered mail, return receipt requested. Notwithstanding the foregoing limitations on delivery, consents given by electronic mail, facsimile or other electronic transmission may be otherwise delivered to the principal place of business of the corporation or to an officer or agent of the corporation having custody of the book in which proceedings of meetings of stockholders are recorded if, to the extent and in the manner provided by resolution of the board of directors of the corporation. Any copy, facsimile or other reliable reproduction of a consent in writing may be substituted or used in lieu of the original writing for any and all purposes for which the original writing could be used, provided that such copy, facsimile or other reproduction shall be a complete reproduction of the entire original writing.

Section 14. Organization.

(a) At every meeting of stockholders, the Chairman of the Board of Directors, or, if a Chairman has not been appointed or is absent, the Chief Executive Officer, or, if the Chief Executive Officer is absent, a chairman of the meeting chosen by a majority in interest of the stockholders entitled to vote, present in person or by proxy, shall act as chairman. The Secretary, or, in his or her absence, an Assistant Secretary directed to do so by the Chief Executive Officer, shall act as secretary of the meeting.

(b) The Board of Directors shall be entitled to make such rules or regulations for the conduct of meetings of stockholders as it shall deem necessary, appropriate or convenient. Subject to such rules and regulations of the Board of Directors, if any, the chairman of the meeting shall have the right and authority to prescribe such rules, regulations and procedures and to do all such acts as, in the judgment of such chairman, are necessary, appropriate or convenient for the proper conduct of the meeting, including, without limitation, establishing an agenda or order of business for the meeting, rules and procedures for maintaining order at the meeting and the safety of those present, limitations on participation in such meeting to stockholders of record of the corporation and their duly authorized and constituted proxies and such other persons as the chairman shall permit, restrictions on entry to the meeting after the time fixed for the commencement thereof, limitations on the time allotted to questions or comments by participants and regulation of the opening and closing of the polls for balloting on matters which are to be voted on by ballot. The date and time of the opening and closing of the polls for

each matter upon which the stockholders will vote at the meeting shall be announced at the meeting. Unless and to the extent determined by the Board of Directors or the chairman of the meeting, meetings of stockholders shall not be required to be held in accordance with rules of parliamentary procedure.

ARTICLE IV

DIRECTORS

Section 15. Number and Term of Office.

The authorized number of directors of the corporation shall be fixed by the Board of Directors from time to time.

Directors need not be stockholders unless so required by the Certificate of Incorporation. If for any cause, the directors shall not have been elected at an annual meeting, they may be elected as soon thereafter as convenient.

Section 16. Powers. The business and affairs of the corporation shall be managed by or under the direction of the Board of Directors, except as may be otherwise provided by statute or by the Certificate of Incorporation.

Section 17. Term of Directors.

(a) Subject to the rights of the holders of any series of Preferred Stock to elect additional directors under specified circumstances, directors shall be elected at each annual meeting of stockholders to serve until his or her successor is duly elected and qualified or until his or her death, resignation or removal. No decrease in the number of directors constituting the Board of Directors shall shorten the term of any incumbent director.

(b) No person entitled to vote at an election for directors may cumulate votes to which such person is entitled, unless, at the time of such election, the corporation is subject to Section 2115(b) of the CGCL. During such time or times that the corporation is subject to Section 2115(b) of the CGCL, every stockholder entitled to vote at an election for directors may cumulate such stockholder's votes and give one candidate a number of votes equal to the number of directors to be elected multiplied by the number of votes to which such stockholder's shares are otherwise entitled, or distribute the stockholder's votes on the same principle among as many candidates as such stockholder thinks fit. No stockholder, however, shall be entitled to so cumulate such stockholder's votes unless (i) the names of such candidate or candidates have been placed in nomination prior to the voting and (ii) the stockholder has given notice at the meeting, prior to the voting, of such stockholder's intention to cumulate such stockholder's votes. If any stockholder has given proper notice to cumulate votes, all stockholders may cumulate their votes for any candidates who have been properly placed in nomination. Under cumulative voting, the candidates receiving the highest number of votes, up to the number of directors to be elected, are elected.

Section 18. Vacancies.

(a) Unless otherwise provided in the Certificate of Incorporation, and subject to the rights of the holders of any series of Preferred Stock, any vacancies on the Board of Directors resulting from death, resignation, disqualification, removal or other causes and any newly created directorships resulting from any increase in the number of directors shall, unless the Board of Directors determines by resolution that any such vacancies or newly created directorships shall be filled by stockholders, be filled only by the affirmative vote of a majority of the directors then in office, even though less than a quorum

of the Board of Directors, or by a sole remaining director, *provided*, *however*, that whenever the holders of any class or classes of stock or series thereof are entitled to elect one or more directors by the provisions of the Certificate of Incorporation, vacancies and newly created directorships of such class or classes or series shall, unless the Board of Directors determines by resolution that any such vacancies or newly created directorships shall be filled by stockholders, be filled by a majority of the directors elected by such class or classes or series thereof then in office, or by a sole remaining director so elected. Any director elected in accordance with the preceding sentence shall hold office for the remainder of the full term of the director for which the vacancy was created or occurred and until such director's successor shall have been elected and qualified. A vacancy in the Board of Directors shall be deemed to exist under this Bylaw in the case of the death, removal or resignation of any director.

(b) At any time or times that the corporation is subject to Section 2115(b) of the CGCL, if, after the filling of any vacancy, the directors then in office who have been elected by stockholders shall constitute less than a majority of the directors then in office, then

(i) any holder or holders of an aggregate of 5% or more of the total number of shares at the time outstanding having the right to vote for those directors may call a special meeting of stockholders; or

(ii) the Superior Court of the proper county shall, upon application of such stockholder or stockholders, summarily order a special meeting of the stockholders, to be held to elect the entire board, all in accordance with Section 305(c) of the CGCL, the term of office of any director shall terminate upon that election of a successor.

Section 19. Resignation. Any director may resign at any time by delivering his or her notice in writing or by electronic transmission to the Secretary, such resignation to specify whether it will be effective at a particular time, upon receipt by the Secretary or at the pleasure of the Board of Directors. If no such specification is made, it shall be deemed effective at the pleasure of the Board of Directors. When one or more directors shall resign from the Board of Directors, effective at a future date, a majority of the directors then in office, including those who have so resigned, shall have power to fill such vacancy or vacancies, the vote thereon to take effect when such resignation or resignations shall become effective, and each Director so chosen shall hold office for the unexpired portion of the term of the Director whose place shall be vacated and until his or her successor shall have been duly elected and qualified.

Section 20. Removal.

(a) Subject to any limitations imposed by applicable law, the Board of Directors or any director may be removed from office at any time (i) with cause by the affirmative vote of the holders of a majority of the voting power of all then-outstanding shares of capital stock of the corporation entitled to vote generally at an election of directors or (ii) without cause by the affirmative vote of the holders of a majority of the voting power of all then-outstanding shares of capital stock of the corporation, entitled to elect such director.

(b) During such time or times that the corporation is subject to Section 2115(b) of the CGCL, the Board of Directors or any individual director may be removed from office at any time without cause by the affirmative vote of the holders of at least a majority of the outstanding shares entitled to vote on such removal; provided, however, that unless the entire Board is removed, no individual director may be removed when the votes cast against such director's removal, or not consenting in writing to such removal, would be sufficient to elect that director if voted cumulatively at an election which the same total number of votes were cast (or, if such action is taken by written consent,

all shares entitled to vote were voted) and the entire number of directors authorized at the time of such director's most recent election were then being elected.

Section 21. Meetings

(a) Regular Meetings. Unless otherwise restricted by the Certificate of Incorporation, regular meetings of the Board of Directors may be held at any time or date and at any place within or without the State of Delaware which has been designated by the Board of Directors and publicized among all directors, either orally or in writing, including a voice-messaging system or other system designated to record and communicate messages, facsimile, telegraph or telex, or by electronic mail or other electronic means. No further notice shall be required for a regular meeting of the Board of Directors.

(b) Special Meetings. Unless otherwise restricted by the Certificate of Incorporation, special meetings of the Board of Directors may be held at any time and place within or without the State of Delaware whenever called by the Chairman of the Board, the Chief Executive Officer, the President or any director.

(c) Meetings by Electronic Communications Equipment. Any member of the Board of Directors, or of any committee thereof, may participate in a meeting by means of conference telephone or other communications equipment by means of which all persons participating in the meeting can hear each other, and participation in a meeting by such means shall constitute presence in person at such meeting.

(d) Notice of Special Meetings. Notice of the time and place of all special meetings of the Board of Directors shall be orally or in writing, by telephone, including a voice messaging system or other system or technology designed to record and communicate messages, facsimile, telegraph or telex, or by electronic mail or other electronic means, during normal business hours, at least 24 hours before the date and time of the meeting. If notice is sent by US mail, it shall be sent by first class mail, postage prepaid at least three days before the date of the meeting. Notice of any meeting may be waived in writing or by electronic transmission at any time before or after the meeting and will be waived by any director by attendance thereat, except when the director attends the meeting for the express purpose of objecting, at the beginning of the meeting, to the transaction of any business because the meeting is not lawfully called or convened.

(e) Waiver of Notice. The transaction of all business at any meeting of the Board of Directors, or any committee thereof, however called or noticed, or wherever held, shall be as valid as though had at a meeting duly held after regular call and notice, if a quorum be present and if, either before or after the meeting, each of the directors not present who did not receive notice shall sign a written waiver of notice or shall waive notice by electronic transmission. All such waivers shall be filed with the corporate records or made a part of the minutes of the meeting.

Section 22. Quorum and Voting.

(a) Unless the Certificate of Incorporation requires a greater number, a quorum of the Board of Directors shall consist of the greater of: (i) a majority of the directors then in office; or (ii) 50% of the total authorized number of directors fixed or determined by or in the manner provided in these Bylaws. At any meeting, whether a quorum be present or otherwise, a majority of the directors present may adjourn from time to time until the time fixed for the next regular meeting of the Board of Directors, without notice other than by announcement at the meeting.

(b) At each meeting of the Board of Directors at which a quorum is present, all questions and business shall be determined by the affirmative vote of a majority of the directors present, unless a different vote be required by law, the Certificate of Incorporation or these Bylaws.

Section 23. Action Without Meeting. Unless otherwise restricted by the Certificate of Incorporation or these Bylaws, any action required or permitted to be taken at any meeting of the Board of Directors or of any committee thereof may be taken without a meeting, if all members of the Board of Directors or committee, as the case may be, consent thereto in writing or by electronic transmission, and such writing or writings or transmission or transmissions are filed with the minutes of proceedings of the Board of Directors or committee. Such filing shall be in paper form if the minutes are maintained in paper form and shall be in electronic form if the minutes are maintained in electronic form.

Section 24. Fees and Compensation. Directors shall be entitled to such compensation for their services as may be approved by the Board of Directors, including, if so approved, by resolution of the Board of Directors, a fixed sum and expenses of attendance, if any, for attendance at each regular or special meeting of the Board of Directors and at any meeting of a committee of the Board of Directors. Nothing herein contained shall be construed to preclude any director from serving the corporation in any other capacity as an officer, agent, employee, or otherwise and receiving compensation therefor.

Section 25. Committees.

(a) Executive Committee. The Board of Directors may appoint an Executive Committee to consist of one or more members of the Board of Directors. The Executive Committee, to the extent permitted by law and provided in the resolution of the Board of Directors shall have and may exercise all the powers and authority of the Board of Directors in the management of the business and affairs of the corporation, and may authorize the seal of the corporation to be affixed to all papers which may require it; but no such committee shall have the power or authority in reference to (i) approving or adopting, or recommending to the stockholders, any action or matter expressly required by the DGCL to be submitted to stockholders for approval, or (ii) adopting, amending or repealing any bylaw of the corporation.

(b) Other Committees. The Board of Directors may, from time to time, appoint such other committees as may be permitted by law. Such other committees appointed by the Board of Directors shall consist of one or more members of the Board of Directors and shall have such powers and perform such duties as may be prescribed by the resolution or resolutions creating such committees, but in no event shall any such committee have the powers denied to the Executive Committee in these Bylaws.

(c) Term. The Board of Directors, subject to any requirements of any outstanding series of Preferred Stock and the provisions of paragraphs (a) or (b) of this Section may at any time increase or decrease the number of members of a committee or terminate the existence of a committee. The membership of a committee member shall terminate on the date of his or her death or voluntary resignation from the committee or from the Board of Directors. The Board of Directors may at any time for any reason remove any individual committee member and the Board of Directors may fill any committee vacancy created by death, resignation, removal or increase in the number of members of the committee. The Board of Directors may designate one or more directors as alternate members of any committee, who may replace any absent or disqualified member at any meeting of the committee, and, in addition, in the absence or disqualification of any member of a committee, the member or members thereof present at any meeting and not disqualified from voting, whether or not he or they constitute a quorum, may unanimously appoint another member of the Board of Directors to act at the meeting in the place of any such absent or disqualified member.

(d) Meetings. Unless the Board of Directors shall otherwise provide, regular meetings of the Executive Committee or any other committee appointed pursuant to this Section shall be held at such times and places as are determined by the Board of Directors, or by any such committee, and when notice thereof has been given to each member of such committee, no further notice of such regular meetings need be given thereafter. Special meetings of any such committee may be held at any place which has been determined from time to time by such committee, and may be called by any director who is a member of such committee, upon notice to the members of such committee of the time and place of such special meeting given in the manner provided for the giving of notice to members of the Board of Directors of the time and place of special meetings of the Board of Directors. Notice of any special meeting of any committee may be waived in writing at any time before or after the meeting and will be waived by any director by attendance thereat, except when the director attends such special meeting for the express purpose of objecting, at the beginning of the meeting, to the transaction of any business because the meeting is not lawfully called or convened. Unless otherwise provided by the Board of Directors in the resolutions authorizing the creation of the committee, a majority of the authorized number of members of any such committee shall constitute a quorum for the transaction of business, and the act of a majority of those present at any meeting at which a quorum is present shall be the act of such committee.

Section 26. Organization. At every meeting of the directors, the Chairman of the Board of Directors, or, if a Chairman has not been appointed or is absent, the Chief Executive Officer (if a director), or if the Chief Executive Officer is not a director or is absent, the President (if a director), or if the President is not a director or is absent, the most senior Vice President, (if a director) or, in the absence of any such person, a chairman of the meeting chosen by a majority of the directors present, shall preside over the meeting. The Secretary, or in his or her absence, any Assistant Secretary directed to do so by the Chief Executive Officer or President, shall act as secretary of the meeting.

ARTICLE V

OFFICERS

Section 27. Officers Designated. The officers of the corporation shall include, if and when designated by the Board of Directors, the Chief Executive Officer, the President, one or more Vice Presidents, the Secretary, the Chief Financial Officer, the Treasurer and the Controller, all of whom shall be elected at the annual organizational meeting of the Board of Directors. The Board of Directors may also appoint one or more Assistant Secretaries, Assistant Treasurers, Assistant Controllers and such other officers and agents with such powers and duties as it shall deem necessary. The Board of Directors may assign such additional titles to one or more of the officers as it shall deem appropriate. Any one person may hold any number of offices of the corporation at any one time unless specifically prohibited therefrom by law. The salaries and other compensation of the officers of the corporation shall be fixed by or in the manner designated by the Board of Directors.

Section 28. Tenure and Duties of Officers.

(a) General. All officers shall hold office at the pleasure of the Board of Directors and until their successors shall have been duly elected and qualified, unless sooner removed. Any officer elected or appointed by the Board of Directors may be removed at any time by the Board of Directors. If the office of any officer becomes vacant for any reason, the vacancy may be filled by the Board of Directors, or by the Chief Executive Officer or other officer if so authorized by the Board of Directors.

(b) Duties of Chairman of the Board of Directors. The Chairman of the Board of Directors, when present, shall preside at all meetings of the stockholders and the Board of Directors. The

Chairman of the Board of Directors shall perform other duties commonly incident to the office and shall also perform such other duties and have such other powers as the Board of Directors shall designate from time to time. If there is no Chief Executive Officer and no President, then the Chairman of the Board of Directors shall also serve as the Chief Executive Officer of the corporation and shall have the powers and duties prescribed in paragraph (c) of this Section.

(c) Duties of Chief Executive Officer. The Chief Executive Officer shall preside at all meetings of the stockholders and (if a director) at all meetings of the Board of Directors, unless the Chairman of the Board of Directors has been appointed and is present. The Chief Executive Officer shall be the chief executive officer of the corporation and shall, subject to the control of the Board of Directors, have general supervision, direction and control of the business and officers of the corporation. The Chief Executive Officer shall perform other duties commonly incident to the office and shall also perform such other duties and have such other powers as the Board of Directors shall designate from time to time.

(d) Duties of President. In the absence or disability of the Chief Executive Officer or if the office of Chief Executive Officer is vacant, the President shall preside at all meetings of the stockholders and (if a director) at all meetings of the Board of Directors, unless the Chairman of the Board of Directors has been appointed and is present. If the office of Chief Executive Officer is vacant, the President shall be the chief executive officer of the corporation and shall, subject to the control of the Board of Directors, have general supervision, direction and control of the business and officers of the corporation. The President shall perform other duties commonly incident to the office and shall also perform such other duties and have such other powers as the Board of Directors shall designate from time to time.

(e) Duties of Vice Presidents. The Vice Presidents may assume and perform the duties of the President in the absence or disability of the President or whenever the office of President is vacant. The Vice Presidents shall perform other duties commonly incident to their office and shall also perform such other duties and have such other powers as the Board of Directors or the President shall designate from time to time.

(f) Duties of Secretary. The Secretary shall attend all meetings of the stockholders and of the Board of Directors and shall record all acts and proceedings thereof in the minute book of the corporation. The Secretary shall give notice in conformity with these Bylaws of all meetings of the stockholders and of all meetings of the Board of Directors and any committee thereof requiring notice. The Secretary shall perform all other duties provided for in these Bylaws and other duties commonly incident to the office and shall also perform such other duties and have such other powers as the Board of Directors shall designate from time to time. The Chief Executive Officer may direct any Assistant Secretary to assume and perform the duties of the Secretary in the absence or disability of the Secretary, and each Assistant Secretary shall perform other duties commonly incident to the office and shall also perform such other duties and have such other powers as the Board of Directors or the Chief Executive Officer shall designate from time to time.

(g) Duties of Chief Financial Officer. The Chief Financial Officer shall keep or cause to be kept the books of account of the corporation in a thorough and proper manner and shall render statements of the financial affairs of the corporation in such form and as often as required by the Board of Directors or the Chief Executive Officer. The Chief Financial Officer, subject to the order of the Board of Directors, shall have the custody of all funds and securities of the corporation. The Chief Financial Officer shall perform other duties commonly incident to his or her office and shall also perform such other duties and have such other powers as the Board of Directors or the Chief Executive Officer shall designate from time to time. The Chief Executive Officer may direct the Treasurer or any Assistant

Treasurer, or the Controller or any Assistant Controller to assume and perform the duties of the Chief Financial Officer in the absence or disability of the Chief Financial Officer, and each Treasurer and Assistant Treasurer and each Controller and Assistant Controller shall perform other duties commonly incident to the office and shall also perform such other duties and have such other powers as the Board of Directors or the Chief Executive Officer shall designate from time to time.

Section 29. Delegation of Authority. The Board of Directors may from time to time delegate the powers or duties of any officer to any other officer or agent, notwithstanding any provision hereof.

Section 30. Resignations. Any officer may resign at any time by giving notice in writing or by electronic transmission notice to the Board of Directors or to the Chief Executive Officer or to the Secretary. Any such resignation shall be effective when received by the person or persons to whom such notice is given, unless a later time is specified therein, in which event the resignation shall become effective at such later time. Unless otherwise specified in such notice, the acceptance of any such resignation shall not be necessary to make it effective. Any resignation shall be without prejudice to the rights, if any, of the corporation under any contract with the resigning officer.

Section 31. Removal. Any officer may be removed from office at any time, either with or without cause, by the affirmative vote of a majority of the directors in office at the time, or by the unanimous written or electronic consent of the directors in office at the time, or by any committee or superior officers upon whom such power of removal may have been conferred by the Board of Directors.

ARTICLE VI

EXECUTION OF CORPORATE INSTRUMENTS AND VOTING OF SECURITIES OWNED BY THE CORPORATION

Section 32. Execution of Corporate Instruments. The Board of Directors may, in its discretion, determine the method and designate the signatory officer or officers, or other person or persons, to execute on behalf of the corporation any corporate instrument or document, or to sign on behalf of the corporation the corporate name, or to enter into contracts on behalf of the corporation, except where otherwise provided by law or these Bylaws, and such execution or signature shall be binding upon the corporation.

All checks and drafts drawn on banks or other depositaries on funds to the credit of the corporation or in special accounts of the corporation shall be signed by such person or persons as the Board of Directors shall authorize so to do.

Unless authorized or ratified by the Board of Directors or within the agency power of an officer, no officer, agent or employee shall have any power or authority to bind the corporation by any contract or engagement or to pledge its credit or to render it liable for any purpose or for any amount.

Section 33. Voting of Securities Owned by the Corporation. All stock and other securities of other corporations owned or held by the corporation for itself, or for other parties in any capacity, shall be voted, and all proxies with respect thereto shall be executed, by the person authorized so to do by resolution of the Board of Directors, or, in the absence of such authorization, by the Chairman of the Board of Directors, the Chief Executive Officer, the President, or any Vice President.

ARTICLE VII

SHARES OF STOCK

Section 34. Form and Execution of Certificates. The shares of the corporation shall be represented by certificates, or shall be uncertificated. Certificates for the shares of stock, if any, of the corporation shall be in such form as is consistent with the Certificate of Incorporation and applicable law. Every holder of shares of stock in the corporation represented by certificate shall be entitled to have a certificate signed by or in the name of the corporation by the Chairman of the Board of Directors, the Chief Executive Officer, or the President or any Vice President and by the Treasurer or Assistant Treasurer or the Secretary or Assistant Secretary, certifying the number of shares owned by him in the corporation. Any or all of the signatures on the certificate may be facsimiles. In case any officer, transfer agent, or registrar who has signed or whose facsimile signature has been placed upon a certificate shall have ceased to be such officer, transfer agent, or registrar before such certificate is issued, it may be issued with the same effect as if he were such officer, transfer agent, or registrar at the date of issue.

Section 35. Lost Certificates. A new certificate or certificates shall be issued in place of any certificate or certificates theretofore issued by the corporation alleged to have been lost, stolen, or destroyed, upon the making of an affidavit of that fact by the person claiming the certificate of stock to be lost, stolen, or destroyed. The corporation may require, as a condition precedent to the issuance of a new certificate or certificates, the owner of such lost, stolen, or destroyed certificate or certificates, or the owner's legal representative, to agree to indemnify the corporation in such manner as it shall require or to give the corporation a surety bond in such form and amount as it may direct as indemnity against any claim that may be made against the corporation with respect to the certificate alleged to have been lost, stolen, or destroyed.

Section 36. Restrictions on Transfer.

(a) No holder of any of the shares of stock of the corporation may sell, transfer, assign, pledge, or otherwise dispose of or encumber any of the shares of stock of the corporation or any right or interest therein, whether voluntarily or by operation of law, or by gift or otherwise (each, a "***Transfer***") without the prior written consent of the corporation, upon duly authorized action of its Board of Directors. The corporation may withhold consent for any legitimate corporate purpose, as determined by the Board of Directors. Examples of the basis for the corporation to withhold its consent include, without limitation, (i) if such Transfer to individuals, companies or any other form of entity identified by the corporation as a potential competitor or considered by the corporation to be unfriendly; or (ii) if such Transfer increases the risk of the corporation having a class of security held of record by 2,000 or more persons, or 500 or more persons who are not accredited investors (as such term is defined by the SEC), as described in Section 12(g) of the 1934 Act and any related regulations, or otherwise requiring the corporation to register any class of securities under the 1934 Act; or (iii) if such Transfer would result in the loss of any federal or state securities law exemption relied upon by the corporation in connection with the initial issuance of such shares or the issuance of any other securities; or (iv) if such Transfer is facilitated in any manner by any public posting, message board, trading portal, internet site, or similar method of communication, including without limitation any trading portal or internet site intended to facilitate secondary transfers of securities; or (v) if such Transfer is to be effected in a brokered transaction; or (vi) if such Transfer represents a Transfer of less than all of the shares then held by the stockholder and its affiliates or is to be made to more than a single transferee.

(b) If a stockholder desires to Transfer any shares, then the stockholder shall first give written notice thereof to the corporation. The notice shall name the proposed transferee and state the number of shares to be transferred, the proposed consideration, and all other terms and conditions of the

proposed transfer. Any shares proposed to be transferred to which Transfer the corporation has consented pursuant to paragraph (a) of this Section will first be subject to the corporation's right of first refusal located in Section 37 of these Bylaws.

(c) Any Transfer, or purported Transfer, of shares not made in strict compliance with this Section shall be null and void, shall not be recorded on the books of the corporation and shall not be recognized by the corporation.

(d) The foregoing restriction on Transfer shall terminate upon the date securities of the corporation are first offered to the public pursuant to a registration statement filed with, and declared effective by, the SEC under the Securities Act of 1933, as amended (the "***1933 Act***").

(e) The certificates representing shares of stock of the corporation shall bear on their face the following legend so long as the foregoing Transfer restrictions are in effect:

> "THE SHARES REPRESENTED BY THIS CERTIFICATE ARE SUBJECT TO A TRANSFER RESTRICTION, AS PROVIDED IN THE BYLAWS OF THE CORPORATION."

Section 37. Right of First Refusal. No stockholder shall Transfer any of the shares of stock of the corporation, except by a Transfer which meets the requirements set forth in this Section 37, in addition to any other restrictions or requirements set forth under applicable law or these Bylaws:

(a) If the stockholder desires to Transfer any of his or her shares of stock, then the stockholder shall first give written notice thereof to the corporation. The notice shall name the proposed transferee and state the number of shares to be transferred, the proposed consideration, and all other terms and conditions of the proposed transfer.

(b) For 30 days following receipt of such notice, the corporation shall have the option to purchase up to all the shares specified in the notice at the price and upon the terms set forth in such notice; *provided, however,* that, with the consent of the stockholder, the corporation shall have the option to purchase a lesser portion of the shares specified in said notice at the price and upon the terms set forth therein. In the event of a gift, property settlement or other Transfer in which the proposed transferee is not paying the full price for the shares, and that is not otherwise exempted from the provisions of this Section, the price shall be deemed to be the fair market value of the stock at such time as determined in good faith by the Board of Directors. In the event the corporation elects to purchase all of the shares or, with consent of the stockholder, a lesser portion of the shares, it shall give written notice to the transferring stockholder of its election and settlement for said shares shall be made as provided below in paragraph (d) of this Section.

(c) The corporation may assign its rights hereunder.

(d) In the event the corporation and/or its assignee(s) elect to acquire any of the shares of the transferring stockholder as specified in said transferring stockholder's notice, the Secretary of the corporation shall so notify the transferring stockholder and settlement thereof shall be made in cash within thirty (30) days after the Secretary of the corporation receives said transferring stockholder's notice; provided that if the terms of payment set forth in said transferring stockholder's notice were other than cash against delivery, the corporation and/or its assignee(s) shall pay for said shares on the same terms and conditions set forth in said transferring stockholder's notice.

(e) In the event the corporation and/or its assignees(s) do not elect to acquire all of the shares specified in the transferring stockholder's notice, said transferring stockholder may, subject to

the corporation's approval and all other restrictions on Transfer located in Section 36 of these Bylaws, within the sixty-day period following the expiration or waiver of the option rights granted to the corporation and/or its assignees(s) herein, Transfer the shares specified in said transferring stockholder's notice which were not acquired by the corporation and/or its assignees(s) as specified in said transferring stockholder's notice. All shares so sold by said transferring stockholder shall continue to be subject to the provisions of this Bylaw in the same manner as before said Transfer.

(f) Anything to the contrary contained herein notwithstanding, the following transactions shall be exempt from the right of first refusal in paragraph (a) of this Section:

(1) A stockholder's Transfer of any or all shares held either during such stockholder's lifetime or on death by will or intestacy to such stockholder's immediate family or to any custodian or trustee for the account of such stockholder or such stockholder's immediate family or to any limited partnership of which the stockholder, members of such stockholder's immediate family or any trust for the account of such stockholder or such stockholder's immediate family will be the general or limited partner(s) of such partnership. "Immediate family" as used herein shall mean spouse, lineal descendant, father, mother, brother, or sister of the stockholder making such Transfer;

(2) A stockholder's bona fide pledge or mortgage of any shares with a commercial lending institution, provided that any subsequent Transfer of said shares by said institution shall be conducted in the manner set forth in this Bylaw;

(3) A stockholder's Transfer of any or all of such stockholder's shares to the corporation or to any other stockholder of the corporation;

(4) A stockholder's Transfer of any or all of such stockholder's shares to a person who, at the time of such Transfer, is an officer or director of the corporation;

(5) A corporate stockholder's Transfer of any or all of its shares pursuant to and in accordance with the terms of any merger, consolidation, reclassification of shares or capital reorganization of the corporate stockholder, or pursuant to a sale of all or substantially all of the stock or assets of a corporate stockholder;

(6) A stockholder's Transfer of shares of Preferred Stock of the corporation (or any shares of Common Stock issued upon conversion thereof);

(7) A corporate stockholder's Transfer of any or all of its shares to any or all of its stockholders; or

(8) A Transfer by a stockholder which is a limited or general partnership (or limited liability company) to any or all of its partners or former partners (or members or former members) in accordance with partnership (or membership) interests.

In any such case, the transferee, assignee, or other recipient shall receive and hold such stock subject to the provisions of this Section and any other restrictions set forth in these Bylaws, and there shall be no further Transfer of such stock except in accord with this Section and the other provisions of these Bylaws.

(g) The provisions of this Bylaw may be waived with respect to any Transfer either by the corporation, upon duly authorized action of its Board of Directors, or by the stockholders, upon the express written consent of the owners of a majority of the voting power of the corporation (excluding the votes represented by those shares to be transferred by the transferring stockholder). This Bylaw may be

amended or repealed either by a duly authorized action of the Board of Directors or by the stockholders, upon the express written consent of the owners of a majority of the voting power of the corporation.

(h) Any Transfer, or purported Transfer, of securities of the corporation shall be null and void unless the terms, conditions, and provisions of this Bylaw are strictly observed and followed.

(i) The foregoing right of first refusal shall terminate upon the date securities of the corporation are first offered to the public pursuant to a registration statement filed with, and declared effective by, the SEC under the Securities Act of 1933, as amended.

(j) The certificates representing shares of Common Stock of the corporation that are subject to the right of first refusal in paragraph (a) of this Section shall bear on their face the following legend so long as the foregoing right of first refusal remains in effect:

> "THE SHARES REPRESENTED BY THIS CERTIFICATE ARE SUBJECT TO A RIGHT OF FIRST REFUSAL OPTION IN FAVOR OF THE CORPORATION AND/OR ITS ASSIGNEE(S), AS PROVIDED IN THE BYLAWS OF THE CORPORATION."

(k) Notwithstanding the foregoing, this Section will not apply to any shares of Preferred Stock as defined in the Company's current Certificate of Incorporation, as may be amended and restated from time to time.

(l) To the extent this Section conflicts with any written agreements between the Company and the stockholder attempting to Transfer shares, such agreement shall control.

Section 38. Fixing Record Dates.

(a) In order that the corporation may determine the stockholders entitled to notice of or to vote at any meeting of stockholders or any adjournment thereof, the Board of Directors may fix, in advance, a record date, which record date shall not precede the date upon which the resolution fixing the record date is adopted by the Board of Directors, and which record date shall, subject to applicable law, not be more than 60 nor less than 10 days before the date of such meeting. If no record date is fixed by the Board of Directors, the record date for determining stockholders entitled to notice of or to vote at a meeting of stockholders shall be at the close of business on the day next preceding the day on which notice is given, or if notice is waived, at the close of business on the day next preceding the day on which the meeting is held. A determination of stockholders of record entitled to notice of or to vote at a meeting of stockholders shall apply to any adjournment of the meeting; *provided, however,* that the Board of Directors may fix a new record date for the adjourned meeting.

(b) In order that the corporation may determine the stockholders entitled to consent to corporate action in writing without a meeting, the Board of Directors may fix a record date, which record date shall not precede the date upon which the resolution fixing the record date is adopted by the Board of Directors, and which date shall not be more than 10 days after the date upon which the resolution fixing the record date is adopted by the Board of Directors. Any stockholder of record seeking to have the stockholders authorize or take corporate action by written consent shall, by written notice to the Secretary, request the Board of Directors to fix a record date. The Board of Directors shall promptly, but in all events within 10 days after the date on which such a request is received, adopt a resolution fixing the record date. If no record date has been fixed by the Board of Directors within 10 days of the date on which such a request is received, the record date for determining stockholders entitled to consent to corporate action in writing without a meeting, when no prior action by the Board of Directors is required by applicable law, shall be the first date on which a signed written consent setting forth the

action taken or proposed to be taken is delivered to the corporation by delivery to its registered office in the State of Delaware, its principal place of business or an officer or agent of the corporation having custody of the book in which proceedings of meetings of stockholders are recorded. Delivery made to the corporation's registered office shall be by hand or by certified or registered mail, return receipt requested. If no record date has been fixed by the Board of Directors and prior action by the Board of Directors is required by law, the record date for determining stockholders entitled to consent to corporate action in writing without a meeting shall be at the close of business on the day on which the Board of Directors adopts the resolution taking such prior action.

(c) In order that the corporation may determine the stockholders entitled to receive payment of any dividend or other distribution or allotment of any rights or the stockholders entitled to exercise any rights in respect of any change, conversion or exchange of stock, or for the purpose of any other lawful action, the Board of Directors may fix, in advance, a record date, which record date shall not precede the date upon which the resolution fixing the record date is adopted, and which record date shall be not more than 60 days prior to such action. If no record date is fixed, the record date for determining stockholders for any such purpose shall be at the close of business on the day on which the Board of Directors adopts the resolution relating thereto.

Section 39. Registered Stockholders. The corporation shall be entitled to recognize the exclusive right of a person registered on its books as the owner of shares to receive dividends, and to vote as such owner, and shall not be bound to recognize any equitable or other claim to or interest in such share or shares on the part of any other person whether or not it shall have express or other notice thereof, except as otherwise provided by the laws of Delaware.

ARTICLE VIII

OTHER SECURITIES OF THE CORPORATION

Section 40. Execution of Other Securities. All bonds, debentures and other corporate securities of the corporation, other than stock certificates (covered in Section 34 of these Bylaws), may be signed by the Chairman of the Board of Directors, the Chief Executive Officer, the President or any Vice President, or such other person as may be authorized by the Board of Directors, and the corporate seal impressed thereon or a facsimile of such seal imprinted thereon and attested by the signature of the Secretary or an Assistant Secretary, or the Chief Financial Officer or Treasurer or an Assistant Treasurer; *provided*, *however*, that where any such bond, debenture or other corporate security shall be authenticated by the manual signature, or where permissible facsimile signature, of a trustee under an indenture pursuant to which such bond, debenture or other corporate security shall be issued, the signatures of the persons signing and attesting the corporate seal on such bond, debenture or other corporate security may be the imprinted facsimile of the signatures of such persons. Interest coupons appertaining to any such bond, debenture or other corporate security, authenticated by a trustee as aforesaid, shall be signed by the Treasurer or an Assistant Treasurer of the corporation or such other person as may be authorized by the Board of Directors, or bear imprinted thereon the facsimile signature of such person. In case any officer who shall have signed or attested any bond, debenture or other corporate security, or whose facsimile signature shall appear thereon or on any such interest coupon, shall have ceased to be such officer before the bond, debenture or other corporate security so signed or attested shall have been delivered, such bond, debenture or other corporate security nevertheless may be adopted by the corporation and issued and delivered as though the person who signed the same or whose facsimile signature shall have been used thereon had not ceased to be such officer of the corporation.

ARTICLE IX

DIVIDENDS

Section 41. Declaration of Dividends. Dividends upon the capital stock of the corporation, subject to the provisions of the Certificate of Incorporation and applicable law, if any, may be declared by the Board of Directors pursuant to law at any regular or special meeting. Dividends may be paid in cash, in property, or in shares of the capital stock, subject to the provisions of the Certificate of Incorporation and applicable law.

Section 42. Dividend Reserve. Before payment of any dividend, there may be set aside out of any funds of the corporation available for dividends such sum or sums as the Board of Directors from time to time, in their absolute discretion, think proper as a reserve or reserves to meet contingencies, or for equalizing dividends, or for repairing or maintaining any property of the corporation, or for such other purpose as the Board of Directors shall think conducive to the interests of the corporation, and the Board of Directors may modify or abolish any such reserve in the manner in which it was created.

ARTICLE X

FISCAL YEAR

Section 43. Fiscal Year. The fiscal year of the corporation shall be fixed by resolution of the Board of Directors.

ARTICLE XI

INDEMNIFICATION

Section 44. Indemnification of Directors, Executive Officers, Other Officers, Employees and Other Agents.

(a) Directors and Officers. The corporation shall indemnify its directors and officers to the fullest extent not prohibited by the DGCL or any other applicable law; *provided, however,* that the corporation may modify the extent of such indemnification by individual contracts with its directors and officers; and, *provided, further,* that the corporation shall not be required to indemnify any director or officer in connection with any proceeding (or part thereof) initiated by such person unless (i) such indemnification is expressly required to be made by law, (ii) the proceeding was authorized by the Board of Directors of the corporation, (iii) such indemnification is provided by the corporation, in its sole discretion, pursuant to the powers vested in the corporation under the DGCL or any other applicable law or (iv) such indemnification is required to be made under paragraph (d) of this Section.

(b) Officers, Employees and Other Agents. The corporation shall have power to indemnify its employees and other agents as set forth in the DGCL or any other applicable law. The Board of Directors shall have the power to delegate the determination of whether indemnification shall be given to any such person to such officers or other persons as the Board of Directors shall determine.

(c) Expenses. The corporation shall advance to any person who was or is a party or is threatened to be made a party to any threatened, pending or completed action, suit or proceeding, whether civil, criminal, administrative or investigative, by reason of the fact that he is or was a director or officer of the corporation, or is or was serving at the request of the corporation as a director or officer of another corporation, partnership, joint venture, trust or other enterprise, prior to the final disposition of the proceeding, promptly following request therefor, all expenses incurred by any director or officer in connection with such proceeding, provided, however, that, if the DGCL requires, an advancement of

expenses incurred by a director or officer in his or her capacity as a director or officer (and not in any other capacity in which service was or is rendered by such indemnitee, including, without limitation, service to an employee benefit plan) shall be made only upon delivery to the corporation of an undertaking, by or on behalf of such indemnitee, to repay all amounts so advanced if it shall ultimately be determined by final judicial decision from which there is no further right to appeal that such indemnitee is not entitled to be indemnified for such expenses under this Section or otherwise.

Notwithstanding the foregoing, unless otherwise determined pursuant to paragraph (e) of this Section, no advance shall be made by the corporation to an officer of the corporation (except by reason of the fact that such officer is or was a director of the corporation, in which event this paragraph shall not apply) in any action, suit or proceeding, whether civil, criminal, administrative or investigative, if a determination is reasonably and promptly made (i) by a majority vote of a quorum consisting of directors who were not parties to the proceeding, even if not a quorum, or (ii) by a committee of such directors designated by a majority of such directors, even though less than a quorum, or (iii) if there are no such directors, or such directors so direct, by independent legal counsel in a written opinion, that the facts known to the decision-making party at the time such determination is made demonstrate clearly and convincingly that such person acted in bad faith or in a manner that such person did not believe to be in or not opposed to the best interests of the corporation.

(d) Enforcement. Without the necessity of entering into an express contract, all rights to indemnification and advances to directors and officers under this Section shall be deemed to be contractual rights and be effective to the same extent and as if provided for in a contract between the corporation and the director or officer. Any right to indemnification or advances granted by this Section to a director or officer shall be enforceable by or on behalf of the person holding such right in any court of competent jurisdiction if (i) the claim for indemnification or advances is denied, in whole or in part, or (ii) no disposition of such claim is made within 90 days of request therefor. The claimant in such enforcement action, if successful in whole or in part, shall be entitled to be paid also the expense of prosecuting the claim. In connection with any claim for indemnification, the corporation shall be entitled to raise as a defense to any such action that the claimant has not met the standards of conduct that make it permissible under the DGCL or any other applicable law for the corporation to indemnify the claimant for the amount claimed. In connection with any claim by an officer of the corporation (except in any action, suit or proceeding, whether civil, criminal, administrative or investigative, by reason of the fact that such officer is or was a director of the corporation) for advances, the corporation shall be entitled to raise as a defense as to any such action clear and convincing evidence that such person acted in bad faith or in a manner that such person did not believe to be in or not opposed to the best interests of the corporation, or with respect to any criminal action or proceeding that such person acted without reasonable cause to believe that his or her conduct was lawful. Neither the failure of the corporation (including its Board of Directors, independent legal counsel or its stockholders) to have made a determination prior to the commencement of such action that indemnification of the claimant is proper in the circumstances because he has met the applicable standard of conduct set forth in the DGCL or any other applicable law, nor an actual determination by the corporation (including its Board of Directors, independent legal counsel or its stockholders) that the claimant has not met such applicable standard of conduct, shall be a defense to the action or create a presumption that claimant has not met the applicable standard of conduct.

(e) Non-Exclusivity of Rights. The rights conferred on any person by this Section shall not be exclusive of any other right which such person may have or hereafter acquire under any applicable statute, provision of the Certificate of Incorporation, Bylaws, agreement, vote of stockholders or disinterested directors or otherwise, both as to action in his or her official capacity and as to action in another capacity while holding office. The corporation is specifically authorized to enter into individual

contracts with any or all of its directors, officers, employees or agents respecting indemnification and advances, to the fullest extent not prohibited by the DGCL or any other applicable law.

(f) Survival of Rights. The rights conferred on any person by this Section shall continue as to a person who has ceased to be a director or officer and shall inure to the benefit of the heirs, executors and administrators of such a person.

(g) Insurance. To the fullest extent permitted by the DGCL, or any other applicable law, the corporation, upon approval by the Board of Directors, may purchase insurance on behalf of any person required or permitted to be indemnified pursuant to this Section.

(h) Amendments. Any repeal or modification of this Section shall only be prospective and shall not affect the rights under this Bylaw in effect at the time of the alleged occurrence of any action or omission to act that is the cause of any proceeding against any agent of the corporation.

(i) Saving Clause. If this Section or any portion hereof shall be invalidated on any ground by any court of competent jurisdiction, then the corporation shall nevertheless indemnify each director and officer to the full extent not prohibited by any applicable portion of this Bylaw that shall not have been invalidated, or by any other applicable law. If this Section shall be invalid due to the application of the indemnification provisions of another jurisdiction, then the corporation shall indemnify each director and officer to the full extent under applicable law.

(j) Certain Definitions. For the purposes of this Section, the following definitions shall apply:

(1) The term "proceeding" shall be broadly construed and shall include, without limitation, the investigation, preparation, prosecution, defense, settlement, arbitration and appeal of, and the giving of testimony in, any threatened, pending or completed action, suit or proceeding, whether civil, criminal, administrative or investigative.

(2) The term "expenses" shall be broadly construed and shall include, without limitation, court costs, attorneys' fees, witness fees, fines, amounts paid in settlement or judgment and any other costs and expenses of any nature or kind incurred in connection with any proceeding.

(3) The term the "corporation" shall include, in addition to the resulting corporation, any constituent corporation (including any constituent of a constituent) absorbed in a consolidation or merger which, if its separate existence had continued, would have had power and authority to indemnify its directors, officers, and employees or agents, so that any person who is or was a director, officer, employee or agent of such constituent corporation, or is or was serving at the request of such constituent corporation as a director, officer, employee or agent of another corporation, partnership, joint venture, trust or other enterprise, shall stand in the same position under the provisions of this Section with respect to the resulting or surviving corporation as he would have with respect to such constituent corporation if its separate existence had continued.

(4) References to a "director," "executive officer," "officer," "employee," or "agent" of the corporation shall include, without limitation, situations where such person is serving at the request of the corporation as, respectively, a director, executive officer, officer, employee, trustee or agent of another corporation, partnership, joint venture, trust or other enterprise.

(5) References to "other enterprises" shall include employee benefit plans; references to "fines" shall include any excise taxes assessed on a person with respect to an employee benefit plan; and references to "serving at the request of the corporation" shall include any service as a

director, officer, employee or agent of the corporation which imposes duties on, or involves services by, such director, officer, employee, or agent with respect to an employee benefit plan, its participants, or beneficiaries; and a person who acted in good faith and in a manner he reasonably believed to be in the interest of the participants and beneficiaries of an employee benefit plan shall be deemed to have acted in a manner "not opposed to the best interests of the corporation" as referred to in this Section.

ARTICLE XII

NOTICES

Section 45. Notices.

(a) Notice to Stockholders. Written notice to stockholders of stockholder meetings shall be given as provided in Section 7 of these Bylaws. Without limiting the manner by which notice may otherwise be given effectively to stockholders under any agreement or contract with such stockholder, and except as otherwise required by law, written notice to stockholders for purposes other than stockholder meetings may be sent by United States mail or nationally recognized overnight courier, or by facsimile, telegraph or telex or by electronic mail or other electronic means.

(b) Notice to Directors. Any notice required to be given to any director may be given by the method stated in paragraph (a) of this Section, or as provided for in Section 21 of these Bylaws. If such notice is not delivered personally, it shall be sent to such address as such director shall have filed in writing with the Secretary, or, in the absence of such filing, to the last known post office address of such director.

(c) Affidavit of Mailing. An affidavit of mailing, executed by a duly authorized and competent employee of the corporation or its transfer agent appointed with respect to the class of stock affected or other agent, specifying the name and address or the names and addresses of the stockholder or stockholders, or director or directors, to whom any such notice or notices was or were given, and the time and method of giving the same, shall in the absence of fraud, be prima facie evidence of the facts therein contained.

(d) Methods of Notice. It shall not be necessary that the same method of giving notice be employed in respect of all recipients of notice, but one permissible method may be employed in respect of any one or more, and any other permissible method or methods may be employed in respect of any other or others.

(e) Notice to Person with Whom Communication Is Unlawful. Whenever notice is required to be given, under any provision of law or of the Certificate of Incorporation or Bylaws of the corporation, to any person with whom communication is unlawful, the giving of such notice to such person shall not be required and there shall be no duty to apply to any governmental authority or agency for a license or permit to give such notice to such person. Any action or meeting which shall be taken or held without notice to any such person with whom communication is unlawful shall have the same force and effect as if such notice had been duly given. In the event that the action taken by the corporation is such as to require the filing of a certificate under any provision of the DGCL, the certificate shall state, if such is the fact and if notice is required, that notice was given to all persons entitled to receive notice except such persons with whom communication is unlawful.

(f) Notice to Stockholders Sharing an Address. Except as otherwise prohibited under DGCL, any notice given under the provisions of DGCL, the Certificate of Incorporation or the Bylaws shall be effective if given by a single written notice to stockholders who share an address if consented to by the stockholders at that address to whom such notice is given. Such consent shall have

been deemed to have been given if such stockholder fails to object in writing to the corporation within 60 days of having been given notice by the corporation of its intention to send the single notice. Any consent shall be revocable by the stockholder by written notice to the corporation.

ARTICLE XIII

AMENDMENTS

Section 46. Amendments. The Board of Directors is expressly empowered to adopt, amend or repeal Bylaws of the corporation. The stockholders shall also have power to adopt, amend or repeal the Bylaws of the corporation; *provided, however*, that, in addition to any vote of the holders of any class or series of stock of the corporation required by law or by the Certificate of Incorporation, such action by stockholders shall require the affirmative vote of the holders of at least a majority of the voting power of all of the then-outstanding shares of the capital stock of the corporation entitled to vote generally in the election of directors, voting together as a single class.

ARTICLE XIV

LOANS TO OFFICERS

Section 47. Loans to Officers. Except as otherwise prohibited under applicable law, the corporation may lend money to, or guarantee any obligation of, or otherwise assist any officer or other employee of the corporation or of its subsidiaries, including any officer or employee who is a Director of the corporation or its subsidiaries, whenever, in the judgment of the Board of Directors, such loan, guarantee or assistance may reasonably be expected to benefit the corporation. The loan, guarantee or other assistance may be with or without interest and may be unsecured, or secured in such manner as the Board of Directors shall approve, including, without limitation, a pledge of shares of stock of the corporation. Nothing in these Bylaws shall be deemed to deny, limit or restrict the powers of guaranty or warranty of the corporation at common law or under any statute.

ARTICLE XV

MISCELLANEOUS

Section 48. Annual Report.

(a) Subject to the provisions of paragraph (b) of this Section, the Board of Directors shall cause an annual report to be sent to each stockholder of the corporation not later than one hundred 120 days after the close of the corporation's fiscal year. Such report shall include a balance sheet as of the end of such fiscal year and an income statement and statement of changes in financial position for such fiscal year, accompanied by any report thereon of independent accountants or, if there is no such report, the certificate of an authorized officer of the corporation that such statements were prepared without audit from the books and records of the corporation. When there are more than 100 stockholders of record of the corporation's shares, as determined by Section 605 of the CGCL, additional information as required by Section 1501(b) of the CGCL shall also be contained in such report, provided that if the corporation has a class of securities registered under Section 12 of the 1934 Act, the 1934 Act shall take precedence. Such report shall be sent to stockholders at least 15 days prior to the next annual meeting of stockholders after the end of the fiscal year to which it relates.

(b) If and so long as there are fewer than 100 holders of record of the corporation's shares, the requirement of sending of an annual report to the stockholders of the corporation is hereby expressly waived.

Section 49. Forum. 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 (i) any derivative action or proceeding brought on behalf of the corporation; (ii) any action asserting a claim of breach of a fiduciary duty owed by any director, officer or other employee of the corporation to the corporation or the corporation's stockholders; (iii) any action asserting a claim against the corporation or any director or officer or other employee of the corporation arising pursuant to any provision of the DGCL, the certificate of incorporation or the Bylaws of the corporation; or (iv) any action asserting a claim against the corporation or any director or officer or other employee of the corporation governed by the internal affairs doctrine.

FIFTH AMENDED AND RESTATED INVESTORS' RIGHTS AGREEMENT

This Fifth Amended and Restated Investors' Rights Agreement (this "**Agreement**") is made as of September 22, 2020, by and among **Allbirds, Inc.**, a Delaware public benefit corporation (the "**Company**"), each of the investors listed on **Schedule A** hereto, each of whom is referred to in this Agreement as an "**Investor**", each of the stockholders listed on **Schedule B** hereto, each of whom is referred to herein as a "**Key Holder**", and any Additional Purchaser (as defined in the Purchase Agreement) that becomes a party to this Agreement in accordance with Section 7.9 hereof.

RECITALS

A. Certain of the Investors (the "**Existing Investors**") hold shares of the Company's Series Seed Preferred Stock, Series A Preferred Stock, Series B Preferred Stock, Series C Preferred Stock, Series D Preferred Stock and/or shares of Common Stock issued upon conversion thereof and possess registration rights, information rights, rights of first offer, and other rights pursuant to the Fourth Amended and Restated Investors' Rights Agreement dated as of December 23, 2019 by and among the Company and such Investors as amended by an Amendment to the Fourth Amended and Restated Investors' Rights Agreement dated April 2, 2020 by and among the Company and the Requisite Holders (as defined therein) (the "**Prior Agreement**").

B. The Existing Investors are holders of at least 60% of the Conversion Shares, and desire to amend and restate the Prior Agreement in its entirety and to accept the rights created pursuant to this Agreement in lieu of the rights granted to them under the Prior Agreement.

AGREEMENT

The Existing Investors hereby agree that the Prior Agreement shall be amended and restated, and the parties to this Agreement further agree as follows:

1. Definitions. For purposes of this Agreement:

1.1 "**Affiliate**" means, with respect to any specified Person, any other Person who, directly or indirectly, controls, is controlled by, or is under common control with such Person, and shall include, without limitation, any general partner, managing member, officer, director or trustee of such Person, or any venture capital fund, registered investment company, private equity fund, mutual fund or other investment fund or other pooled investment vehicle now or hereafter existing that is controlled by one or more partners or managing members of, or shares the same management company or investment adviser (or sub-adviser or affiliate adviser) with respect to Registrable Securities with, such Person.

1.2 "**Baillie**" means Baillie Gifford & Co, Baillie Gifford Overseas Limited and any successor or affiliated registered investment advisor to the Baillie Investors.

1.3 "**Baillie Investors**" means any Investors that receive, directly or indirectly, investment management or management advisory services from Baillie Gifford & Co or Baillie Gifford Overseas Limited or one of their Affiliates with respect to holding shares of the Company. For the sake of clarity, as of the date hereof, the Baillie Investors are indicated on **SCHEDULE A** hereto.

1.4 "**Board of Directors**" means the Company's board of directors.

1.5 "**Common Stock**" means shares of the Company's common stock, par value $0.0001 per share.

1.6 "**Competitor**" means a Person reasonably determined by the Board of Directors to be engaged, directly or indirectly (including through any partnership, limited liability company, corporation, joint venture or similar arrangement (whether now existing or formed hereafter)), in the business conducted by the Company, but shall not include (i) Lerer (as defined below) and its Affiliates, (ii) Maveron (as defined below) and its Affiliates, (iii) Tiger (as defined below) and its Affiliates, (iv) T. Rowe Price (as defined below) and its Affiliates or any T. Rowe Price Investor (as defined below), (v) Fidelity (as defined below) and its Affiliates or any Fidelity Investor (as defined below), (vi) Baillie (as defined above) and Affiliates of Baillie or any Baillie Investor (as defined above), (vii) Franklin (as defined below) and Affiliates of Franklin or any Franklin Investor (as defined below) or (viii) any financial investment firm or collective investment vehicle that, together with its Affiliates, holds less than 20% of the outstanding equity of any Competitor and does not, nor do any of its Affiliates, have a right to designate any members of the Board of Directors of any Competitor.

1.7 "**Conversion Shares**" means shares of Common Stock issuable or issued upon the conversion of Preferred Stock.

1.8 "**Damages**" means any loss, damage, claim or liability (joint or several) to which a party hereto may become subject under the Securities Act, the Exchange Act, or other federal or state law, insofar as such loss, damage, claim or liability (or any action in respect thereof) arises out of or is based upon: (i) any untrue statement or alleged untrue statement of a material fact contained in any registration statement of the Company, including any preliminary prospectus or final prospectus contained therein or any amendments or supplements thereto; (ii) an 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 indemnifying party (or any of its agents or Affiliates) 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.

1.9 "**Derivative Securities**" means any securities or rights convertible into, or exercisable or exchangeable for (in each case, directly or indirectly), Common Stock, including options and warrants.

1.10 "**Direct Listing**" shall have the meaning set forth in the Company's Seventh Amended and Restated Certificate of Incorporation, as amended from time to time, dated on or about the date hereof (the "**Certificate of Incorporation**").

1.11 "**Exchange Act**" means the Securities Exchange Act of 1934, as amended, and the rules and regulations promulgated thereunder.

1.12 "**Excluded Registration**" means (i) a registration relating to the sale of securities to employees of the Company or a subsidiary pursuant to a stock option, stock purchase, or similar plan; (ii) a registration relating to an SEC Rule 145 transaction; (iii) a registration on any form that 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; or (iv) a registration in which the only Common Stock being registered is Common Stock issuable upon conversion of debt securities that are also being registered.

1.13 "**Fidelity**" means Fidelity Management & Research Company and any successor or affiliated registered investment advisor to the Fidelity Investors.

1.14 "**Fidelity Investors**" means any Investors advised or subadvised by Fidelity or one of its Affiliates with respect to holding shares of the Company. For the sake of clarity, as of the date hereof, the Fidelity Investors are indicated on **Schedule A** hereto.

1.15 "**Form S-1**" means such form under the Securities Act as in effect on the date hereof or any successor registration form under the Securities Act subsequently adopted by the SEC.

1.16 "**Form S-3**" means such form under the Securities Act as in effect on the date hereof or any registration form under the Securities Act subsequently adopted by the SEC that permits incorporation of substantial information by reference to other documents filed by the Company with the SEC.

1.17 "**Founders**" means Joseph Zwillinger and Timothy Brown.

1.18 "**Franklin**" means Franklin Advisers, Inc.

1.19 "**Franklin Investors**" means Franklin with respect to holding shares of the Company. For the sake of clarity, as of the date hereof, the Franklin Investors are indicated on **SCHEDULE A** hereto.

1.20 "**GAAP**" means generally accepted accounting principles in the United States.

1.21 "**Holder**" means any holder of Registrable Securities who is a party to this Agreement.

1.22 "**Immediate Family Member**" means a 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, including adoptive relationships, of a natural person referred to herein.

1.23 "**Initiating Holders**" means, collectively, Holders who properly initiate a registration request under this Agreement.

1.24 "**IPO**" means the Company's first underwritten public offering of its Common Stock under the Securities Act, which, for the avoidance of doubt, shall not include a Direct Listing.

1.25 "**Key Holder Registrable Securities**" means (i) the shares of Common Stock (as adjusted for stock dividends, stock splits, combinations, subdivisions, recapitalizations or similar events) held by the Key Holders and (ii) any Common Stock issued as (or issuable upon the conversion or exercise of any warrant, right, or other security that is issued as) a dividend or other distribution with respect to, or in exchange for or in replacement of such shares.

1.26 "**Major Investor**" means (i) any Investor, that, individually or together with such Investor's Affiliates, holds at least 3,155,900 shares of Preferred Stock, at least 1,500,000 shares of Series C Preferred Stock, at least 1,500,000 shares of Series D Preferred Stock or at least 1,500,000 shares of Series E Preferred Stock (each as adjusted for stock dividends, stock splits, combinations, subdivisions, recapitalizations or similar events), (ii) each T. Rowe Price Investor, for so long as it holds any Registrable Securities, whether or not such T. Rowe Price Investor would otherwise qualify as a Major Investor individually, (iii) each Fidelity Investor, for so long as it holds any Registrable Securities, whether or not such Fidelity Investor would otherwise qualify as a Major Investor individually, (iv) each Baillie Investor, for so long as it holds any Registrable Securities, whether or not such Baillie Investor would otherwise qualify as a Major Investor individually, and (v) each

Franklin Investor, for so long as it holds any Registrable Securities, whether or not such Franklin Investor would otherwise qualify as a Major Investor individually.

1.27 "**New Securities**" means, collectively, equity securities of the Company, whether or not currently authorized, as well as rights, options, or warrants to purchase such equity securities, or securities of any type whatsoever that are, or may become, convertible or exchangeable into or exercisable for such equity securities.

1.28 "**Non-Employee Majority Directors**" means the members of the Board of Directors representing a majority of those members of the Board of Directors who are not employees of the Company.

1.29 "**Person**" means any individual, corporation, partnership, trust, limited liability company, association or other entity.

1.30 "**Preferred Stock**" means the Series Seed Preferred Stock, Series A Preferred Stock, Series B Preferred Stock, Series C Preferred Stock, Series D Preferred Stock, Series E Preferred Stock and shares of any other series of preferred stock of the Company issued from time to time.

1.31 "**Purchase Agreement**" means the Series E Preferred Stock Purchase Agreement, by and among the Company and the parties thereto, dated of even date herewith, as amended from time to time.

1.32 "**Qualified IPO**" shall have the meaning set forth in the Company's Certificate of Incorporation.

1.33 "**Registrable Securities**" means (i) the Common Stock issuable or issued upon conversion of the Preferred Stock; (ii) any Common Stock, or any Common Stock issuable or issued (directly or indirectly) upon conversion and/or exercise of any other securities of the Company, acquired by any Investor on or after July 28, 2017; (iii) the Key Holder Registrable Securities, provided, however, that such Key Holder Registrable Securities shall not be deemed Registrable Securities and the Key Holders shall not be deemed Holders for the purposes of Sections 2.1, 2.10, 3.1, 3.2, 4.1 and 7.6; and (iv) any Common Stock issued as (or issuable upon the conversion or exercise of any warrant, right, or other security that is issued as) a dividend or other distribution with respect to, or in exchange for or in replacement of, the shares referenced in clauses (i) and (ii) above; excluding in all cases, however, any Registrable Securities sold by a Person in a transaction in which the applicable rights under this Agreement are not assigned pursuant to Section 7.1, and excluding for purposes of Section 2 any shares for which registration rights have terminated pursuant to Section 2.13 of this Agreement.

1.34 "**Registrable Securities then outstanding**" means the number of shares determined by adding the number of shares of outstanding Common Stock that are Registrable Securities and the number of shares of Common Stock issuable (directly or indirectly) pursuant to then exercisable and/or convertible securities that are Registrable Securities.

1.35 "**Restricted Securities**" means the securities of the Company required to bear the legend set forth in Section 2.12 hereof.

1.36 "**Requisite Investors**" means Investors holding at least 60% of the Conversion Shares, voting as a single class.

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

1.38 "**SEC Rule 144**" means Rule 144 promulgated by the SEC under the Securities Act.

1.39 "**SEC Rule 145**" means Rule 145 promulgated by the SEC under the Securities Act.

1.40 "**Securities Act**" means the Securities Act of 1933, as amended, and the rules and regulations promulgated thereunder.

1.41 "**Selling Expenses**" means all underwriting discounts, selling commissions, and stock transfer taxes applicable to the sale of Registrable Securities, and fees and disbursements of counsel for any Holder, except for the fees and disbursements of the Selling Holder Counsel borne and paid by the Company as provided in Section 2.6.

1.42 "**Series A Preferred Stock**" means shares of the Company's Series A Preferred Stock, par value $0.0001 per share.

1.43 "**Series B Preferred Stock**" means shares of the Company's Series B Preferred Stock, par value $0.0001 per share.

1.44 "**Series C Preferred Stock**" means shares of the Company's Series C Preferred Stock, par value $0.0001 per share.

1.45 "**Series D Preferred Stock**" means shares of the Company's Series D Preferred Stock, par value $0.0001 per share.

1.46 "**Series E Preferred Stock**" means shares of the Company's Series E Preferred Stock, par value $0.0001 per share.

1.47 "**Series Seed Preferred Stock**" means shares of the Company's Series Seed Preferred Stock, par value $0.0001 per share.

1.48 "**T. Rowe Price**" means T. Rowe Price Associates, Inc. and any successor or affiliated registered investment advisor to the T. Rowe Price Investors.

1.49 "**T. Rowe Price Investors**" means the Investors that are advisory or sub-advisory clients of T. Rowe Price with respect to holding shares of the Company. For the sake of clarity, as of the date hereof, the T. Rowe Price Investors are indicated on **Schedule A** hereto.

2. Registration Rights. The Company covenants and agrees as follows:

2.1 Demand Registration.

(a) Form S-1 Demand. If at any time after the earlier of (i) four years after the date of this Agreement or (ii) 180 days after the earlier of the effective date of the registration statement for the Qualified IPO or for a Direct Listing, the Company receives a request from Holders of at least 40% of the Registrable Securities then outstanding that the Company file a Form S-1 registration statement with an anticipated aggregate offering price, net of Selling Expenses, of at least $15,000,000 million, then the Company shall (x) within ten days after the date such request is given, give notice thereof (the "**Demand Notice**") to all Holders other than the Initiating Holders; and (y) as soon as practicable, and in any event within 120 days after the date such request is given by the Initiating Holders, file a Form S-1 registration statement under the Securities Act covering all Registrable Securities that the Initiating Holders requested to be registered and any additional Registrable Securities requested to be included in such registration by any other Holders, as specified

by notice given by each such Holder to the Company within 20 days of the date the Demand Notice is given, and in each case, subject to the limitations of Sections 2.1(c) and 2.3.

(b) Form S-3 Demand. If at any time when it is eligible to use a Form S-3 registration statement, the Company receives a request from Holders of at least 10% of the Registrable Securities then outstanding that the Company file a Form S-3 registration statement with respect to outstanding Registrable Securities of such Holders having an anticipated aggregate offering price, net of Selling Expenses, of at least $1,000,000, then the Company shall (i) within ten days after the date such request is given, give a Demand Notice to all Holders other than the Initiating Holders; and (ii) as soon as practicable, and in any event within 60 days after the date such request is given by the Initiating Holders, file a Form S-3 registration statement under the Securities Act covering all Registrable Securities requested to be included in such registration by any other Holders, as specified by notice given by each such Holder to the Company within 20 days of the date the Demand Notice is given, and in each case, subject to the limitations of Sections 2.1(c) and 2.3.

(c) Notwithstanding the foregoing obligations, if the Company furnishes to Holders requesting a registration pursuant to this Section 2.1 a certificate signed by the Company's chief executive officer stating that in the good faith judgment of the Board of Directors it would be materially detrimental to the Company and its stockholders for such registration statement to either become effective or remain effective for as long as such registration statement otherwise would be required to remain effective, because such action would (i) materially interfere with a significant acquisition, corporate reorganization, or other similar transaction involving the Company; (ii) require premature disclosure of material information that the Company has a bona fide business purpose for preserving as confidential; or (iii) render the Company unable to comply with requirements under the Securities Act or Exchange Act, then the Company shall have the right to defer taking action with respect to such filing, and any time periods with respect to filing or effectiveness thereof shall be tolled correspondingly, for a period of not more than, with respect to a registration under Section 2.1(a), 120 days after the request of the Initiating Holders is given and, with respect to a registration under Section 2.1(b), 90 days after the request of the Initiating Holders is given; provided, however, that the Company may not invoke this right more than once in any 12 month period; and provided, further that the Company shall not register any securities for its own account or that of any other stockholder during such 120 day period or such 90 day period, as applicable, other than an Excluded Registration.

(d) The Company shall not be obligated to effect, or to take any action to effect, any registration pursuant to Section 2.1(a) (i) during the period that is 60 days before the Company's good faith estimate of the date of filing of, and ending on a date that is 120 days after the effective date of, a Company-initiated registration, provided that the Company is actively employing in good faith commercially reasonable efforts to cause such registration statement to become effective; (ii) after the Company has effected two registrations pursuant to Section 2.1(a); 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 2.1(b). The Company shall not be obligated to effect, or to take any action to effect, any registration pursuant to Section 2.1(b) (i) during the period that is 30 days before the Company's good faith estimate of the date of filing of, and ending on a date that is 90 days after the effective date of, a Company-initiated registration, provided that the Company is actively employing in good faith commercially reasonable efforts to cause such registration statement to become effective; or (ii) if the Company has effected two registrations pursuant to Section 2.1(b) within the 12 month period immediately preceding the date of such request. A registration shall not be counted as "effected" for purposes of this Section 2.1(d) until such time as the applicable registration statement has been declared effective by the SEC, unless the Initiating Holders withdraw their request for such registration, elect not to pay the registration expenses therefor, and forfeit their right to one demand registration statement pursuant to Section 2.6, in which

case such withdrawn registration statement shall be counted as "effected" for purposes of this Section 2.1(d).

2.2 Company Registration. If the Company proposes to register (including, for this purpose, a registration effected by the Company for stockholders other than the Holders) any of its Common Stock under the Securities Act in connection with the public offering of such securities solely for cash (other than in an Excluded Registration), the Company shall, at such time, promptly give each Holder notice of such registration. Upon the request of each Holder given within 20 days after such notice is given by the Company, the Company shall, subject to the provisions of Section 2.3, cause to be registered all of the Registrable Securities that each such Holder has requested to be included in such registration. The Company shall have the right to terminate or withdraw any registration initiated by it under this Section 2.2 before the effective date of such registration, whether or not any Holder has elected to include Registrable Securities in such registration. The expenses (other than Selling Expenses) of such withdrawn registration shall be borne by the Company in accordance with Section 2.6.

2.3 Underwriting Requirements.

(a) If, pursuant to Section 2.1, the Initiating Holders intend to distribute the Registrable Securities covered by their request by means of an underwriting, they shall so advise the Company as a part of their request made pursuant to Section 2.1, and the Company shall include such information in the Demand Notice. The underwriter(s) will be selected by the Company and shall be reasonably acceptable to a majority in interest of the Initiating Holders. In such event, the right of any Holder to include such Holder's Registrable Securities in such registration shall be conditioned upon such Holder's participation in such underwriting and the inclusion of such Holder's Registrable Securities in the underwriting to the extent provided herein. All Holders proposing to distribute their securities through such underwriting shall (together with the Company as provided in Section 2.4(e)) enter into an underwriting agreement in customary form with the underwriter(s) selected for such underwriting. Notwithstanding any other provision of this Section 2.3, if the managing underwriter(s) advise(s) the Initiating Holders in writing that marketing factors require a limitation on the number of shares to be underwritten, then the Initiating Holders shall so advise all Holders of Registrable Securities that otherwise would be underwritten pursuant hereto, and the number of Registrable Securities that may be included in the underwriting shall be allocated among such Holders of Registrable Securities, including the Initiating Holders, in proportion (as nearly as practicable) to the number of Registrable Securities owned by each Holder or in such other proportion as shall mutually be agreed to by all such selling Holders; provided, however, that the number of Registrable Securities held by the Holders to be included in such underwriting shall not be reduced unless all other securities are first entirely excluded from the underwriting. To facilitate the allocation of shares in accordance with the above provisions, the Company or the underwriters may round the number of shares allocated to any Holder to the nearest 100 shares.

(b) In connection with any offering involving an underwriting of shares of the Company's capital stock pursuant to Section 2.2, the Company shall not be required to include any of the Holders' Registrable Securities in such underwriting unless the Holders accept the terms of the underwriting as agreed upon between the Company and its underwriters, and then only in such quantity as the underwriters in their sole discretion determine will not jeopardize the success of the offering by the Company. If the total number of securities, including Registrable Securities, requested by stockholders to be included in such offering exceeds the number of securities to be sold (other than by the Company) that the underwriters in their reasonable discretion determine 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 and the Company in their sole discretion determine will not jeopardize the success of the offering. If the underwriters determine that less than all of the Registrable Securities requested to be registered can be included in

such offering, then the Registrable Securities that are included in such offering shall be allocated among the selling Holders in proportion (as nearly as practicable to) the number of Registrable Securities owned by each selling Holder or in such other proportions as shall mutually be agreed to by all such selling Holders. To facilitate the allocation of shares in accordance with the above provisions, the Company or the underwriters may round the number of shares allocated to any Holder to the nearest 100 shares. Notwithstanding the foregoing, in no event shall (i) the number of Registrable Securities included in the offering be reduced unless all other securities (other than securities to be sold by the Company) are first entirely excluded from the offering, or (ii) the number of Registrable Securities included in the offering be reduced below 20% of the total number of securities included in such offering, unless such offering is the IPO, in which case the selling Holders may be excluded further if the underwriters make the determination described above and no other stockholder's securities are included in such offering or (iii) notwithstanding (ii) above, any Registrable Securities which are not Key Holder Registrable Securities be excluded from such underwriting unless all Key Holder Registrable Securities are first excluded from such offering. For purposes of the provision in this Section 2.3(b) concerning apportionment, for any selling Holder that is a partnership, limited liability company, or corporation, the partners, members, retired partners, retired members, stockholders, and Affiliates of such Holder, or the estates and Immediate Family Members of any such partners, retired partners, members, and retired members and any trusts for the benefit of any of the foregoing Persons, shall be deemed to be a single "selling Holder," and any pro rata reduction with respect to such "selling Holder" shall be based upon the aggregate number of Registrable Securities owned by all Persons included in such "selling Holder," as defined in this sentence.

2.4 Obligations of the Company. Whenever required under this Section 2 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 commercially reasonable efforts to cause such registration statement to become effective and, upon the request of the Holders of a majority of the Registrable Securities registered thereunder, keep such registration statement effective for a period of up to 120 days or, if earlier, until the distribution contemplated in the registration statement has been completed; provided, however, that (i) such 120 day period shall be extended for a period of time equal to the period the Holder refrains, at the request of an underwriter of Common Stock (or other securities) of the Company, from selling any securities included in such registration, and (ii) in the case of any registration of Registrable Securities on Form S-3 that are intended to be offered on a continuous or delayed basis, subject to compliance with applicable SEC rules, such 120 day period shall be extended for up to 90 days, if necessary, to keep the registration statement effective until all such Registrable Securities are sold;

(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 Securities Act in order to enable the disposition of all securities covered by such registration statement;

(c) furnish to the selling Holders such numbers of copies of a prospectus, including a preliminary prospectus, as required by the Securities Act, and such other documents as the Holders may reasonably request in order to facilitate their disposition of their Registrable Securities;

(d) use its commercially reasonable efforts to register and qualify the securities covered by such registration statement under such other securities or blue-sky laws of such jurisdictions as shall be reasonably requested by the selling Holders; provided, that the Company shall not be required to qualify to do business or to file a general consent to service of process in any such

states or jurisdictions, unless the Company is already subject to service in such jurisdiction and except as may be required by the Securities Act;

(e) in the event of any underwritten public offering, enter into and perform its obligations under an underwriting agreement, in usual and customary form, with the underwriter(s) of such offering;

(f) use its commercially reasonable efforts to cause all such Registrable Securities covered by such registration statement to be listed on a national securities exchange or trading system and each securities exchange and trading system (if any) on which similar securities issued by the Company are then listed;

(g) provide a transfer agent and registrar for all Registrable Securities registered pursuant to this Agreement and provide a CUSIP number for all such Registrable Securities, in each case not later than the effective date of such registration;

(h) promptly make available for inspection by the selling Holders, any underwriter(s) participating in any disposition pursuant to such registration statement, and any attorney or accountant or other agent retained by any such underwriter or selected by the selling Holders, all financial and other records, pertinent corporate documents, and properties of the Company, and cause the Company's officers, directors, employees, and independent accountants to supply all information reasonably requested by any such seller, underwriter, attorney, accountant, or agent, in each case, as necessary or advisable to verify the accuracy of the information in such registration statement and to conduct appropriate due diligence in connection therewith;

(i) notify each selling Holder, promptly after the Company receives notice thereof, of the time when such registration statement has been declared effective or a supplement to any prospectus forming a part of such registration statement has been filed; and

(j) after such registration statement becomes effective, notify each selling Holder of any request by the SEC that the Company amend or supplement such registration statement or prospectus.

In addition, the Company shall ensure that, at all times after any registration statement covering a public offering of securities of the Company under the Securities Act shall have become effective, its insider trading policy shall provide that the Company's directors may implement a trading program under Rule 10b5-1 of the Exchange Act.

2.5 Furnish Information. It shall be a condition precedent to the obligations of the Company to take any action pursuant to this Section 2 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 is reasonably required to effect the registration of such Holder's Registrable Securities.

2.6 Expenses of Registration. All expenses (other than Selling Expenses) incurred in connection with registrations, filings, or qualifications pursuant to Section 2, including 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, of one counsel for the selling Holders ("**Selling Holder Counsel**") shall be borne and paid 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 2.1 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 selling Holders shall bear such expenses pro rata based upon the number of Registrable Securities that

were to be included in the withdrawn registration), unless the Holders of a majority of the Registrable Securities agree to forfeit their right to one registration pursuant to Sections 2.1(a) or 2.1(b), as the case may be; provided further that if, at the time of such withdrawal, the Holders shall have learned of a material adverse change in the condition, business, or prospects of the Company from that known to the Holders at the time of their request and have withdrawn the request with reasonable promptness after learning of such information then the Holders shall not be required to pay any of such expenses and shall not forfeit their right to one registration pursuant to Sections 2.1(a) or 2.1(b). All Selling Expenses relating to Registrable Securities registered pursuant to this Section 2 shall be borne and paid by the Holders pro rata on the basis of the number of Registrable Securities registered on their behalf.

2.7 Delay of Registration. No Holder shall have any right to obtain or seek an injunction restraining or otherwise delaying any registration pursuant to this Agreement as the result of any controversy that might arise with respect to the interpretation or implementation of this Section 2.

2.8 Indemnification. If any Registrable Securities are included in a registration statement under this Section 2:

(a) To the extent permitted by law, the Company will indemnify and hold harmless each selling Holder, and the partners, members, officers, directors, and stockholders of each such Holder; legal counsel, accountants and investment advisers for each such Holder; any underwriter (as defined in the Securities Act) for each 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 Damages, and the Company will pay to each such Holder, underwriter, controlling Person, or other aforementioned Person any legal or other expenses reasonably incurred thereby in connection with investigating or defending any claim or proceeding from which Damages may result, as such expenses are incurred; provided, however, that the indemnity agreement contained in this Section 2.8(a) shall not apply to amounts paid in settlement of any such claim or proceeding if such settlement is effected without the consent of the Company, which consent shall not be unreasonably withheld, nor shall the Company be liable for any Damages to the extent that they arise out of or are based upon actions or omissions made in reliance upon and in conformity with written information furnished by or on behalf of any such Holder, underwriter, controlling Person, or other aforementioned Person expressly for use in connection with such registration.

(b) To the extent permitted by law, each selling Holder, severally and not jointly, will indemnify and hold harmless the Company, and 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, legal counsel and accountants for the Company, any underwriter (as defined in the Securities Act), any other Holder selling securities in such registration statement, and any controlling Person of any such underwriter or other Holder, against any Damages, in each case only to the extent that such Damages arise out of or are based upon actions or omissions made in reliance upon and in conformity with written information furnished by or on behalf of such selling Holder expressly for use in connection with such registration; and each such selling Holder will pay to the Company and each other aforementioned Person any legal or other expenses reasonably incurred thereby in connection with investigating or defending any claim or proceeding from which Damages may result, as such expenses are incurred; provided, however, that the indemnity agreement contained in this Section 2.8(b) shall not apply to amounts paid in settlement of any such claim or proceeding if such settlement is effected without the consent of the Holder, which consent shall not be unreasonably withheld; and provided further that in no event shall the aggregate amounts payable by any Holder by way of indemnity or contribution under Sections 2.8(b) and 2.8(d) exceed the proceeds from the offering received by such Holder (net of any Selling Expenses paid by such Holder), except in the case of fraud or willful misconduct by such Holder.

(c) Promptly after receipt by an indemnified party under this Section 2.8 of notice of the commencement of any action (including any governmental action) for which a party may be entitled to indemnification hereunder, such indemnified party will, if a claim in respect thereof is to be made against any indemnifying party under this Section 2.8, give the indemnifying party notice of the commencement thereof. The indemnifying party shall have the right to participate in such action and, to the extent the indemnifying party so desires, participate jointly with any other indemnifying party to which notice has been given, and to assume the defense thereof with counsel mutually satisfactory to the parties; provided, however, that an indemnified party (together with all other indemnified parties that may be represented without conflict by one counsel) shall have the right to retain one separate counsel, with the 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 action. The failure to give notice to the indemnifying party within a reasonable time of the commencement of any such action shall relieve such indemnifying party of any liability to the indemnified party under this Section 2.8, to the extent that such failure materially prejudices the indemnifying party's ability to defend such action. The failure to give notice to the indemnifying party will not relieve it of any liability that it may have to any indemnified party otherwise than under this Section 2.8.

(d) To provide for just and equitable contribution to joint liability under the Securities Act in any case in which either: (i) any party otherwise entitled to indemnification hereunder makes a claim for indemnification pursuant to this Section 2.8 but it is judicially determined (by the entry of a final judgment or decree by a court of competent jurisdiction and the expiration of time to appeal or the denial of the last right of appeal) that such indemnification may not be enforced in such case, notwithstanding the fact that this Section 2.8 provides for indemnification in such case, or (ii) contribution under the Securities Act may be required on the part of any party hereto for which indemnification is provided under this Section 2.8, then, and in each such case, such parties will contribute to the aggregate losses, claims, damages, liabilities, or expenses to which they may be subject (after contribution from others) in such proportion as is appropriate to reflect the relative fault of each of the indemnifying party and the indemnified party in connection with the statements, omissions, or other actions that resulted in such loss, claim, damage, liability, or expense, as well as to reflect any other relevant equitable considerations. 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 allegedly untrue statement of a material fact, or the omission or alleged omission of a material fact, relates to information supplied by the indemnifying party or by the indemnified party and the parties' relative intent, knowledge, access to information, and opportunity to correct or prevent such statement or omission; provided, however, that, in any such case (x) no Holder will be required to contribute any amount in excess of the public offering price of all such Registrable Securities offered and sold by such Holder pursuant to such registration statement, and (y) no Person guilty of fraudulent misrepresentation (within the meaning of Section 11(f) of the Securities Act) will be entitled to contribution from any Person who was not guilty of such fraudulent misrepresentation; and provided further that in no event shall a Holder's liability pursuant to this Section 2.8(d), when combined with the amounts paid or payable by such Holder pursuant to Section 2.8(b), exceed the proceeds from the offering received by such Holder (net of any Selling Expenses paid by such Holder), except in the case of willful misconduct or fraud by such Holder.

(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) Unless otherwise superseded by an underwriting agreement entered into in connection with the underwritten public offering, the obligations of the Company and Holders

under this Section 2.8 shall survive the completion of any offering of Registrable Securities in a registration under this Section 2, and otherwise shall survive the termination of this Agreement.

2.9 Reports Under Exchange Act. With a view to making available to the Holders the benefits of SEC Rule 144 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 shall:

(a) make and keep available adequate current public information, as those terms are understood and defined in SEC Rule 144, at all times after the earlier of the effective date of the registration statement filed by the Company for the IPO or for the Direct Listing;

(b) use commercially reasonable efforts to 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 (at any time after the Company has become subject to such reporting requirements); and

(c) furnish to any Holder, so long as the Holder owns any Registrable Securities, forthwith upon request (i) to the extent accurate, 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 earlier of the effective date of the registration statement filed by the Company for the IPO or for the Direct Listing), the Securities Act, and the Exchange Act (at any time after the Company 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 the Company so qualifies) and (ii) such other information as may be reasonably requested in availing any Holder of any rule or regulation of the SEC that permits the selling of any such securities without registration (at any time after the Company has become subject to the reporting requirements under the Exchange Act) or pursuant to Form S-3 (at any time after the Company so qualifies to use such form).

2.10 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 at least 60% of the Registrable Securities then outstanding, enter into any agreement with any holder or prospective holder of any securities of the Company that would (i) allow such holder or prospective holder to include such securities in any registration 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 number of the Registrable Securities of the Holders that are included or (ii) allow such holder or prospective holder to initiate a demand for registration of any securities held by such holder or prospective holder; provided that this limitation shall not apply to any additional Investor who becomes a party to this Agreement in accordance with Section 7.9.

2.11 "**Market Stand-off" Agreement**. Each Holder hereby agrees that it will not, without the prior written consent of the managing underwriter, during the period commencing on the date of the final prospectus relating to the IPO by the Company, and ending on the date specified by the Company and the managing underwriter (such period not to exceed 180 days), (i) lend; offer; pledge; sell; contract to sell; sell any option or contract to purchase; purchase any option or contract to sell; grant any option, right, or warrant to purchase; or otherwise transfer or dispose of, directly or indirectly, any shares of Common Stock or any securities convertible into or exercisable or exchangeable (directly or indirectly) for Common Stock held immediately before the effective date of the registration statement for the IPO 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. The foregoing provisions of this Section

2.11 shall (i) only apply to the IPO, (ii) not apply to the sale of any shares to an underwriter pursuant to an underwriting agreement or the transfer of any shares to any trust for the direct or indirect benefit of the Holder or the immediate family of the Holder, provided, that the trustee of the trust agrees to be bound in writing by the restrictions set forth herein and provided, further that any such transfer shall not involve a disposition for value, (iii) not apply to the sale of shares of Common Stock acquired in the IPO or in the open market following the IPO and (iv) be applicable to the Holders only if all Company officers, directors and holders of more than one percent of the outstanding Common Stock (after giving effect to the conversion into Common Stock of all outstanding Preferred Stock) are subject to substantially the same restrictions. The underwriters in connection with such registration are intended third party beneficiaries of this Section 2.11 and shall have the right, power and authority to enforce the provisions hereof as though they were a party hereto. Each Holder further agrees to execute such agreements as may be reasonably requested by the underwriters in connection with such registration that are consistent with this Section 2.11 or that are necessary to give further effect thereto. If any of the obligations described in this Section 2.11 are waived or terminated with respect to any of the securities of any such Holder or executive officer, director or greater than one-percent stockholder of the Company (in any such case, the "**Released Securities**"), then the foregoing provisions shall be waived or terminated, as applicable, to the same extent and with respect to the same percentage of securities of each Holder as the percentage of Released Securities represent with respect to the securities held by the applicable Holder or executive officer, director or greater than one-percent stockholder of the Company. The foregoing provisions of this Section 2.11 shall not apply to a Direct Listing and shall only be applicable to the Company's IPO if the Company has not already completed a Direct Listing.

2.12 Restrictions on Transfer.

(a) The Preferred Stock and the Registrable Securities shall not be sold, pledged, or otherwise transferred, and the Company shall not recognize and shall issue stop-transfer instructions to its transfer agent with respect to any such sale, pledge, or transfer, except upon the conditions specified in this Agreement, which conditions are intended to ensure compliance with the provisions of the Securities Act. A transferring Holder will cause any proposed purchaser, pledgee, or transferee of the Preferred Stock and the Registrable Securities held by such Holder to agree to take and hold such securities subject to the provisions and upon the conditions specified in this Agreement. Notwithstanding the foregoing, the Company shall not require any transferee of Registrable Securities pursuant to an effective registration statement or, following the IPO or a Direct Listing, SEC Rule 144, in each case, to be bound by the terms of this Agreement.

(b) Each certificate, instrument, or book entry representing (i) the Preferred Stock, (ii) the Registrable Securities, and (iii) any other securities issued in respect of the securities referenced in clauses (i) and (ii), upon any stock split, stock dividend, recapitalization, merger, consolidation, or similar event, shall (unless otherwise permitted by the provisions of Section 2.12(c)) be notated with a legend substantially in the following form:

> THE SECURITIES REPRESENTED HEREBY HAVE BEEN ACQUIRED FOR INVESTMENT AND HAVE NOT BEEN REGISTERED UNDER THE SECURITIES ACT OF 1933. SUCH SHARES MAY NOT BE SOLD, PLEDGED, OR TRANSFERRED IN THE ABSENCE OF SUCH REGISTRATION OR A VALID EXEMPTION FROM THE REGISTRATION AND PROSPECTUS DELIVERY REQUIREMENTS OF SAID ACT.
>
> THE SECURITIES REPRESENTED HEREBY MAY BE TRANSFERRED ONLY IN ACCORDANCE WITH THE TERMS OF AN AGREEMENT BETWEEN THE COMPANY AND THE STOCKHOLDER, A COPY OF WHICH IS ON FILE WITH THE SECRETARY OF THE COMPANY.

The Holders consent to the Company making a notation in its records and giving instructions to any transfer agent of the Restricted Securities in order to implement the restrictions on transfer set forth in this Section 2.12.

(c) The holder of such Restricted Securities, by acceptance of ownership thereof, agrees to comply in all respects with the provisions of this Section 2. Before any proposed sale, pledge, or transfer of any Restricted Securities, unless there is in effect a registration statement under the Securities Act covering the proposed transaction or, following the IPO or a Direct Listing, the transfer is made pursuant to SEC Rule 144, the Holder thereof shall give notice to the Company of such Holder's intention to effect such sale, pledge, or transfer. Each such notice shall describe the manner and circumstances of the proposed sale, pledge, or transfer in sufficient detail and, if reasonably requested by the Company, shall be accompanied at such Holder's expense by either (i) a written opinion of legal counsel who shall, and whose legal opinion shall, be reasonably satisfactory to the Company, addressed to the Company, to the effect that the proposed transaction may be effected without registration under the Securities Act; (ii) a "no action" letter from the SEC to the effect that the proposed sale, pledge, or transfer of such Restricted Securities without registration will not result in a recommendation by the staff of the SEC that action be taken with respect thereto; or (iii) any other evidence reasonably satisfactory to counsel to the Company to the effect that the proposed sale, pledge, or transfer of the Restricted Securities may be effected without registration under the Securities Act, whereupon the Holder of such Restricted Securities shall be entitled to sell, pledge, or transfer such Restricted Securities in accordance with the terms of the notice given by the Holder to the Company. The Company will not require such a legal opinion or "no action" letter (x) in any transaction in compliance with SEC Rule 144; (y) in any transaction in which such Holder distributes Restricted Securities to an Affiliate of such Holder for no consideration or (z) in any transaction in which such holder distributes less than 10% of such Holder's Restricted Securities solely to an accredited investor as defined in Regulation D promulgated under the Securities Act; provided that, other than with respect to transfers under the foregoing clause (x) following the IPO or a Direct Listing, each transferee agrees in writing to be subject to the terms of this Section 2.12. Each certificate, instrument, or book entry representing the Restricted Securities transferred as above provided shall be notated with, except if such transfer is made pursuant to SEC Rule 144 or pursuant to an effective registration statement, the appropriate restrictive legend set forth in Section 2.12(b), except that such certificate instrument, or book entry shall not be notated with such restrictive legend if, in the opinion of counsel for such Holder and the Company, such legend is not required in order to establish compliance with any provisions of the Securities Act.

(d) The Company shall be obligated to instruct its transfer agent to reissue promptly unlegended certificates or book-entry security entitlements at the request of any Holder thereof if the Company has completed its IPO or a Direct Listing or in connection with a sale of Registrable Securities by a Holder pursuant to Rule 144 and the Holder shall have obtained an opinion of counsel (which counsel may be counsel to the Company) reasonably acceptable to the Company to the effect that the securities proposed to be disposed of may lawfully be so disposed of without registration, qualification and legend.

2.13 Termination of Registration Rights. The right of any Holder to request registration or inclusion of Registrable Securities in any registration pursuant to Sections 2.1 or 2.2 shall terminate upon the earliest to occur of:

(a) the closing of a Deemed Liquidation Event, as such term is defined in the Certificate of Incorporation;

(b) following the IPO or a Direct Listing, such time as Rule 144 or another similar exemption under the Securities Act is available for the sale of all of such Holder's

shares without limitation during a three-month period without registration (assuming the Company is in compliance with the current public information required under Rule 144(c)(1));

(c) the fifth anniversary of the IPO; and

(d) the fifth anniversary of a Direct Listing.

3. INFORMATION AND OBSERVER RIGHTS.

3.1 Delivery of Financial Statements. The Company shall deliver to each Major Investor, *provided* that the Board of Directors has not reasonably determined that such Major Investor is a Competitor:

(a) as soon as practicable, but in any event within 90 days after the end of each fiscal year of the Company (i) a balance sheet as of the end of such year, (ii) statements of income and of cash flows for such year, and (iii) a statement of stockholders' equity as of the end of such year (together, the "**Financial Statements**"), provided that all such Financial Statements shall be unaudited but prepared in accordance with GAAP (except that such unaudited Financial Statements may not contain all notes thereto that may be required in accordance with GAAP); provided further that within 180 days after the end of each fiscal year of the Company, all Financial Statements shall be audited and certified by independent public accountants of regionally 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, unaudited statements of income and cash flows for such fiscal quarter, and an unaudited balance sheet as of the end of such fiscal quarter, prepared in accordance with GAAP (except that quarterly financial statements may (i) be subject to normal year-end audit adjustments; and (ii) not contain all notes thereto that may be required in accordance with GAAP);

(c) as soon as practicable, but in any event within 45 days prior to the beginning of each fiscal year, unless waived by the Company's Board of Directors, including the Non-Employee Majority Directors, a business plan and operating and capital expenditures budget for such next fiscal year (collectively, the "**Budget**"), approved by the Board of Directors and prepared on a monthly basis, including balance sheets, income statements, and statements of cash flow for such months and, promptly after prepared, any other budgets or revised budgets prepared by the Company; provided, however, that the Company shall not be obligated pursuant to this Section 3.1(c) to provide access to any information that it reasonably and in good faith considers to be a trade secret or confidential information (unless covered by an enforceable confidentiality agreement, in a form acceptable to the Company) or the disclosure of which would adversely affect the attorney-client privilege between the Company and its counsel; and

(d) soon as practicable, but in any event within 90 days after the end of each fiscal year of the Company, a statement showing the number of shares of each class and series of capital stock and securities convertible into or exercisable for shares of capital stock outstanding at the end of the period, the Common Stock issuable upon conversion or exercise of any outstanding securities convertible or exercisable for Common Stock and the exchange ratio or exercise price applicable thereto, and the number of shares of issued stock options and stock options not yet issued but reserved for issuance, if any, all in sufficient detail as to permit the Major Investors to calculate their respective percentage equity ownership in the Company.

If, for any period, the Company has any subsidiary whose accounts are consolidated with those of the Company, then in respect of such period the financial statements delivered pursuant to the foregoing

sections shall be the consolidated and consolidating financial statements of the Company and all such consolidated subsidiaries.

The Company shall be deemed to have satisfied the requirement for the delivery of information under this Section 3.1 with respect to the T. Rowe Price Investors by delivery of the relevant information to T. Rowe Price (and for further distribution to the T. Rowe Price Investors) in accordance with the notice requirements of the T. Rowe Price Investors.

Notwithstanding anything else in this Section 3.1 to the contrary, the Company may cease providing the information set forth in this Section 3.1 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 3.1 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.

3.2 Inspection. The Company shall permit each Major Investor (unless the Board of Directors has reasonably determined that such Major Investor is a Competitor), at such Major Investor's expense, to visit and inspect the Company's properties; examine its books of account and records; and discuss the Company's affairs, finances, and accounts with its officers, during normal business hours of the Company as may be reasonably requested by the Major Investor; *provided, however*, that the Company shall not be obligated pursuant to this Section 3.2 to provide access to any information that it reasonably and in good faith considers to be a trade secret or confidential information (unless covered by an enforceable confidentiality agreement, in a form acceptable to the Company) or the disclosure of which would adversely affect the attorney-client privilege between the Company and its counsel.

3.3 Observer Rights.

(a) As long as the T. Rowe Price Investors collectively hold at least 2,500,000 shares of Preferred Stock of the Company, which number is subject to appropriate adjustment for all stock splits, dividends, combinations, recapitalization and the like, the Company shall invite a representative of T. Rowe Price to attend all meetings of its Board of Directors in a nonvoting observer capacity, and in this respect, shall give such representative copies of all notices, minutes, consents, and other materials that it provides to its directors; *provided, however*, that all information so provided shall be subject to Section 3.5 below and the T. Rowe Price Investors shall be responsible for any breaches of Section 3.5 by such representative with respect to such information; and *provided further*, that the Company reserves the right to withhold any information and to exclude such representative from any meeting or portion thereof if access to such information or attendance at such meeting could adversely affect the attorney-client privilege between the Company and its counsel or result in disclosure of trade secrets or a conflict of interest.

(b) As long as the Fidelity Investors collectively hold at least 2,500,000 shares of Preferred Stock of the Company, which number is subject to appropriate adjustment for all stock splits, dividends, combinations, recapitalization and the like, the Company shall invite a representative of the Fidelity Investors to attend all meetings of its Board of Directors in a nonvoting observer capacity, and in this respect, shall give such representative copies of all notices, minutes, consents, and other materials that it provides to its directors; *provided, however*, that all information so provided shall be subject to Section 3.5 below and the Fidelity Investors shall be responsible for any breaches of Section 3.5 by such representative with respect to such information; and *provided further*, that the Company reserves the right to withhold any information and to exclude such representative from any meeting or portion thereof if access to such information or attendance at such

meeting could adversely affect the attorney-client privilege between the Company and its counsel or result in disclosure of trade secrets or a conflict of interest.

(c) As long as Maveron Equity Partners V, L.P. ("**Maveron**") holds at least 10,000,000 shares of Preferred Stock of the Company, which number is subject to appropriate adjustment for all stock splits, dividends, combinations, recapitalization and the like, the Company shall invite a representative of Maveron to attend all meetings of its Board of Directors in a nonvoting observer capacity, and in this respect, shall give such representative copies of all notices, minutes, consents, and other materials that it provides to its directors; *provided, however*, that such representative shall agree to hold in confidence and maintain the confidentiality with respect to all information so provided; and *provided further*, that the Company reserves the right to withhold any information and to exclude such representative from any meeting or portion thereof if access to such information or attendance at such meeting could adversely affect the attorney-client privilege between the Company and its counsel or result in disclosure of trade secrets or a conflict of interest.

(d) As long as Tiger Global Private Investment Partners X, L.P. ("**Tiger**") holds at least 2,500,000 shares of Preferred Stock of the Company, which number is subject to appropriate adjustment for all stock splits, dividends, combinations, recapitalization and the like, the Company shall invite a representative of Tiger to attend all meetings of its Board of Directors and any and all committees of its Board of Directors (including any Executive Committee, as defined in the Company's bylaws) in a nonvoting observer capacity, and in this respect, shall give such representative copies of all notices, minutes, consents, and other materials that it provides to its directors and/or committee members; *provided, however*, that such representative shall agree to hold in confidence and maintain the confidentiality with respect to all information so provided; and *provided further*, that the Company reserves the right to withhold any information and to exclude such representative from any meeting or portion thereof if access to such information or attendance at such meeting could adversely affect the attorney-client privilege between the Company and its counsel or result in disclosure of trade secrets or a conflict of interest.

(e) As long as the Baillie Investors collectively hold at least 500,000 shares of Preferred Stock of the Company, which number is subject to appropriate adjustment for all stock splits, dividends, combinations, recapitalization and the like, the Company shall invite a representative of the Baillie Investors to attend all meetings of its Board of Directors in a nonvoting observer capacity, and in this respect, shall give such representative copies of all notices, minutes, consents, and other materials that it provides to its directors; *provided, however*, that all information so provided shall be subject to Section 3.5 below and the Baillie Investors shall be responsible for any breaches of Section 3.5 by such representative with respect to such information; and *provided further*, that the Company reserves the right to withhold any information and to exclude such representative from any meeting or portion thereof if access to such information or attendance at such meeting could adversely affect the attorney-client privilege between the Company and its counsel or result in disclosure of trade secrets or a conflict of interest.

(f) As long as the Franklin Investors collectively hold at least 1,000,000 shares of Preferred Stock of the Company, which number is subject to appropriate adjustment for all stock splits, dividends, combinations, recapitalization and the like, the Company shall invite a representative of the Franklin Investors to attend all meetings of its Board of Directors in a nonvoting observer capacity, and in this respect, shall give such representative copies of all notices, minutes, consents, and other materials that it provides to its directors; *provided, however*, that all information so provided shall be subject to Section 3.5 below and the Franklin Investors shall be responsible for any breaches of Section 3.5 by such representative with respect to such information; *provided further*, that the Company reserves the right to withhold any information and to exclude such representative from any meeting or portion thereof if access to such information or attendance at such meeting could

adversely affect the attorney-client privilege between the Company and its counsel or result in disclosure of trade secrets or a conflict of interest.

3.4 Termination of Information and Observer Rights. The covenants set forth in Sections 3.1, 3.2 and 3.3 shall terminate and be of no further force or effect (a) immediately before the consummation of a Qualified IPO, (b) immediately before the settlement of the initial trade of shares of Common Stock in a Direct Listing, (c) when the Company first becomes subject to the periodic reporting requirements of Section 12(g) or 15(d) of the Exchange Act, or (d) upon a Deemed Liquidation Event, as such term is defined in the Certificate of Incorporation, whichever event occurs first.

3.5 Confidentiality. Each Investor agrees that such Investor will keep confidential and will not disclose, divulge, or use for any purpose (other than to monitor its investment in the Company) any confidential information obtained from the Company pursuant to the terms of this Agreement (including notice of the Company's intention to file a registration statement), unless such confidential information (a) is known or becomes known to the public in general (other than as a result of a breach of this Section 3.5 by such Investor), (b) is or has been independently developed or conceived by the Investor without use of the Company's confidential information, or (c) 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; *provided*, *however*, that an Investor may disclose confidential information (i) its attorneys, accountants, consultants, registered investment advisor or sub-adviser (or any employee, representative, attorney, accountant or consultant of such Person) and other professionals to the extent necessary to obtain their services in connection with monitoring its investment in the Company; (ii) to any prospective purchaser of any Registrable Securities from such Investor, if such prospective purchaser agrees to be bound by the provisions of this Section 3.5; (iii) to any Affiliate, partner, member, stockholder, or wholly owned subsidiary of such Investor in the ordinary course of business, *provided that* such Investor informs such Person that such information is confidential and requires such Person to maintain the confidentiality of such information; (iv) that was permitted to be disclosed by written authorization of the Company; or (v) as may otherwise be required by law, regulation, rule, court order or subpoena (including of any securities exchange or market), *provided that* the Investor promptly notifies the Company of such disclosure and takes reasonable steps to minimize the extent of any such required disclosure; provided, however, that no such notice of disclosure shall be required in connection with any routine or periodic examination or similar process by any regulatory or self-regulatory body or authority not specifically directed at the Company or the confidential information obtained from the Company pursuant to the terms of this Agreement, including, without limitation, quarterly or annual reports that are required by law.

4. RIGHTS TO FUTURE STOCK ISSUANCES.

4.1 Right of First Offer. Subject to the terms and conditions of this Section 4 and applicable securities laws, if the Company proposes to offer or sell any New Securities, the Company shall first offer such New Securities to each Major Investor that is an "accredited investor" (as defined Rule 501(a) under the Securities Act). A Major Investor shall be entitled to apportion the right of first offer hereby granted to it among itself and its Affiliates in such proportions as it deems appropriate. For the avoidance of doubt, a Major Investor that is not an "accredited investor" shall not have any right to be offered or to purchase New Securities from the Company pursuant to this Section 4.

(a) The Company shall give notice (the "**Offer Notice**") to each Major Investor, stating (i) its bona fide intention to offer such New Securities, (ii) the number of such New Securities to be offered, and (iii) the price and terms, if any, upon which it proposes to offer such New Securities.

(b) By notification to the Company within 20 days after the Offer Notice is given, each Major Investor may elect to purchase or otherwise acquire, at the price and on the terms specified in the Offer Notice, up to that portion of such New Securities which equals the product of (x) the aggregate number of New Securities, times, (y) a fraction, the numerator of which is the aggregate number of shares of Common Stock (assuming the conversion into Common Stock of all outstanding shares of Preferred Stock) then held by such Major Investor and the denominator of which is the total number of shares of Common Stock of the Company then issued and outstanding (assuming the conversion into Common Stock of all outstanding shares of Preferred Stock and any other securities convertible into Common Stock, if any, and the exercise of all stock options (which amount shall include all shares issuable or issued upon exercise of outstanding stock options and warrants)). At the expiration of such 20 day period, the Company shall promptly notify each Major Investor that elects to purchase or acquire all the shares available to it (each, a "**Fully Exercising Investor**") of any other Major Investor's failure to do likewise. During the ten day period commencing after the Company has given such notice, each Fully Exercising Investor may, by giving notice to the Company, elect to purchase or acquire, in addition to the number of shares specified above, up to that portion of the New Securities for which Major Investors were entitled to subscribe but that were not subscribed for by the Major Investors which is equal to the product of (x) the aggregate number of New Securities for which Major Investors were entitled to subscribe but that were not subscribed for by the Major Investors, times, (y) a fraction, the numerator of which is the aggregate number of shares of Common Stock (assuming the conversion into Common Stock of all outstanding shares of Preferred Stock) then held by such Fully Exercising Investor and the denominator of which is the total number of shares of Common Stock (assuming the conversion into Common Stock of all outstanding shares of Preferred Stock) held by all Fully Exercising Investors who wish to purchase such unsubscribed shares. The closing of any sale pursuant to this Section 4.1(b) shall occur within the later of 90 days of the date that the Offer Notice is given and the date of initial sale of New Securities pursuant to Section 4.1(c).

(c) If all New Securities referred to in the Offer Notice are not elected to be purchased or acquired as provided in Section 4.1(b), the Company may, during the 90 day period following the expiration of the periods provided in Section 4.1(b), offer and sell the remaining unsubscribed portion of such New Securities 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 Offer Notice. If the Company does not enter into an agreement for the sale of the New Securities within such period, or if such agreement is not consummated within 30 days of the execution thereof, the right provided hereunder shall be deemed to be revived and such New Securities shall not be offered unless first reoffered to the Major Investors in accordance with this Section 4.1.

(d) The right of first offer in this Section 4.1 shall not be applicable to: (i) Exempted Securities (as defined in the Certificate of Incorporation); (ii) New Securities expressly excluded in writing from this Section 4 by the Requisite Investors; and (iii) the issuance of shares of Series E Preferred Stock to Additional Purchasers pursuant to the Purchase Agreement.

(e) Notwithstanding any provision hereof to the contrary, in lieu of complying with the provisions of this Section 4.1, the Company may elect to give notice to the Major Investors within 30 days after the issuance of New Securities. Such notice shall describe the type, price, and terms of the New Securities. Each Major Investor shall have 20 days from the date notice is given to elect to purchase up to the number of New Securities that would, if purchased by such Major Investor, maintain such Major Investor's percentage-ownership position, calculated as set forth in Section 4.1(b) before giving effect to the issuance of such New Securities. The closing of such sale shall occur within 60 days of the date notice is given to the Investors.

(f) Any notice required to be delivered to a T. Rowe Price Investor under this Section 4 may be delivered to T. Rowe Price in accordance with the notice requirements of

the T. Rowe Price Investors, and any notices required to be delivered by a T. Rowe Price Investor to the Company may be delivered by T. Rowe Price.

4.2 Termination. The covenants set forth in Section 4.1 shall terminate and be of no further force or effect (a) upon the closing of a Deemed Liquidation Event, as such term is defined in the Certificate of Incorporation, (b) when the Company first becomes subject to the periodic reporting requirements of Section 12(g) or 15(d) of the Exchange Act, (c) immediately before the consummation of the Qualified IPO, or (d) immediately before the settlement of the initial trade of shares of Common Stock in a Direct Listing, whichever event occurs first.

5. ADDITIONAL COVENANTS.

5.1 Insurance. The Company shall use its commercially reasonable efforts to maintain from financially sound and reputable insurers Directors and Officers liability insurance and term "key-person" insurance on each of the Founders, each in an amount and on terms and conditions satisfactory to the Board of Directors and will use commercially reasonable efforts to cause such insurance policies to be maintained until such time as the Board of Directors determines that such insurance should be discontinued. The key-person policy shall name the Company as loss payee, and neither policy shall be cancelable by the Company without prior approval by the Board of Directors. Notwithstanding any other provision of this Section 5.1 to the contrary, for so long as a Series A Director (as defined in the Company's Certificate of Incorporation) is serving on the Board of Directors, the Company shall not cease to maintain a Directors and Officers liability insurance policy in an amount of at least $2,500,000 unless approved by the Board of Directors. Each Key Holder hereby covenants and agrees that, to the extent such Key Holder is named under such key-person policy, such Key Holder will execute and deliver to the Company, as reasonably requested, a written notice and consent form with respect to such policy.

5.2 Board Matters. Unless otherwise determined by the vote of a majority of the directors then in office, the Board of Directors shall meet in accordance with an agreed-upon schedule. The Company shall reimburse the nonemployee directors for all reasonable out-of-pocket travel expenses incurred (consistent with the Company's travel policy) in connection with attending meetings of the Board of Directors.

5.3 Matters Requiring Investor Director Approval. The Company hereby covenants and agrees with each of the Investors that it shall not, without approval of the Board of Directors, which approval must include the Non-Employee Majority Directors:

(a) create or authorize the creation of any indebtedness in excess of $20,000,000.00 (individually, or in the aggregate with all other indebtedness of the Company and its subsidiaries) that is not already included in a budget approved by the Board of Directors, other than trade credit incurred in the ordinary course of business;

(b) guarantee any indebtedness except for trade credit incurred in the ordinary course of business by the Company or any subsidiary; or

(c) increase the number of shares of Common Stock reserved for issuance under any equity incentive plan of the Company or any subsidiary or adopt any new equity incentive plan of the Company or any subsidiary.

5.4 Employee Agreements. The Company will cause each person now or hereafter employed by it or by any subsidiary (or engaged by the Company or any subsidiary as a consultant/independent contractor) with access to confidential information and/or trade secrets to enter into a nondisclosure and proprietary rights assignment agreement, including, in the case of

employees, a one-year post-termination non-solicitation of customers and employees provision, and except for employees located in California, a one-year post-termination non-competition provision, in form and substance satisfactory to the Board of Directors, including the Non-Employee Majority Directors.

5.5 Employee Stock. Unless otherwise approved by the Board of Directors, which approval must include the Non-Employee Majority Directors, all future employees and consultants of the Company who purchase, receive options to purchase, or receive awards of shares of the Company's capital stock after the date hereof shall be required to execute restricted stock or option agreements, as applicable, providing for (a) vesting of shares over a four year period, with the first 25% of such shares vesting following 12 months of continued employment or service, and the remaining shares vesting in equal monthly installments over the following 36 months, without acceleration for any event, and (b) a customary market stand-off provision. In addition, unless otherwise approved by the Board of Directors, including the Non-Employee Majority Directors, the Company shall retain a "right of first refusal" on employee transfers until the IPO or a Direct Listing and shall have the right to repurchase unvested shares at cost upon termination of employment of a holder of restricted stock.

5.6 Successor Indemnification. If the Company or any of its successors or assignees consolidates with or merges into any other Person and is not the continuing or surviving corporation or entity of such consolidation or merger, then to the extent necessary, proper provision shall be made so that the successors and assignees of the Company assume the obligations of the Company with respect to indemnification of members of the Board of Directors as in effect immediately before such transaction, whether such obligations are contained in the Company's Bylaws, the Certificate of Incorporation, or elsewhere, as the case may be.

5.7 Reservation of Common Stock. The Company will at all times reserve and keep available, solely for issuance and delivery upon the conversion of the Preferred Stock, all Common Stock issuable from time to time upon such conversion.

5.8 Qualified Small Business Stock. The Company shall submit to its stockholders (including the Investors) and to the Internal Revenue Service any reports that may be required under Section 1202(d)(1)(C) of the Internal Revenue Code of 1986, as amended (the "**Code**") and the regulations promulgated thereunder. In addition, within twenty (20) business days after any Investor's written request therefor, the Company shall, at its option, either (i) deliver to such Investor a written statement indicating whether (and what portion of) such Investor's interest in the Company constitutes "qualified small business stock" as defined in Section 1202(c) of the Code or (ii) deliver to such Investor such factual information in the Company's possession as is reasonably necessary to enable such Investor to determine whether (and what portion of) such Investor's interest in the Company constitutes "qualified small business stock" as defined in Section 1202(c) of the Code. Notwithstanding any provision hereof to the contrary, the Company's obligation to furnish a written statement or questionnaire pursuant to this Section 5.8 shall continue notwithstanding the fact that a class of the Company's stock may be traded on an established securities market.

5.9 Termination of Covenants. The covenants set forth in this Section 5, except for Section 5.6, shall terminate and be of no further force or effect (a) immediately before the consummation of a Qualified IPO, (b) immediately before the settlement of the initial trade of shares of Common Stock in a Direct Listing, (c) when the Company first becomes subject to the periodic reporting requirements of Section 12(g) or 15(d) of the Exchange Act, or (d) upon a Deemed Liquidation Event, as such term is defined in the Certificate of Incorporation, whichever event occurs first.

6. COVENANT OF THE INVESTORS.

6.1 Commerce Department Compliance. The Company may be required to file reports with the Bureau of Economic Analysis (the "**BEA**") of the US Commerce Department when a US affiliate of a foreign Investor, if such foreign Investor, together with its affiliates, directly or indirectly controls ten percent or more of the voting securities of the Company. Such foreign Investor that is a foreign individual or entity or a US subsidiary or affiliate of a foreign parent covenants to provide information necessary for the Company to comply with BEA filings required under the International Investment and Trade in Services Act.

7. MISCELLANEOUS.

7.1 Successors and Assigns. The rights under this Agreement may be assigned (but only with all related obligations) by a Holder to a transferee of Registrable Securities that (a) is an Affiliate of a Holder; (b) is a Holder's Immediate Family Member or trust for the benefit of an individual Holder or one or more of such Holder's Immediate Family Members; or (c) after such transfer, holds at least 10% of the Registrable Securities originally purchased by such transferring Holder; *provided*, *however*, that (i) the Company is, within a reasonable time after such transfer, furnished with written notice of the name and address of such transferee and the Registrable Securities with respect to which such rights are being transferred; and (ii) such transferee agrees in a written instrument delivered to the Company to be bound by and subject to the terms and conditions of this Agreement. For the purposes of determining the number of shares of Registrable Securities held by a transferee, the holdings of a transferee (1) that is an Affiliate or stockholder of a Holder; (2) who is a Holder's Immediate Family Member; or (3) that is a trust for the benefit of an individual Holder or such Holder's Immediate Family Member shall be aggregated together and with those of the transferring Holder; *provided further* that all transferees who would not qualify individually for assignment of rights shall have a single attorney-in-fact for the purpose of exercising any rights, receiving notices, or taking any action under this Agreement. The terms and conditions of this Agreement inure to the benefit of and are binding upon the respective successors and permitted assignees 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 and permitted assignees any rights, remedies, obligations or liabilities under or by reason of this Agreement, except as expressly provided herein.

7.2 Governing Law; JURY WAIVER. 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 internal laws of the State of California, without regard to conflict of law principles that would result in the application of any law other than the law of the State of California. THE PARTIES TO THIS AGREEMENT HEREBY WAIVE THEIR RIGHT TO A TRIAL BY JURY WITH RESPECT TO DISPUTES ARISING UNDER THIS AGREEMENT AND CONSENT TO A BENCH TRIAL WITH THE APPROPRIATE JUDGE ACTING AS THE FINDER OF FACT.

7.3 Counterparts; Facsimile. This Agreement may be executed in two or more counterparts, each of which shall be deemed an original, but all of which together shall constitute one and the same instrument. This Agreement may also be executed and delivered by facsimile signature and in two or more counterparts, each of which shall be deemed an original, but all of which together shall constitute one and the same instrument. Counterparts may be delivered via facsimile, electronic mail (including pdf or any electronic signature complying with the U.S. federal ESIGN Act of 2000, *e.g.*, www.docusign.com) or other transmission method and any counterpart so delivered shall be deemed to have been duly and validly delivered and be valid and effective for all purposes.

7.4 Titles and Subtitles. The titles and subtitles used in this Agreement are for convenience only and are not to be considered in construing or interpreting this Agreement.

7.5 Notices.

(a) All notices and other communications given or made pursuant to this Agreement shall be in writing and shall be deemed effectively given upon the earlier of actual receipt or: (i) personal delivery to the party to be notified; (ii) when sent, if sent by electronic mail or facsimile during the recipient's normal business hours, and if not sent during normal business hours, then on the recipient's next business day; (iii) five days after having been sent by registered or certified mail, return receipt requested, postage prepaid; or (iv) one business day after the business day of deposit with a nationally recognized overnight courier, freight prepaid, specifying next-day delivery, with written verification of receipt. All communications shall be sent to the respective parties at their addresses as set forth on **SCHEDULE A** hereto, or to the principal office of the Company and to the attention of the Chief Executive Officer, in the case of the Company, or to such email address, facsimile number, or address as subsequently modified by written notice given in accordance with this Section 7.5(a). If notice is given to the Company, a copy (which shall not constitute notice) shall also be sent to Cooley LLP, 101 California Street, 5th Floor, San Francisco, CA 94111, Attention: Peter H. Werner and if notice is given to Investors, a copy (which shall not constitute notice) shall also be given to (x) Gunderson Dettmer Stough Villeneuve Franklin & Hachigian, LLP, 220 West 42nd Street, 17th Floor, New York, New York 10036, Attention: Ward Breeze on behalf of Tiger, (y) DLA Piper LLP (US), 701 Fifth Avenue, Suite 7000, Seattle, Washington 98104 Attention: Trenton C. Dykes on behalf of Maveron, (z) DLA Piper LLP (US), One Fountain Square, 11911 Freedom Drive, Suite 300, Reston, Virginia 20190, Attention: Matthew VanderGoot on behalf of the T. Rowe Price Investors, and (aa) Pillsbury Winthrop Shaw Pittman LLP, Four Embarcadero Center, 22nd Floor, San Francisco, California 94111, Attention: Justin Hovey on behalf of the Franklin Investors.

(b) Consent to Electronic Notice. Each Investor and Key Holder consents to the delivery of any stockholder notice pursuant to the Delaware General Corporation Law (the "**DGCL**"), as amended or superseded from time to time, by electronic transmission pursuant to Section 232 of the DGCL (or any successor thereto) at the electronic mail address set forth below such Investor's or Key Holder's name on the Schedules hereto, as updated from time to time by notice to the Company, or as on the books of the Company. Each Investor and Key Holder agrees to promptly notify the Company of any change in such stockholder's electronic mail address, and that failure to do so shall not affect the foregoing.

7.6 Termination, Amendments and Waivers. Any term of this Agreement may be amended and the observance of any term of this Agreement may be waived (either generally or in a particular instance, and either retroactively or prospectively) only with the written consent of the Company and the Requisite Investors; provided that the Company may in its sole discretion waive compliance with Section 2.12; provided further that Sections 1.6(ii) and 3.3(c) may not be amended or waived without Maveron's express written consent; provided further that Sections 1.6(iv), 1.26(ii), 3.3(a), and 4.1(f) and the penultimate paragraph of Section 3.1 may not be amended or waived without the express written consent of the T. Rowe Price Investors; provided further that Sections 1.6(v), 1.26(iii) and 3.3(b) may not be amended or waived without the express written consent of the Fidelity Investors; provided further that Sections 1.6(iii) and 3.3(d) may not be amended or waived without Tiger's express written consent; provided further that Sections 1.6(vi), 1.26(iv) and 3.3(e) may not be amended or waived without the express written consent of the Baillie Investors; provided further that Sections 1.6(vii), 1.26(v) and 3.3(f) may not be amended or waived without the express written consent of the Franklin Investors; provided further that Section 3.1, Section 3.2 and Section 4 may not be amended or waived without the express consent of the Company and Major Investors holding at least 60% of the Registrable Securities held by all Major Investors; and provided further

that any provision hereof may be waived by any waiving party on such party's own behalf, without the consent of any other party. Notwithstanding the foregoing, this Agreement may not be amended or terminated and the observance of any term hereof may not be waived with respect to any Investor without the written consent of such Investor, unless such amendment, termination, or waiver applies to all Investors in the same fashion (it being agreed that a waiver of the provisions of Section 4 with respect to a particular transaction shall be deemed to apply to all Investors in the same fashion if such waiver does so by its terms, notwithstanding the fact that certain Investors may nonetheless, by agreement with the Company, purchase securities in such transaction so long that all Major Investors have been provided the opportunity to participate in such transaction to the extent provided in Section 4 on similar terms as any Major Investors participating in such transaction); provided further that Section 3.3(a) and this provision shall not be terminated pursuant to this Section 7.6 without the express written consent of the T. Rowe Price Investors; provided further that Section 3.3(b) and this provision shall not be terminated pursuant to this Section 7.6 without the express written consent of the Fidelity Investors; provided further that Section 3.3(c) and this provision shall not be terminated pursuant to this Section 7.6 without the express written consent of Maveron; provided further that Section 3.3(d) and this provision shall not be terminated pursuant to this Section 7.6 without the express written consent of Tiger; provided further that Section 3.3(e) and this provision shall not be terminated pursuant to this Section 7.6 without the express written consent of the Baillie Investors; provided further that Section 3.3(f) and this provision shall not be terminated pursuant to this Section 7.6 without the express written consent of the Franklin Investors. The Company shall give prompt notice of any amendment or termination hereof or waiver hereunder to any party hereto that did not consent in writing to such amendment, termination, or waiver. Any amendment, termination, or waiver effected in accordance with this Section 7.6 shall be binding on all parties hereto, regardless of whether any such party has consented thereto. No waivers of or exceptions to any term, condition, or provision of this Agreement, in any one or more instances, shall be deemed to be or construed as a further or continuing waiver of any such term, condition, or provision.

7.7 Severability. In case any one or more of the provisions contained in this Agreement is for any reason held to be invalid, illegal or unenforceable in any respect, such invalidity, illegality, or unenforceability shall not affect any other provision of this Agreement, and such invalid, illegal, or unenforceable provision shall be reformed and construed so that it will be valid, legal, and enforceable to the maximum extent permitted by law.

7.8 Aggregation of Stock. All shares of Registrable Securities held or acquired by Affiliates shall be aggregated together for the purpose of determining the availability of any rights under this Agreement and such Affiliates may apportion such rights as among themselves in any manner they deem appropriate.

7.9 Additional Investors. Notwithstanding anything to the contrary contained herein, if the Company issues additional shares of the Series E Preferred Stock after the date hereof, any purchaser of such shares of Series E Preferred Stock may become a party to this Agreement by executing and delivering an additional counterpart signature page to this Agreement, and thereafter shall be deemed an "Investor" for all purposes hereunder. No action or consent by the Investors shall be required for such joinder to this Agreement by such additional Investor, so long as such additional Investor has agreed in writing to be bound by all of the obligations as an "Investor" hereunder.

7.10 Entire Agreement. This Agreement (including any Schedules and Exhibits hereto) constitutes the full and entire understanding and agreement among the parties with respect to the subject matter hereof, and any other written or oral agreement relating to the subject matter hereof existing between the parties is expressly canceled. Upon the effectiveness of this Agreement, the Prior Agreement shall be deemed amended and restated and superseded and replaced in its entirety by this Agreement, and shall be of no further force or effect.

7.11 Delays or Omissions. No delay or omission to exercise any right, power, or remedy accruing to any party under this Agreement, upon any breach or default of any other party under this Agreement, shall impair any such right, power, or remedy of such non-breaching or non-defaulting party, nor shall it be construed to be a waiver of or acquiescence to any such breach or default, or to any similar breach or default thereafter occurring, nor shall any waiver of any single breach or default be deemed a waiver of any other breach or default theretofore or thereafter occurring. All remedies, whether under this Agreement or by law or otherwise afforded to any party, shall be cumulative and not alternative.

7.12 Acknowledgment. The Company acknowledges that the Investors are in the business of venture capital investing and/or are professional investment funds and therefore review the business plans and related proprietary information of many enterprises, including enterprises which may have products or services that are adverse to or compete directly or indirectly with those of the Company. Nothing in this Agreement shall preclude or in any way restrict any Investor or any Affiliate thereof from investing or participating in any particular enterprise whether or not such enterprise has products or services that are adverse to or compete, directly or indirectly, with those of the Company.

7.13 Further Assurances. At any time or from time to time after the date hereof, the parties agree to cooperate with each other, and at the request of any other party, to execute and deliver any further instruments or documents and to take all such further action as the other party may reasonably request in order to evidence or effectuate the consummation of the transactions contemplated hereby and to otherwise carry out the intent of the parties hereunder.

7.14 Specific Performance. In addition to any and all other remedies that may be available at law in the event of any breach of this Agreement, each Investor shall be entitled to specific performance of the agreements and obligations of the Company hereunder and to such other injunction or other equitable relief as may be granted by a court of competent jurisdiction.

7.15 Attorneys' Fees. In the event that any suit or action is instituted under or in relation to this Agreement, including without limitation to enforce any provision in this Agreement, the prevailing party in such dispute shall be entitled to recover from the losing party all fees, costs and expenses of enforcing any right of such prevailing party under or with respect to this Agreement, including without limitation, such reasonable fees and expenses of attorneys and accountants, which shall include, without limitation, all fees, costs and expenses of appeals.

[Remainder of Page Intentionally Left Blank]

The parties hereto have executed the **FIFTH AMENDED AND RESTATED INVESTORS' RIGHTS AGREEMENT** as of the date set forth in the first paragraph hereof.

COMPANY:

ALLBIRDS, INC.

By: /s/ Joseph Zwillinger
Name: Joseph Zwillinger
Title: Co-Chief Executive Officer

The parties hereto have executed the **FIFTH AMENDED AND RESTATED INVESTORS' RIGHTS AGREEMENT** as of the date set forth in the first paragraph hereof.

INVESTORS:

FRANKLIN STRATEGIC SERIES -FRANKLIN SMALL-MID CAP GROWTH FUND

FRANKLIN TEMPLETON VARIABLE INSURANCE PRODUCTS TRUST -FRANKLIN SMALL-MID CAP GROWTH VIP FUND

FRANKLIN STRATEGIC SERIES - FRANKLIN SMALL CAP GROWTH FUND

By: Franklin Advisers, Inc., as investment manager

By: /s/ Michael McCarthy
Name: Michael McCarthy
Title: Executive Vice President and Chief Investment Officer

The parties hereto have executed the **FIFTH AMENDED AND RESTATED INVESTORS' RIGHTS AGREEMENT** as of the date set forth in the first paragraph hereof.

INVESTORS:

T. ROWE PRICE NEW HORIZONS TRUST
T. ROWE PRICE U.S. EQUITIES TRUST
MASSMUTUAL SELECT FUNDS – MASSMUTUAL SELECT T. ROWE PRICE SMALL AND MID CAP BLEND FUND
Each account, severally not jointly

By: T. Rowe Price Associates, Inc., Investment Adviser or Subadviser, as applicable

By: /s/ Andrew Baek
Name: Andrew Baek
Title: Vice President

The parties hereto have executed the **FIFTH AMENDED AND RESTATED INVESTORS' RIGHTS AGREEMENT** as of the date set forth in the first paragraph hereof.

INVESTORS:

T. ROWE PRICE SMALL-CAP STOCK FUND, INC.
T. ROWE PRICE INSTITUTIONAL SMALL-CAP STOCK FUND
T. ROWE PRICE SPECTRUM CONSERVATIVE ALLOCATION FUND (Formerly known as T. ROWE PRICE PERSONAL STRATEGY INCOME FUND)
T. ROWE PRICE SPECTRUM MODERATE ALLOCATION FUND (Formerly known as T. ROWE PRICE PERSONAL STRATEGY BALANCED FUND)
T. ROWE PRICE SPECTRUM MODERATE GROWTH ALLOCATION FUND (Formerly known as T. ROWE PRICE PERSONAL STRATEGY GROWTH FUND)
T. ROWE PRICE MODERATE ALLOCATION PORTFOLIO (Formerly known as T. ROWE PRICE PERSONAL STRATEGY BALANCED PORTFOLIO)
U.S. SMALL-CAP STOCK TRUST
VALIC COMPANY I - SMALL CAP FUND
TD MUTUAL FUNDS - TD U.S. SMALL-CAP EQUITY FUND
T. ROWE PRICE U.S. SMALL-CAP CORE EQUITY TRUST
MINNESOTA LIFE INSURANCE COMPANY
COSTCO 401(K) RETIREMENT PLAN
MASSMUTUAL SELECT FUNDS – MASSMUTUAL SELECT T. ROWE PRICE SMALL AND MID CAP BLEND FUND
Each account, severally not jointly

By: T. Rowe Price Associates, Inc., Investment Adviser or Subadviser, as applicable

By: /s/ Andrew Baek
Name: Andrew Baek
Title: Vice President

The parties hereto have executed the **FIFTH AMENDED AND RESTATED INVESTORS' RIGHTS AGREEMENT** as of the date set forth in the first paragraph hereof.

INVESTORS:

T. ROWE PRICE SMALL-CAP VALUE FUND, INC.
T. ROWE PRICE U.S. SMALL-CAP VALUE EQUITY TRUST
T. ROWE PRICE U.S. EQUITY TRUST
MASSMUTUAL SELECT FUNDS – MASSMUTUAL SELECT T. ROWE PRICE SMALL AND MID CAP BLEND FUND
Each account, severally not jointly

By: T. Rowe Price Associates, Inc., Investment Adviser or Subadviser, as applicable

By: /s/ Andrew Baek
Name: Andrew Baek
Title: Vice President

The parties hereto have executed the **FIFTH AMENDED AND RESTATED INVESTORS' RIGHTS AGREEMENT** as of the date set forth in the first paragraph hereof.

INVESTORS:

THE BUNTING FAMILY III, LLC
THE BUNTING FAMILY VI SOCIALLY RESPONSIBLE LLC
JEFFREY LLC
Each account, severally not jointly

By: T. Rowe Price Associates, Inc., Investment Adviser or Subadviser, as applicable

By: /s/ Andrew Baek
Name: Andrew Baek
Title: Vice President

The parties hereto have executed the **FIFTH AMENDED AND RESTATED INVESTORS' RIGHTS AGREEMENT** as of the date set forth in the first paragraph hereof.

INVESTORS:

T. ROWE PRICE GLOBAL CONSUMER FUND

By: T. Rowe Price Associates, Inc., Investment Adviser

By: /s/ Andrew Baek
Name: Andrew Baek
Title: Vice President

The parties hereto have executed the **FIFTH AMENDED AND RESTATED INVESTORS' RIGHTS AGREEMENT** as of the date set forth in the first paragraph hereof.

INVESTORS:

THE SCHIEHALLION FUND LIMITED, ACTING THROUGH ITS AGENT, BAILLIE GIFFORD OVERSEAS LIMITED

By: /s/ Tom Slater
Name: Tom Slater
Title: Authorised Signatory

WARMAN INVESTMENTS PTY LIMITED, ACTING THROUGH ITS AGENT, BAILLIE GIFFORD OVERSEAS LIMITED

By: /s/ Tom Slater
Name: Tom Slater
Title: Authorised Signatory

HOST-PLUS PTY LIMITED, ACTING THROUGH ITS AGENT, BAILLIE GIFFORD OVERSEAS LIMITED

By: /s/ Tom Slater
Name: Tom Slater
Title: Authorised Signatory

The parties hereto have executed the **FIFTH AMENDED AND RESTATED INVESTORS' RIGHTS AGREEMENT** as of the date set forth in the first paragraph hereof.

INVESTORS:

INTERVENTURE EQUITY INVESTMENTS LIMITED, ACTING THROUGH ITS AGENT, BAILLIE GIFFORD OVERSEAS LIMITED

By: /s/ Tom Slater
Name: Tom Slater
Title: Authorised Signatory

THE BOARD OF TRUSTEES OF THE SASKATCHEWAN HEALTHCARE EMPLOYEES' PENSION PLAN, ACTING THROUGH ITS AGENT, BAILLIE GIFFORD OVERSEAS LIMITED

By: /s/ Tom Slater
Name: Tom Slater
Title: Authorised Signatory

THE STATES OF JERSEY PUBLIC EMPLOYEES CONTRIBUTORY RETIREMENT SCHEME \, ACTING THROUGH ITS AGENT, BAILLIE GIFFORD & CO.

By: /s/ Tom Slater
Name: Tom Slater
Title: Authorised Signatory

The parties hereto have executed the **FIFTH AMENDED AND RESTATED INVESTORS' RIGHTS AGREEMENT** as of the date set forth in the first paragraph hereof.

INVESTOR:

VISION SUPER PTY LIMITED, ACTING THROUGH ITS AGENT, BAILLIE GIFFORD OVERSEAS LIMITED

By: /s/ Tom Slater

Name: Tom Slater

Title: Authorised Signatory

The parties hereto have executed the **FIFTH AMENDED AND RESTATED INVESTORS' RIGHTS AGREEMENT** as of the date set forth in the first paragraph hereof.

INVESTOR:

SMILING SHEEP LLC

By: /s/ Kenny Brody
Name: Kenny Brody
Title: Manager

The parties hereto have executed the **FIFTH AMENDED AND RESTATED INVESTORS' RIGHTS AGREEMENT** as of the date set forth in the first paragraph hereof**.**

INVESTOR:

GC&H INVESTMENTS, LLC

By: /s/ Jim Kindler
Name: Jim Kindler
Title: Manager

GC&H INVESTMENTS, A CALIFORNIA GENERAL PARTNERSHIP

By: /s/ Jim Kindler
Name: Jim Kindler
Title: Manager

The parties hereto have executed the **FIFTH AMENDED AND RESTATED INVESTORS' RIGHTS AGREEMENT** as of the date set forth in the first paragraph hereof.

INVESTOR:

FIDELITY MT. VERNON STREET TRUST: FIDELITY SERIES GROWTH COMPANY FUND

By: /s/ Chris Gulliver

Name: Chris Gulliver

Title: Corporate Governance Analyst

The parties hereto have executed the **FIFTH AMENDED AND RESTATED INVESTORS' RIGHTS AGREEMENT** as of the date set forth in the first paragraph hereof.

INVESTOR:

FIDELITY MT. VERNON STREET TRUST: FIDELITY GROWTH COMPANY FUND

By: /s/ Chris Gulliver

Name: Chris Gulliver

Title: Corporate Governance Analyst

The parties hereto have executed the the **FIFTH AMENDED AND RESTATED INVESTORS' RIGHTS AGREEMENT** as of the date set forth in the first paragraph hereof.

INVESTOR:

FIDELITY GROWTH COMPANY COMMINGLED POOL

By: **FIDELITY MANAGEMENT TRUST COMPANY, AS TRUSTEE**

By: /s/ Chris Gulliver
Name: Chris Gulliver
Title: Corporate Governance Analyst

The parties hereto have executed the **FIFTH AMENDED AND RESTATED INVESTORS' RIGHTS AGREEMENT** as of the date set forth in the first paragraph hereof.

INVESTOR:

FIDELITY MT. VERNON STREET TRUST: FIDELITY GROWTH COMPANY K6 FUND

By: /s/ Chris Gulliver

Name: Chris Gulliver

Title: Corporate Governance Analyst

The parties hereto have executed the **FIFTH AMENDED AND RESTATED INVESTORS' RIGHTS AGREEMENT** as of the date set forth in the first paragraph hereof.

INVESTOR:

FIDELITY CONTRAFUND: FIDELITY ADVISOR NEW INSIGHTS FUND

By: /s/ Chris Gulliver

Name: Chris Gulliver

Title: Corporate Governance Analyst

The parties hereto have executed the **FIFTH AMENDED AND RESTATED INVESTORS' RIGHTS AGREEMENT** as of the date set forth in the first paragraph hereof.

INVESTOR:

FIDELITY CONCORD STREET TRUST: FIDELITY MID-CAP STOCK FUND

By: /s/ Chris Gulliver

Name: Chris Gulliver

Title: Corporate Governance Analyst

The parties hereto have executed the **FIFTH AMENDED AND RESTATED INVESTORS' RIGHTS AGREEMENT** as of the date set forth in the first paragraph hereof.

INVESTOR:

FIDELITY MID-CAP STOCK COMMINGLED POOL

By: **FIDELITY MANAGEMENT TRUST COMPANY, AS TRUSTEE**

By: /s/ Chris Gulliver
Name: Chris Gulliver
Title: Corporate Governance Analyst

The parties hereto have executed the **FIFTH AMENDED AND RESTATED INVESTORS' RIGHTS AGREEMENT** as of the date set forth in the first paragraph hereof.

INVESTOR:

FIDELITY MT. VERNON STREET TRUST: FIDELITY NEW MILLENNIUM FUND

By: /s/ Chris Gulliver

Name: Chris Gulliver

Title: Corporate Governance Analyst

The parties hereto have executed the **FIFTH AMENDED AND RESTATED INVESTORS' RIGHTS AGREEMENT** as of the date set forth in the first paragraph hereof.

INVESTOR:

FIDELITY ADVISOR SERIES I: FIDELITY ADVISOR GROWTH OPPORTUNITIES FUND

By: /s/ Chris Gulliver

Name: Chris Gulliver

Title: Corporate Governance Analyst

The parties hereto have executed the **FIFTH AMENDED AND RESTATED INVESTORS' RIGHTS AGREEMENT** as of the date set forth in the first paragraph hereof.

INVESTOR:

FIDELITY ADVISOR SERIES I: FIDELITY ADVISOR SERIES GROWTH OPPORTUNITIES FUND

By: /s/ Chris Gulliver

Name: Chris Gulliver

Title: Corporate Governance Analyst

The parties hereto have executed the **FIFTH AMENDED AND RESTATED INVESTORS' RIGHTS AGREEMENT** as of the date set forth in the first paragraph hereof.

INVESTOR:

FIDELITY SECURITIES FUND: FIDELITY BLUE CHIP GROWTH FUND

By: /s/ Chris Gulliver

Name: Chris Gulliver

Title: Corporate Governance Analyst

The parties hereto have executed the **FIFTH AMENDED AND RESTATED INVESTORS' RIGHTS AGREEMENT** as of the date set forth in the first paragraph hereof.

INVESTOR:

Fidelity Blue Chip Growth Commingled Pool

By: **Fidelity Management Trust Company, as Trustee**

By: /s/ Chris Gulliver
Name: Chris Gulliver
Title: Corporate Governance Analyst

The parties hereto have executed the **FIFTH AMENDED AND RESTATED INVESTORS' RIGHTS AGREEMENT** as of the date set forth in the first paragraph hereof.

INVESTOR:

FIDELITY SECURITIES FUND: FIDELITY FLEX LARGE CAP GROWTH FUND

By: /s/ Chris Gulliver

Name: Chris Gulliver

Title: Corporate Governance Analyst

The parties hereto have executed the **FIFTH AMENDED AND RESTATED INVESTORS' RIGHTS AGREEMENT** as of the date set forth in the first paragraph hereof.

INVESTOR:

FIDELITY SECURITIES FUND: FIDELITY BLUE CHIP GROWTH K6 FUND

By: /s/ Chris Gulliver

Name: Chris Gulliver

Title: Corporate Governance Analyst

The parties hereto have executed the **FIFTH AMENDED AND RESTATED INVESTORS' RIGHTS AGREEMENT** as of the date set forth in the first paragraph hereof.

INVESTOR:

FIDELITY BLUE CHIP GROWTH INSTITUTIONAL TRUST

BY: **ITS MANAGER FIDELITY INVESTMENTS CANADA ULC**

By: /s/ Chris Gulliver

Name: Chris Gulliver

Title: Corporate Governance Analyst

The parties hereto have executed the **FIFTH AMENDED AND RESTATED INVESTORS' RIGHTS AGREEMENT** as of the date set forth in the first paragraph hereof.

INVESTOR:

FIDELITY SECURITIES FUND: FIDELITY SERIES BLUE CHIP GROWTH FUND

By: /s/ Chris Gulliver

Name: Chris Gulliver

Title: Corporate Governance Analyst

The parties hereto have executed the **FIFTH AMENDED AND RESTATED INVESTORS' RIGHTS AGREEMENT** as of the date set forth in the first paragraph hereof.

INVESTOR:

FIDELITY CONTRAFUND: FIDELITY CONTRAFUND

By: /s/ Chris Gulliver
Name: Chris Gulliver
Title: Corporate Governance Analyst

The parties hereto have executed the **FIFTH AMENDED AND RESTATED INVESTORS' RIGHTS AGREEMENT** as of the date set forth in the first paragraph hereof.

INVESTOR:

FIDELITY CONTRAFUND COMMINGLED POOL

BY: **FIDELITY MANAGEMENT TRUST COMPANY, AS TRUSTEE**

By: /s/ Chris Gulliver

Name: Chris Gulliver

Title: Corporate Governance Analyst

The parties hereto have executed the **FIFTH AMENDED AND RESTATED INVESTORS' RIGHTS AGREEMENT** as of the date set forth in the first paragraph hereof.

INVESTOR:

FIDELITY CONTRAFUND: FIDELITY CONTRAFUND K6

By: /s/ Chris Gulliver
Name: Chris Gulliver
Title: Corporate Governance Analyst

The parties hereto have executed the **FIFTH AMENDED AND RESTATED INVESTORS' RIGHTS AGREEMENT** as of the date set forth in the first paragraph hereof.

INVESTOR:

FIDELITY CONTRAFUND: FIDELITY ADVISOR NEW INSIGHTS FUND – SUB A

By: /s/ Chris Gulliver

Name: Chris Gulliver

Title: Corporate Governance Analyst

The parties hereto have executed the **FIFTH AMENDED AND RESTATED INVESTORS' RIGHTS AGREEMENT** as of the date set forth in the first paragraph hereof.

INVESTOR:

FIDELITY CONTRAFUND: FIDELITY ADVISOR NEW INSIGHTS FUND – SUB B

By: /s/ Chris Gulliver

Name: Chris Gulliver

Title: Corporate Governance Analyst

The parties hereto have executed the **FIFTH AMENDED AND RESTATED INVESTORS' RIGHTS AGREEMENT** as of the date set forth in the first paragraph hereof.

INVESTOR:

VARIABLE INSURANCE PRODUCTS FUND III: GROWTH OPPORTUNITIES PORTFOLIO

By: /s/ Chris Gulliver

Name: Chris Gulliver

Title: Corporate Governance Analyst

The parties hereto have executed the **FIFTH AMENDED AND RESTATED INVESTORS' RIGHTS AGREEMENT** as of the date set forth in the first paragraph hereof.

INVESTOR:

FIAM TARGET DATE BLUE CHIP GROWTH COMMINGLED POOL

BY: **FIDELITY INSTITUTIONAL ASSET MANAGEMENT TRUST COMPANY, AS TRUSTEE**

By: /s/ Chris Gulliver

Name: Chris Gulliver

Title: Corporate Governance Analyst

The parties hereto have executed the **FIFTH AMENDED AND RESTATED INVESTORS' RIGHTS AGREEMENT** as of the date set forth in the first paragraph hereof.

INVESTOR:

VARIABLE INSURANCE PRODUCTS FUND II: CONTRAFUND PORTFOLIO

By: /s/ Chris Gulliver

Name: Chris Gulliver

Title: Corporate Governance Analyst

The parties hereto have executed the **FIFTH AMENDED AND RESTATED INVESTORS' RIGHTS AGREEMENT** as of the date set forth in the first paragraph hereof.

KEY HOLDERS AND INVESTORS:

MAVERON EQUITY PARTNERS V, L.P., A DELAWARE LIMITED PARTNERSHIP

MEP ASSOCIATES V, L.P., A DELAWARE LIMITED PARTNERSHIP

MAVERON V ENTREPRENEURS' FUND, L.P., A DELAWARE LIMITED PARTNERSHIP

By: Maveron General Partner V, LLC, a Delaware limited liability company

By: /s/ Pete McCormick

Name: Pete McCormick

Title: Managing Member

The parties hereto have executed the **FIFTH AMENDED AND RESTATED INVESTORS' RIGHTS AGREEMENT** as of the date set forth in the first paragraph hereof.

KEY HOLDERS AND INVESTORS:

LERER HIPPEAU VENTURES IV, LP
By: Lerer Hippeau Ventures IV GP

By: /s/ Eric Hippeau
Name: Eric Hippeau
Title: Managing Partner

LERER HIPPEAU VENTURES IV-B, LP
By: Lerer Hippeau Ventures IV GP, LLC

By: /s/ Eric Hippeau
Name: Eric Hippeau
Title: Managing Partner

LERER HIPPEAU VENTURES SELECT FUND, LP

By: Lerer Hippeau Ventures Select Fund GP, LLC

By: /s/ Eric Hippeau
Name: Eric Hippeau
Title: Managing Partner

The parties hereto have executed the **FIFTH AMENDED AND RESTATED INVESTORS' RIGHTS AGREEMENT** as of the date set forth in the first paragraph hereof.

KEY HOLDER AND INVESTOR:

TIGER GLOBAL PRIVATE INVESTMENT PARTNERS X, L.P.

By: Tiger Global PIP Performance X, L.P.
Its General Partner

By: Tiger Global PIP Management X, Ltd.
Its General Partner

By: /s/ Steven D. Boyd
Name: Steven D. Boyd
Title: General Counsel

The parties hereto have executed the **FIFTH AMENDED AND RESTATED INVESTORS' RIGHTS AGREEMENT** as of the date set forth in the first paragraph hereof.

KEY HOLDER AND INVESTOR:

LFX TRUST, L.L.C.

By: /s/ Lee Fixel
Name: Lee Fixel
Title: Manager

The parties hereto have executed the **FIFTH AMENDED AND RESTATED INVESTORS' RIGHTS AGREEMENT** as of the date set forth in the first paragraph hereof.

KEY HOLDERS:

JOSEPH Z. ZWILLINGER, AS TRUSTEE OF THE JOSEPH ZWILLINGER 2017 GRANTOR RETAINED ANNUITY TRUST DATED JUNE 12, 2017

By: /s/ Joseph Z. Zwillinger
Name: Joseph Z. Zwillinger
Title: Trustee

ELIZABETH L. ZWILLINGER, AS TRUSTEE OF THE ELIZABETH ZWILLINGER 2017 GRANTOR RETAINED ANNUITY TRUST DATED JUNE 12, 2017

By: /s/ Elizabeth L. Zwillinger
Name: Elizabeth L. Zwillinger
Title: Trustee

JOSEPH Z. ZWILLINGER AND ELIZABETH L. ZWILLINGER, AS TRUSTEES OF THE TWIN WOLVES REVOCABLE TRUST UNDER REVOCABLE TRUST AGREEMENT DATED SEPTEMBER 27, 2017

By: /s/ Joseph Z. Zwillinger
Name: Joseph Z. Zwillinger
Title: Trustee

By: /s/ Elizabeth L. Zwillinger
Name: Elizabeth L. Zwillinger
Title: Trustee

The parties hereto have executed the **FIFTH AMENDED AND RESTATED INVESTORS' RIGHTS AGREEMENT** as of the date set forth in the first paragraph hereof.

KEY HOLDERS:

TIMOTHY O. BROWN, AS TRUSTEE OF THE TIMOTHY BROWN 2017 GRANTOR RETAINED ANNUITY TRUST DATED JUNE 22, 2017

By: /s/ Timothy O. Brown
Name: Timothy O. Brown
Title: Trustee

LINDSAY T. BROWN, AS TRUSTEE OF THE LINDSAY BROWN 2017 GRANTOR RETAINED ANNUITY TRUST DATED JUNE 22, 2017

By: /s/ Lindsay T. Brown
Name: Lindsay T. Brown
Title: Trustee

TIMOTHY O. BROWN AND LINDSAY T. BROWN, AS TRUSTEES OF THE GRENADIER TRUST UNDER REVOCABLE TRUST AGREEMENT DATED JANUARY 22, 2018

By: /s/ Timothy O. Brown
Name: Timothy O. Brown
Title: Trustee

By: /s/ Lindsay T. Brown
Name: Lindsay T. Brown
Title: Trustee

The undersigned has executed this counterpart signature page to that certain **FIFTH AMENDED AND RESTATED INVESTORS' RIGHTS AGREEMENT,** dated as of September 22, 2020, by and among the Company, the Investors and the Key Holders, effective as of September 25, 2020.

INVESTOR:

TDM GROWTH PARTNERS PTY LTD AS NOMINEE FOR ITS UNDERLYING INVESTORS

By: /s/ Benjamin Gisz
Name: Benjamin Gisz
Title: Director

By: /s/ Jason Sandler
Name: Jason Sandler
Title: Company Secretary

The undersigned has executed this counterpart signature page to that certain **FIFTH AMENDED AND RESTATED INVESTORS' RIGHTS AGREEMENT**, dated as of September 22, 2020, by and among the Company, the Investors and the Key Holders, effective as of September 25, 2020.

INVESTOR:

TITAN BIRDS FUND LP

By: Titan Birds Fund GP LLC, its general partner

By: /s/ Hardit Singh
Name: Hardit Singh
Title: President

The undersigned has executed this counterpart signature page to that certain **FIFTH AMENDED AND RESTATED INVESTORS' RIGHTS AGREEMENT,** dated as of September 22, 2020, by and among the Company, the Investors and the Key Holders, effective as of September 25, 2020.

INVESTOR:

MORGAN CREEK PRIVATE OPPORTUNITIES, LLC SERIES G - ALLBIRDS

By: /s/ Mark W. Yusko

Name: Mark W. Yusko

Title: Authorized Signatory

The undersigned has executed this counterpart signature page to that certain **FIFTH AMENDED AND RESTATED INVESTORS' RIGHTS AGREEMENT,** dated as of September 22, 2020, by and among the Company, the Investors and the Key Holders, effective as of September 25, 2020.

INVESTOR:

KERRY MARTIN KELLOGG

/s/ Kerry Martin Kellogg

(*Signature*)

The undersigned has executed this counterpart signature page to that certain **FIFTH AMENDED AND RESTATED INVESTORS' RIGHTS AGREEMENT,** dated as of September 22, 2020, by and among the Company, the Investors and the Key Holders, effective as of September 25, 2020.

INVESTOR:

TYLER FAUGHT

/s/ Tyler Faught

(*Signature*)

SIGNATURE PAGE TO ALLBIRDS, INC.
FIFTH AMENDED AND RESTATED INVESTORS' RIGHTS AGREEMENT

The undersigned has executed this counterpart signature page to that certain **FIFTH AMENDED AND RESTATED INVESTORS' RIGHTS AGREEMENT**, dated as of September 22, 2020, by and among the Company, the Investors and the Key Holders, effective as of September 25, 2020.

INVESTOR:

ROTELYBO PARTNERS LP

By: /s/ Brian C. Crumley
Name: Brian C. Crumley
Title: Manager

SCHEDULE A

Investors

SCHEDULE B

Key Holders

ALLBIRDS, INC.

2015 EQUITY INCENTIVE PLAN

ADOPTED BY THE BOARD OF DIRECTORS: May 27, 2015
APPROVED BY THE STOCKHOLDERS: May 28, 2015
AMENDED BY THE BOARD OF DIRECTORS: July 30, 2015
AMENDED BY THE STOCKHOLDERS: July 30, 2015
AMENDED BY THE BOARD OF DIRECTORS: July 19, 2016
AMENDED BY THE STOCKHOLDERS: July 19, 2016
AMENDED BY THE BOARD OF DIRECTORS: June 7, 2017
AMENDED BY THE STOCKHOLDERS: June 20, 2017
AMENDED BY THE BOARD OF DIRECTORS: July 27, 2017
AMENDED BY THE STOCKHOLDERS: July 27, 2017
AMENDED BY THE BOARD OF DIRECTORS: October 9, 2019
AMENDED BY THE STOCKHOLDERS: October 21, 2019
AMENDED BY THE BOARD OF DIRECTORS: May 6, 2020
AMENDED BY THE STOCKHOLDERS: May 11, 2020

TERMINATION DATE: May 27, 2025

1. GENERAL.

(a) Eligible Stock Award Recipients. Employees, Directors and Consultants are eligible to receive Stock Awards.

(b) Available Stock Awards. The Plan provides for the grant of the following types of Stock Awards: (i) Incentive Stock Options, (ii) Nonstatutory Stock Options, (iii) Stock Appreciation Rights, (iv) Restricted Stock Awards, (v) Restricted Stock Unit Awards and (vi) Other Stock Awards.

(c) Purpose. The Plan, through the granting of Stock Awards, is intended to help the Company secure and retain the services of eligible award recipients, provide incentives for such persons to exert maximum efforts for the success of the Company and any Affiliate and provide a means by which the eligible recipients may benefit from increases in value of the Common Stock.

2. ADMINISTRATION.

(a) Administration by Board. The Board will administer the Plan. The Board may delegate administration of the Plan to a Committee or Committees, as provided in Section 2(c).

(b) Powers of Board. The Board will have the power, subject to, and within the limitations of, the express provisions of the Plan:

(i) To determine (A) who will be granted Stock Awards; (B) when and how each Stock Award will be granted; (C) what type of Stock Award will be granted; (D) the provisions of each Stock Award (which need not be identical), including when a person will be permitted to exercise or otherwise receive cash or Common Stock under the Stock Award; (E) the number of shares of Common Stock subject to a Stock Award; and (F) the Fair Market Value applicable to a Stock Award.

(ii) To construe and interpret the Plan and Stock Awards granted under it, and to establish, amend and revoke rules and regulations for administration of the Plan and Stock Awards. The Board, in the exercise of these powers, may correct any defect, omission or inconsistency in the Plan or in

any Stock Award Agreement, in a manner and to the extent it will deem necessary or expedient to make the Plan or Stock Award fully effective.

(iii) To settle all controversies regarding the Plan and Stock Awards granted under it.

(iv) To accelerate, in whole or in part, the time at which a Stock Award may be exercised or vest (or at which cash or shares of Common Stock may be issued).

(v) To suspend or terminate the Plan at any time. Except as otherwise provided in the Plan or a Stock Award Agreement, suspension or termination of the Plan will not impair a Participant's rights under his or her then-outstanding Stock Award without his or her written consent except as provided in subsection (viii) below.

(vi) To amend the Plan in any respect the Board deems necessary or advisable, including, without limitation, by adopting amendments relating to Incentive Stock Options and certain nonqualified deferred compensation under Section 409A of the Code and/or to make the Plan or Stock Awards granted under the Plan compliant with the requirements for Incentive Stock Options or exempt from or compliant with the requirements for nonqualified deferred compensation under Section 409A of the Code, subject to the limitations, if any, of applicable law. However, if required by applicable law, and except as provided in Section 9(a) relating to Capitalization Adjustments, the Company will seek stockholder approval of any amendment of the Plan that (A) materially increases the number of shares of Common Stock available for issuance under the Plan, (B) materially expands the class of individuals eligible to receive Stock Awards under the Plan, (C) materially increases the benefits accruing to Participants under the Plan, (D) materially reduces the price at which shares of Common Stock may be issued or purchased under the Plan, (E) materially extends the term of the Plan, or (F) materially expands the types of Stock Awards available for issuance under the Plan. Except as provided in the Plan (including subsection (viii) below) or a Stock Award Agreement, no amendment of the Plan will impair a Participant's rights under an outstanding Stock Award unless (1) the Company requests the consent of the affected Participant, and (2) such Participant consents in writing.

(vii) To submit any amendment to the Plan for stockholder approval, including, but not limited to, amendments to the Plan intended to satisfy the requirements of Section 422 of the Code regarding Incentive Stock Options.

(viii) To approve forms of Stock Award Agreements for use under the Plan and to amend the terms of any one or more Stock Awards, including, but not limited to, amendments to provide terms more favorable to the Participant than previously provided in the Stock Award Agreement, subject to any specified limits in the Plan that are not subject to Board discretion; *provided however,* that a Participant's rights under any Stock Award will not be impaired by any such amendment unless (A) the Company requests the consent of the affected Participant, and (B) such Participant consents in writing. Notwithstanding the foregoing, (1) a Participant's rights will not be deemed to have been impaired by any such amendment if the Board, in its sole discretion, determines that the amendment, taken as a whole, does not materially impair the Participant's rights, and (2) subject to the limitations of applicable law, if any, the Board may amend the terms of any one or more Stock Awards without the affected Participant's consent (A) to maintain the qualified status of the Stock Award as an Incentive Stock Option under Section 422 of the Code; (B) to change the terms of an Incentive Stock Option, if such change results in impairment of the Award solely because it impairs the qualified status of the Award as an Incentive Stock Option under Section 422 of the Code; (C) to clarify the manner of exemption from, or to bring the Stock Award into compliance with, Section 409A of the Code; or (D) to comply with other applicable laws.

(ix) Generally, to exercise such powers and to perform such acts as the Board deems necessary or expedient to promote the best interests of the Company and that are not in conflict with the provisions of the Plan or Stock Awards.

(x) To adopt such procedures and sub-plans as are necessary or appropriate to permit participation in the Plan by Employees, Directors or Consultants who are foreign nationals or employed outside the United States (provided that Board approval will not be necessary for immaterial modifications to the Plan or any Stock Award Agreement that are required for compliance with the laws of the relevant foreign jurisdiction).

(xi) To effect, with the consent of any adversely affected Participant, (A) the reduction of the exercise, purchase or strike price of any outstanding Stock Award; (B) the cancellation of any outstanding Stock Award and the grant in substitution therefor of a new (1) Option or SAR, (2) Restricted Stock Award, (3) Restricted Stock Unit Award, (4) Other Stock Award, (5) cash and/or (6) other valuable consideration determined by the Board, in its sole discretion, with any such substituted award (x) covering the same or a different number of shares of Common Stock as the cancelled Stock Award and (y) granted under the Plan or another equity or compensatory plan of the Company; or (C) any other action that is treated as a repricing under generally accepted accounting principles.

(c) Delegation to Committee. The Board may delegate some or all of the administration of the Plan to a Committee or Committees. If administration of the Plan is delegated to a Committee, the Committee will have, in connection with the administration of the Plan, the powers theretofore possessed by the Board that have been delegated to the Committee, including the power to delegate to a subcommittee of the Committee any of the administrative powers the Committee is authorized to exercise (and references in this Plan to the Board will thereafter be to the Committee or subcommittee). Any delegation of administrative powers will be reflected in resolutions, not inconsistent with the provisions of the Plan, adopted from time to time by the Board or Committee (as applicable). The Committee may, at any time, abolish the subcommittee and/or revest in the Committee any powers delegated to the subcommittee. The Board may retain the authority to concurrently administer the Plan with the Committee and may, at any time, revest in the Board some or all of the powers previously delegated.

(d) Delegation to an Officer. The Board may delegate to one (1) or more Officers the authority to do one or both of the following: (i) designate Employees who are not Officers to be recipients of Options and SARs (and, to the extent permitted by applicable law, other Stock Awards) and, to the extent permitted by applicable law, the terms of such Stock Awards, and (ii) determine the number of shares of Common Stock to be subject to such Stock Awards granted to such Employees; provided, however, that the Board resolutions regarding such delegation will specify the total number of shares of Common Stock that may be subject to the Stock Awards granted by such Officer and that such Officer may not grant a Stock Award to himself or herself. Any such Stock Awards will be granted on the form of Stock Award Agreement most recently approved for use by the Committee or the Board, unless otherwise provided in the resolutions approving the delegation authority. The Board may not delegate authority to an Officer who is acting solely in the capacity of an Officer (and not also as a Director) to determine the Fair Market Value pursuant to Section 13(t) below.

(e) Effect of Board's Decision. All determinations, interpretations and constructions made by the Board in good faith will not be subject to review by any person and will be final, binding and conclusive on all persons.

3. SHARES SUBJECT TO THE PLAN.

(a) Share Reserve.

(i) Subject to Section 9(a) relating to Capitalization Adjustments, the aggregate number of shares of Common Stock that may be issued pursuant to Stock Awards from and after the Effective Date will not exceed 26,918,466 shares (the ***"Share Reserve"***).

(ii) For clarity, the Share Reserve in this Section 3(a) is a limitation on the number of shares of Common Stock that may be issued pursuant to the Plan. Accordingly, this Section 3(a) does not limit the granting of Stock Awards except as provided in Section 7(a).

(b) Reversion of Shares to the Share Reserve. If a Stock Award or any portion thereof (i) expires or otherwise terminates without all of the shares covered by such Stock Award having been issued or (ii) is settled in cash (*i.e.*, the Participant receives cash rather than stock), such expiration, termination or settlement will not reduce (or otherwise offset) the number of shares of Common Stock that may be available for issuance under the Plan. If any shares of Common Stock issued pursuant to a Stock Award are forfeited back to or repurchased by the Company because of the failure to meet a contingency or condition required to vest such shares in the Participant, then the shares that are forfeited or repurchased will revert to and again become available for issuance under the Plan. Any shares reacquired by the Company in satisfaction of tax withholding obligations on a Stock Award or as consideration for the exercise or purchase price of a Stock Award will again become available for issuance under the Plan.

(c) Incentive Stock Option Limit. Subject to the Share Reserve and Section 9(a) relating to Capitalization Adjustments, the aggregate maximum number of shares of Common Stock that may be issued pursuant to the exercise of Incentive Stock Options shall be 80,755,398.

(d) Source of Shares. The stock issuable under the Plan will be shares of authorized but unissued or reacquired Common Stock, including shares repurchased by the Company on the open market or otherwise.

4. ELIGIBILITY.

(a) Eligibility for Specific Stock Awards. Incentive Stock Options may be granted only to employees of the Company or a "parent corporation" or "subsidiary corporation" thereof (as such terms are defined in Sections 424(e) and 424(f) of the Code). Stock Awards other than Incentive Stock Options may be granted to Employees, Directors and Consultants; *provided, however*, that Stock Awards may not be granted to Employees, Directors and Consultants who are providing Continuous Service only to any "parent" of the Company, as such term is defined in Rule 405, unless (i) the stock underlying such Stock Awards is treated as "service recipient stock" under Section 409A of the Code (for example, because the Stock Awards are granted pursuant to a corporate transaction such as a spin off transaction), or (ii) the Company, in consultation with its legal counsel, has determined that such Stock Awards are otherwise exempt from or alternatively comply with the distribution requirements of Section 409A of the Code.

(b) Ten Percent Stockholders. A Ten Percent Stockholder will not be granted an Incentive Stock Option unless the exercise price of such Option is at least one hundred ten percent (110%) of the Fair Market Value on the date of grant and the Option is not exercisable after the expiration of five (5) years from the date of grant.

(c) Consultants. A Consultant will not be eligible for the grant of a Stock Award if, at the time of grant, either the offer or sale of the Company's securities to such Consultant is not exempt under

Rule 701 because of the nature of the services that the Consultant is providing to the Company, because the Consultant is not a natural person, or because of any other provision of Rule 701, unless the Company determines that such grant need not comply with the requirements of Rule 701 and will satisfy another exemption under the Securities Act as well as comply with the securities laws of all other relevant jurisdictions.

5. PROVISIONS RELATING TO OPTIONS AND STOCK APPRECIATION RIGHTS.

Each Option or SAR will be in such form and will contain such terms and conditions as the Board deems appropriate. All Options will be separately designated Incentive Stock Options or Nonstatutory Stock Options at the time of grant, and, if certificates are issued, a separate certificate or certificates will be issued for shares of Common Stock purchased on exercise of each type of Option. If an Option is not specifically designated as an Incentive Stock Option, or if an Option is designated as an Incentive Stock Option but some portion or all of the Option fails to qualify as an Incentive Stock Option under the applicable rules, then the Option (or portion thereof) will be a Nonstatutory Stock Option. The provisions of separate Options or SARs need not be identical; *provided*, *however*, that each Stock Award Agreement will conform to (through incorporation of provisions hereof by reference in the applicable Stock Award Agreement or otherwise) the substance of each of the following provisions:

(a) Term. Subject to the provisions of Section 4(b) regarding Ten Percent Stockholders, no Option or SAR will be exercisable after the expiration of ten (10) years from the date of its grant or such shorter period specified in the Stock Award Agreement.

(b) Exercise Price. Subject to the provisions of Section 4(b) regarding Ten Percent Stockholders, the exercise or strike price of each Option or SAR will be not less than one hundred percent (100%) of the Fair Market Value of the Common Stock subject to the Option or SAR on the date the Stock Award is granted. Notwithstanding the foregoing, an Option or SAR may be granted with an exercise or strike price lower than one hundred percent (100%) of the Fair Market Value of the Common Stock subject to the Stock Award if such Stock Award is granted pursuant to an assumption of or substitution for another option or stock appreciation right pursuant to a Corporate Transaction and in a manner consistent with the provisions of Section 409A of the Code and, if applicable, Section 424(a) of the Code. Each SAR will be denominated in shares of Common Stock equivalents.

(c) Purchase Price for Options. The purchase price of Common Stock acquired pursuant to the exercise of an Option may be paid, to the extent permitted by applicable law and as determined by the Board in its sole discretion, by any combination of the methods of payment set forth below. The Board will have the authority to grant Options that do not permit all of the following methods of payment (or otherwise restrict the ability to use certain methods) and to grant Options that require the consent of the Company to use a particular method of payment. The permitted methods of payment are as follows:

(i) by cash, check, bank draft or money order payable to the Company;

(ii) pursuant to a program developed under Regulation T as promulgated by the Federal Reserve Board that, prior to the issuance of the stock subject to the Option, results in either the receipt of cash (or check) by the Company or the receipt of irrevocable instructions to pay the aggregate exercise price to the Company from the sales proceeds;

(iii) by delivery to the Company (either by actual delivery or attestation) of shares of Common Stock;

(iv) if an Option is a Nonstatutory Stock Option, by a “net exercise” arrangement pursuant to which the Company will reduce the number of shares of Common Stock issuable upon

exercise by the largest whole number of shares with a Fair Market Value that does not exceed the aggregate exercise price; provided, however, that the Company will accept a cash or other payment from the Participant to the extent of any remaining balance of the aggregate exercise price not satisfied by such reduction in the number of whole shares to be issued. Shares of Common Stock will no longer be subject to an Option and will not be exercisable thereafter to the extent that (A) shares issuable upon exercise are used to pay the exercise price pursuant to the "net exercise," (B) shares are delivered to the Participant as a result of such exercise, and (C) shares are withheld to satisfy tax withholding obligations;

(v) according to a deferred payment or similar arrangement with the Optionholder; *provided*, *however*, that interest will compound at least annually and will be charged at the minimum rate of interest necessary to avoid (A) the imputation of interest income to the Company and compensation income to the Optionholder under any applicable provisions of the Code, and (B) the classification of the Option as a liability for financial accounting purposes; or

(vi) in any other form of legal consideration that may be acceptable to the Board and specified in the applicable Stock Award Agreement.

(d) Exercise and Payment of a SAR. To exercise any outstanding SAR, the Participant must provide written notice of exercise to the Company in compliance with the provisions of the Stock Award Agreement evidencing such SAR. The appreciation distribution payable on the exercise of a SAR will be not greater than an amount equal to the excess of (A) the aggregate Fair Market Value (on the date of the exercise of the SAR) of a number of shares of Common Stock equal to the number of Common Stock equivalents in which the Participant is vested under such SAR, and with respect to which the Participant is exercising the SAR on such date, over (B) the strike price. The appreciation distribution may be paid in Common Stock, in cash, in any combination of the two or in any other form of consideration, as determined by the Board and contained in the Stock Award Agreement evidencing such SAR.

(e) Transferability of Options and SARs. The Board may, in its sole discretion, impose such limitations on the transferability of Options and SARs as the Board will determine. In the absence of such a determination by the Board to the contrary, the following restrictions on the transferability of Options and SARs will apply:

(i) Restrictions on Transfer. An Option or SAR will not be transferable except by will or by the laws of descent and distribution (and pursuant to subsections (ii) and (iii) below), and will be exercisable during the lifetime of the Participant only by the Participant. The Board may permit transfer of the Option or SAR in a manner that is not prohibited by applicable tax and securities laws. Except as explicitly provided herein, neither an Option nor a SAR may be transferred for consideration.

(ii) Domestic Relations Orders. Subject to the approval of the Board or a duly authorized Officer, an Option or SAR may be transferred pursuant to the terms of a domestic relations order, official marital settlement agreement or other divorce or separation instrument as permitted by Treasury Regulation 1.421-1(b)(2). If an Option is an Incentive Stock Option, such Option may be deemed to be a Nonstatutory Stock Option as a result of such transfer.

(iii) Beneficiary Designation. Subject to the approval of the Board or a duly authorized Officer, a Participant may, by delivering written notice to the Company, in a form approved by the Company (or the designated broker), designate a third party who, upon the death of the Participant, will thereafter be entitled to exercise the Option or SAR and receive the Common Stock or other consideration resulting from such exercise. In the absence of such a designation, the executor or administrator of the Participant's estate will be entitled to exercise the Option or SAR and receive the

Common Stock or other consideration resulting from such exercise. However, the Company may prohibit designation of a beneficiary at any time, including due to any conclusion by the Company that such designation would be inconsistent with the provisions of applicable laws.

(f) Vesting Generally. The total number of shares of Common Stock subject to an Option or SAR may vest and therefore become exercisable in periodic installments that may or may not be equal. The Option or SAR may be subject to such other terms and conditions on the time or times when it may or may not be exercised (which may be based on the satisfaction of performance goals or other criteria) as the Board may deem appropriate. The vesting provisions of individual Options or SARs may vary. The provisions of this Section 5(f) are subject to any Option or SAR provisions governing the minimum number of shares of Common Stock as to which an Option or SAR may be exercised.

(g) Termination of Continuous Service. Except as otherwise provided in the applicable Stock Award Agreement or other agreement between the Participant and the Company, if a Participant's Continuous Service terminates (other than for Cause and other than upon the Participant's death or Disability), the Participant may exercise his or her Option or SAR (to the extent that the Participant was entitled to exercise such Stock Award as of the date of termination of Continuous Service) within the period of time ending on the earlier of (i) the date three (3) months following the termination of the Participant's Continuous Service (or such longer or shorter period specified in the applicable Stock Award Agreement, which period will not be less than thirty (30) days if necessary to comply with applicable laws unless such termination is for Cause) and (ii) the expiration of the term of the Option or SAR as set forth in the Stock Award Agreement. If, after termination of Continuous Service, the Participant does not exercise his or her Option or SAR within the applicable time frame, the Option or SAR (as applicable) will terminate.

(h) Extension of Termination Date. Except as otherwise provided in the applicable Stock Award Agreement or other agreement between the Participant and the Company, if the exercise of an Option or SAR following the termination of the Participant's Continuous Service (other than for Cause and other than upon the Participant's death or Disability) would be prohibited at any time solely because the issuance of shares of Common Stock would violate the registration requirements under the Securities Act, then the Option or SAR will terminate on the earlier of (i) the expiration of a total period of three (3) months (that need not be consecutive) after the termination of the Participant's Continuous Service during which the exercise of the Option or SAR would not be in violation of such registration requirements, or (ii) the expiration of the term of the Option or SAR as set forth in the applicable Stock Award Agreement. In addition, unless otherwise provided in a Participant's Stock Award Agreement, if the sale of any Common Stock received upon exercise of an Option or SAR following the termination of the Participant's Continuous Service (other than for Cause) would violate the Company's insider trading policy, then the Option or SAR will terminate on the earlier of (i) the expiration of a period of time (that need not be consecutive) equal to the applicable post-termination exercise period after the termination of the Participant's Continuous Service during which the sale of the Common Stock received upon exercise of the Option or SAR would not be in violation of the Company's insider trading policy, or (ii) the expiration of the term of the Option or SAR as set forth in the applicable Stock Award Agreement.

(i) Disability of Participant. Except as otherwise provided in the applicable Stock Award Agreement or other agreement between the Participant and the Company, if a Participant's Continuous Service terminates as a result of the Participant's Disability, the Participant may exercise his or her Option or SAR (to the extent that the Participant was entitled to exercise such Option or SAR as of the date of termination of Continuous Service), but only within such period of time ending on the earlier of (i) the date twelve (12) months following such termination of Continuous Service (or such longer or shorter period specified in the Stock Award Agreement, which period will not be less than six (6) months if

necessary to comply with applicable laws), and (ii) the expiration of the term of the Option or SAR as set forth in the Stock Award Agreement. If, after termination of Continuous Service, the Participant does not exercise his or her Option or SAR within the applicable time frame, the Option or SAR (as applicable) will terminate.

(j) Death of Participant. Except as otherwise provided in the applicable Stock Award Agreement or other agreement between the Participant and the Company, if (i) a Participant's Continuous Service terminates as a result of the Participant's death, or (ii) the Participant dies within the period (if any) specified in the Stock Award Agreement for exercisability after the termination of the Participant's Continuous Service (for a reason other than death), then the Option or SAR may be exercised (to the extent the Participant was entitled to exercise such Option or SAR as of the date of death) by the Participant's estate, by a person who acquired the right to exercise the Option or SAR by bequest or inheritance or by a person designated to exercise the Option or SAR upon the Participant's death, but only within the period ending on the earlier of (i) the date eighteen (18) months following the date of death (or such longer or shorter period specified in the Stock Award Agreement, which period will not be less than six (6) months if necessary to comply with applicable laws), and (ii) the expiration of the term of such Option or SAR as set forth in the Stock Award Agreement. If, after the Participant's death, the Option or SAR is not exercised within the applicable time frame, the Option or SAR (as applicable) will terminate.

(k) Termination for Cause. Except as explicitly provided otherwise in a Participant's Stock Award Agreement or other individual written agreement between the Company or any Affiliate and the Participant, if a Participant's Continuous Service is terminated for Cause, the Option or SAR will terminate immediately upon such Participant's termination of Continuous Service, and the Participant will be prohibited from exercising his or her Option or SAR from and after the time of such termination of Continuous Service.

(l) Non-Exempt Employees. If an Option or SAR is granted to an Employee who is a non-exempt employee for purposes of the Fair Labor Standards Act of 1938, as amended, the Option or SAR will not be first exercisable for any shares of Common Stock until at least six (6) months following the date of grant of the Option or SAR (although the Stock Award may vest prior to such date). Consistent with the provisions of the Worker Economic Opportunity Act, (i) if such non-exempt Employee dies or suffers a Disability, (ii) upon a Corporate Transaction in which such Option or SAR is not assumed, continued, or substituted, (iii) upon a Change in Control, or (iv) upon the Participant's retirement (as such term may be defined in the Participant's Stock Award Agreement, in another agreement between the Participant and the Company, or, if no such definition, in accordance with the Company's then current employment policies and guidelines), the vested portion of any Options and SARs may be exercised earlier than six (6) months following the date of grant. The foregoing provision is intended to operate so that any income derived by a non-exempt employee in connection with the exercise or vesting of an Option or SAR will be exempt from his or her regular rate of pay. To the extent permitted and/or required for compliance with the Worker Economic Opportunity Act to ensure that any income derived by a non-exempt employee in connection with the exercise, vesting or issuance of any shares under any other Stock Award will be exempt from the employee's regular rate of pay, the provisions of this Section 5(l) will apply to all Stock Awards and are hereby incorporated by reference into such Stock Award Agreements.

(m) Early Exercise of Options. An Option may, but need not, include a provision whereby the Optionholder may elect at any time before the Optionholder's Continuous Service terminates to exercise the Option as to any part or all of the shares of Common Stock subject to the Option prior to the full vesting of the Option. Subject to the "Repurchase Limitation" in Section 8(m), any unvested shares of Common Stock so purchased may be subject to a repurchase right in favor of the Company or to any other restriction the Board determines to be appropriate. Provided that the "Repurchase Limitation" in

Section 8(m) is not violated, the Company will not be required to exercise its repurchase right until at least six (6) months (or such longer or shorter period of time required to avoid classification of the Option as a liability for financial accounting purposes) have elapsed following exercise of the Option unless the Board otherwise specifically provides in the Option Agreement.

(n) Right of Repurchase. Subject to the "Repurchase Limitation" in Section 8(m), the Option or SAR may include a provision whereby the Company may elect to repurchase all or any part of the vested shares of Common Stock acquired by the Participant pursuant to the exercise of the Option or SAR.

(o) Right of First Refusal. The Option or SAR may include a provision whereby the Company may elect to exercise a right of first refusal following receipt of notice from the Participant of the intent to transfer all or any part of the shares of Common Stock received upon the exercise of the Option or SAR. Such right of first refusal will be subject to the "Repurchase Limitation" in Section 8(m). Except as expressly provided in this Section 5(o) or in the Stock Award Agreement, such right of first refusal will otherwise comply with any applicable provisions of the bylaws of the Company.

6. PROVISIONS OF STOCK AWARDS OTHER THAN OPTIONS AND SARS

(a) Restricted Stock Awards. Each Restricted Stock Award Agreement will be in such form and will contain such terms and conditions as the Board deems appropriate. To the extent consistent with the Company's bylaws, at the Board's election, shares of Common Stock may be (i) held in book entry form subject to the Company's instructions until any restrictions relating to the Restricted Stock Award lapse; or (ii) evidenced by a certificate, which certificate will be held in such form and manner as determined by the Board. The terms and conditions of Restricted Stock Award Agreements may change from time to time, and the terms and conditions of separate Restricted Stock Award Agreements need not be identical. Each Restricted Stock Award Agreement will conform to (through incorporation of the provisions hereof by reference in the agreement or otherwise) the substance of each of the following provisions:

(i) Consideration. A Restricted Stock Award may be awarded in consideration for (A) cash, check, bank draft or money order payable to the Company, (B) past services to the Company or an Affiliate, or (C) any other form of legal consideration (including future services) that may be acceptable to the Board, in its sole discretion, and permissible under applicable law.

(ii) Vesting. Subject to the "Repurchase Limitation" in Section 8(m), shares of Common Stock awarded under the Restricted Stock Award Agreement may be subject to forfeiture to the Company in accordance with a vesting schedule to be determined by the Board.

(iii) Termination of Participant's Continuous Service. If a Participant's Continuous Service terminates, the Company may receive through a forfeiture condition or a repurchase right, any or all of the shares of Common Stock held by the Participant that have not vested as of the date of termination of Continuous Service under the terms of the Restricted Stock Award Agreement.

(iv) Transferability. Rights to acquire shares of Common Stock under the Restricted Stock Award Agreement will be transferable by the Participant only upon such terms and conditions as are set forth in the Restricted Stock Award Agreement, as the Board will determine in its sole discretion, so long as Common Stock awarded under the Restricted Stock Award Agreement remains subject to the terms of the Restricted Stock Award Agreement.

(v) Dividends. A Restricted Stock Award Agreement may provide that any dividends paid on Restricted Stock will be subject to the same vesting and forfeiture restrictions as apply to the shares subject to the Restricted Stock Award to which they relate.

(b) Restricted Stock Unit Awards. Each Restricted Stock Unit Award Agreement will be in such form and will contain such terms and conditions as the Board deems appropriate. The terms and conditions of Restricted Stock Unit Award Agreements may change from time to time, and the terms and conditions of separate Restricted Stock Unit Award Agreements need not be identical. Each Restricted Stock Unit Award Agreement will conform to (through incorporation of the provisions hereof by reference in the Agreement or otherwise) the substance of each of the following provisions:

(i) Consideration. At the time of grant of a Restricted Stock Unit Award, the Board will determine the consideration, if any, to be paid by the Participant upon delivery of each share of Common Stock subject to the Restricted Stock Unit Award. The consideration to be paid (if any) by the Participant for each share of Common Stock subject to a Restricted Stock Unit Award may be paid in any form of legal consideration that may be acceptable to the Board, in its sole discretion, and permissible under applicable law.

(ii) Vesting. At the time of the grant of a Restricted Stock Unit Award, the Board may impose such restrictions on or conditions to the vesting of the Restricted Stock Unit Award as it, in its sole discretion, deems appropriate.

(iii) Payment. A Restricted Stock Unit Award may be settled by the delivery of shares of Common Stock, their cash equivalent, any combination thereof or in any other form of consideration, as determined by the Board and contained in the Restricted Stock Unit Award Agreement.

(iv) Additional Restrictions. At the time of the grant of a Restricted Stock Unit Award, the Board, as it deems appropriate, may impose such restrictions or conditions that delay the delivery of the shares of Common Stock (or their cash equivalent) subject to a Restricted Stock Unit Award to a time after the vesting of such Restricted Stock Unit Award.

(v) Dividend Equivalents. Dividend equivalents may be credited in respect of shares of Common Stock covered by a Restricted Stock Unit Award, as determined by the Board and contained in the Restricted Stock Unit Award Agreement. At the sole discretion of the Board, such dividend equivalents may be converted into additional shares of Common Stock covered by the Restricted Stock Unit Award in such manner as determined by the Board. Any additional shares covered by the Restricted Stock Unit Award credited by reason of such dividend equivalents will be subject to all of the same terms and conditions of the underlying Restricted Stock Unit Award Agreement to which they relate.

(vi) Termination of Participant's Continuous Service. Except as otherwise provided in the applicable Restricted Stock Unit Award Agreement, such portion of the Restricted Stock Unit Award that has not vested will be forfeited upon the Participant's termination of Continuous Service.

(vii) Compliance with Section 409A of the Code. Notwithstanding anything to the contrary set forth herein, any Restricted Stock Unit Award granted under the Plan that is not exempt from the requirements of Section 409A of the Code shall contain such provisions so that such Restricted Stock Unit Award will comply with the requirements of Section 409A of the Code. Such restrictions, if any, shall be determined by the Board and contained in the Restricted Stock Unit Award Agreement evidencing such Restricted Stock Unit Award. For example, such restrictions may include, without limitation, a requirement that any Common Stock that is to be issued in a year following the year in which

the Restricted Stock Unit Award vests must be issued in accordance with a fixed pre-determined schedule.

(c) Other Stock Awards. Other forms of Stock Awards valued in whole or in part by reference to, or otherwise based on, Common Stock, including the appreciation in value thereof (e.g., options or stock rights with an exercise price or strike price less than one hundred percent (100%) of the Fair Market Value of the Common Stock at the time of grant) may be granted either alone or in addition to Stock Awards provided for under Section 5 and the preceding provisions of this Section 6. Subject to the provisions of the Plan, the Board will have sole and complete authority to determine the persons to whom and the time or times at which such Other Stock Awards will be granted, the number of shares of Common Stock (or the cash equivalent thereof) to be granted pursuant to such Other Stock Awards and all other terms and conditions of such Other Stock Awards.

7. COVENANTS OF THE COMPANY

(a) Availability of Shares. The Company will keep available at all times the number of shares of Common Stock reasonably required to satisfy then-outstanding Stock Awards.

(b) Securities Law Compliance. The Company will seek to obtain from each regulatory commission or agency having jurisdiction over the Plan such authority as may be required to grant Stock Awards and to issue and sell shares of Common Stock upon exercise of the Stock Awards; *provided, however,* that this undertaking will not require the Company to register under the Securities Act the Plan, any Stock Award or any Common Stock issued or issuable pursuant to any such Stock Award. If, after reasonable efforts and at a reasonable cost, the Company is unable to obtain from any such regulatory commission or agency the authority that counsel for the Company deems necessary for the lawful issuance and sale of Common Stock under the Plan, the Company will be relieved from any liability for failure to issue and sell Common Stock upon exercise of such Stock Awards unless and until such authority is obtained. A Participant will not be eligible for the grant of a Stock Award or the subsequent issuance of cash or Common Stock pursuant to the Stock Award if such grant or issuance would be in violation of any applicable securities law.

(c) No Obligation to Notify or Minimize Taxes. The Company will have no duty or obligation to any Participant to advise such holder as to the time or manner of exercising such Stock Award. Furthermore, the Company will have no duty or obligation to warn or otherwise advise such holder of a pending termination or expiration of a Stock Award or a possible period in which the Stock Award may not be exercised. The Company has no duty or obligation to minimize the tax consequences of a Stock Award to the holder of such Stock Award.

8. MISCELLANEOUS.

(a) Use of Proceeds from Sales of Common Stock. Proceeds from the sale of shares of Common Stock pursuant to Stock Awards will constitute general funds of the Company.

(b) Corporate Action Constituting Grant of Stock Awards. Corporate action constituting a grant by the Company of a Stock Award to any Participant will be deemed completed as of the date of such corporate action, unless otherwise determined by the Board, regardless of when the instrument, certificate, or letter evidencing the Stock Award is communicated to, or actually received or accepted by, the Participant. In the event that the corporate records (e.g., Board consents, resolutions or minutes) documenting the corporate action constituting the grant contain terms (e.g., exercise price, vesting schedule or number of shares) that are inconsistent with those in the Stock Award Agreement as a result

of a clerical error in the papering of the Stock Award Agreement, the corporate records will control and the Participant will have no legally binding right to the incorrect term in the Stock Award Agreement.

(c) Stockholder Rights. No Participant will be deemed to be the holder of, or to have any of the rights of a holder with respect to, any shares of Common Stock subject to a Stock Award unless and until (i) such Participant has satisfied all requirements for exercise of, or the issuance of shares of Common Stock under, the Stock Award pursuant to its terms, and (ii) the issuance of the Common Stock subject to the Stock Award has been entered into the books and records of the Company.

(d) No Employment or Other Service Rights. Nothing in the Plan, any Stock Award Agreement or any other instrument executed thereunder or in connection with any Stock Award granted pursuant thereto will confer upon any Participant any right to continue to serve the Company or an Affiliate in the capacity in effect at the time the Stock Award was granted or will affect the right of the Company or an Affiliate to terminate (i) the employment of an Employee with or without notice and with or without cause, (ii) the service of a Consultant pursuant to the terms of such Consultant's agreement with the Company or an Affiliate, or (iii) the service of a Director pursuant to the bylaws of the Company or an Affiliate, and any applicable provisions of the corporate law of the state in which the Company or the Affiliate is incorporated, as the case may be.

(e) Change in Time Commitment. In the event a Participant's regular level of time commitment in the performance of his or her services for the Company and any Affiliates is reduced (for example, and without limitation, if the Participant is an Employee of the Company and the Employee has a change in status from a full-time Employee to a part-time Employee) after the date of grant of any Stock Award to the Participant, the Board has the right in its sole discretion to (x) make a corresponding reduction in the number of shares subject to any portion of such Stock Award that is scheduled to vest or become payable after the date of such change in time commitment, and (y) in lieu of or in combination with such a reduction, extend the vesting or payment schedule applicable to such Stock Award. In the event of any such reduction, the Participant will have no right with respect to any portion of the Stock Award that is so reduced or extended.

(f) Incentive Stock Option Limitations. To the extent that the aggregate Fair Market Value (determined at the time of grant) of Common Stock with respect to which Incentive Stock Options are exercisable for the first time by any Optionholder during any calendar year (under all plans of the Company and any Affiliates) exceeds one hundred thousand dollars ($100,000) (or such other limit established in the Code) or otherwise does not comply with the rules governing Incentive Stock Options, the Options or portions thereof that exceed such limit (according to the order in which they were granted) or otherwise do not comply with such rules will be treated as Nonstatutory Stock Options, notwithstanding any contrary provision of the applicable Option Agreement(s).

(g) Investment Assurances. The Company may require a Participant, as a condition of exercising or acquiring Common Stock under any Stock Award, (i) to give written assurances satisfactory to the Company as to the Participant's knowledge and experience in financial and business matters and/or to employ a purchaser representative reasonably satisfactory to the Company who is knowledgeable and experienced in financial and business matters and that he or she is capable of evaluating, alone or together with the purchaser representative, the merits and risks of exercising the Stock Award; and (ii) to give written assurances satisfactory to the Company stating that the Participant is acquiring Common Stock subject to the Stock Award for the Participant's own account and not with any present intention of selling or otherwise distributing the Common Stock. The foregoing requirements, and any assurances given pursuant to such requirements, will be inoperative if (A) the issuance of the shares upon the exercise or acquisition of Common Stock under the Stock Award has been registered under a then currently effective

registration statement under the Securities Act, or (B) as to any particular requirement, a determination is made by counsel for the Company that such requirement need not be met in the circumstances under the then applicable securities laws. The Company may, upon advice of counsel to the Company, place legends on stock certificates issued under the Plan as such counsel deems necessary or appropriate in order to comply with applicable securities laws, including, but not limited to, legends restricting the transfer of the Common Stock.

(h) Withholding Obligations. Unless prohibited by the terms of a Stock Award Agreement, the Company may, in its sole discretion, satisfy any federal, state or local tax withholding obligation relating to a Stock Award by any of the following means or by a combination of such means: (i) causing the Participant to tender a cash payment; (ii) withholding shares of Common Stock from the shares of Common Stock issued or otherwise issuable to the Participant in connection with the Stock Award; *provided, however*, that no shares of Common Stock are withheld with a value exceeding the minimum amount of tax required to be withheld by law (or such lesser amount as may be necessary to avoid classification of the Stock Award as a liability for financial accounting purposes); (iii) withholding cash from a Stock Award settled in cash; (iv) withholding payment from any amounts otherwise payable to the Participant; or (v) by such other method as may be set forth in the Stock Award Agreement.

(i) Electronic Delivery. Any reference herein to a "written" agreement or document will include any agreement or document delivered electronically or posted on the Company's intranet (or other shared electronic medium controlled by the Company to which the Participant has access).

(j) Deferrals. To the extent permitted by applicable law, the Board, in its sole discretion, may determine that the delivery of Common Stock or the payment of cash, upon the exercise, vesting or settlement of all or a portion of any Stock Award may be deferred and may establish programs and procedures for deferral elections to be made by Participants. Deferrals by Participants will be made in accordance with Section 409A of the Code. Consistent with Section 409A of the Code, the Board may provide for distributions while a Participant is still an employee or otherwise providing services to the Company. The Board is authorized to make deferrals of Stock Awards and determine when, and in what annual percentages, Participants may receive payments, including lump sum payments, following the Participant's termination of Continuous Service, and implement such other terms and conditions consistent with the provisions of the Plan and in accordance with applicable law.

(k) Compliance with Section 409A of the Code. To the extent that the Board determines that any Stock Award granted hereunder is subject to Section 409A of the Code, the Stock Award Agreement evidencing such Stock Award shall incorporate the terms and conditions necessary to avoid the consequences specified in Section 409A(a)(1) of the Code. To the extent applicable, the Plan and Stock Award Agreements shall be interpreted in accordance with Section 409A of the Code.

(l) Compliance with Exemption Provided by Rule 12h-1(f). If at the end of the Company's most recently completed fiscal year: (i) the aggregate of the number of persons who hold outstanding compensatory employee stock options to purchase shares of Common Stock granted pursuant to the Plan or otherwise (such persons, "***Holders of Options***") equals or exceeds five hundred (500), and (ii) the Company's assets exceed $10 million, then the following restrictions will apply during any period during which the Company does not have a class of its securities registered under Section 12 of the Exchange Act and is not required to file reports under Section 15(d) of the Exchange Act: (A) the Options and, prior to exercise, the shares of Common Stock to be issued on exercise of the Options may not be transferred until the Company is no longer relying on the exemption provided by Rule 12h-1(f) promulgated under the Exchange Act ("***Rule 12h-1(f)***"), except: (1) as permitted by Rule 701(c) promulgated under the Securities Act, (2) to a guardian upon the disability of the Holder of Options, or

(3) to an executor upon the death of the Holder of Options (collectively, the "***Permitted Transferees***"); provided, however, the following transfers are permitted: (i) transfers by Holders of Options to the Company, and (ii) transfers in connection with a change of control or other acquisition involving the Company, if following such transaction, the Options no longer remain outstanding and the Company is no longer relying on the exemption provided by Rule 12h-1(f); provided further, that any Permitted Transferees may not further transfer the Options; (B) except as otherwise provided in (A) above, the Options and shares of Common Stock issuable on exercise of the Options are restricted as to any pledge, hypothecation, or other transfer, including any short position, any "put equivalent position" as defined by Rule 16a-1(h) promulgated under the Exchange Act, or any "call equivalent position" as defined by Rule 16a-1(b) promulgated under the Exchange Act by Holders of Options prior to exercise of an Option until the Company is no longer relying on the exemption provided by Rule 12h-1(f); and (C) at any time that the Company is relying on the exemption provided by Rule 12h-1(f), the Company will deliver to Holders of Options (whether by physical or electronic delivery or written notice of the availability of the information on an internet site) the information required by Rule 701(e)(3), (4), and (5) promulgated under the Securities Act every six (6) months, including financial statements that are not more than one hundred eighty (180) days old; provided, however, that the Company may condition the delivery of such information upon the Holder of Options' agreement to maintain its confidentiality.

(m) Repurchase Limitation. The terms of any repurchase right will be specified in the Stock Award Agreement. The repurchase price for vested shares of Common Stock will be the Fair Market Value of the shares of Common Stock on the date of repurchase. The repurchase price for unvested shares of Common Stock will be the lower of (i) the Fair Market Value of the shares of Common Stock on the date of repurchase or (ii) their original purchase price. However, the Company will not exercise its repurchase right until at least six (6) months (or such longer or shorter period of time necessary to avoid classification of the Stock Award as a liability for financial accounting purposes) have elapsed following delivery of shares of Common Stock subject to the Stock Award, unless otherwise specifically provided by the Board.

9. ADJUSTMENTS UPON CHANGES IN COMMON STOCK; OTHER CORPORATE EVENTS.

(a) Capitalization Adjustments. In the event of a Capitalization Adjustment, the Board will appropriately and proportionately adjust: (i) the class(es) and maximum number of securities subject to the Plan pursuant to Section 3(a), (ii) the class(es) and maximum number of securities that may be issued pursuant to the exercise of Incentive Stock Options pursuant to Section 3(c), and (iii) the class(es) and number of securities and price per share of stock subject to outstanding Stock Awards. The Board will make such adjustments, and its determination will be final, binding and conclusive.

(b) Dissolution or Liquidation. Except as otherwise provided in the Stock Award Agreement, in the event of a dissolution or liquidation of the Company, all outstanding Stock Awards (other than Stock Awards consisting of vested and outstanding shares of Common Stock not subject to a forfeiture condition or the Company's right of repurchase) will terminate immediately prior to the completion of such dissolution or liquidation, and the shares of Common Stock subject to the Company's repurchase rights or subject to a forfeiture condition may be repurchased or reacquired by the Company notwithstanding the fact that the holder of such Stock Award is providing Continuous Service, *provided, however,* that the Board may, in its sole discretion, cause some or all Stock Awards to become fully vested, exercisable and/or no longer subject to repurchase or forfeiture (to the extent such Stock Awards have not previously expired or terminated) before the dissolution or liquidation is completed but contingent on its completion.

(c) Corporate Transaction. The following provisions will apply to Stock Awards in the event of a Corporate Transaction unless otherwise provided in the instrument evidencing the Stock Award or any other written agreement between the Company or any Affiliate and the Participant or unless otherwise expressly provided by the Board at the time of grant of a Stock Award. In the event of a Corporate Transaction, then, notwithstanding any other provision of the Plan, the Board may take one or more of the following actions with respect to Stock Awards, contingent upon the closing or completion of the Corporate Transaction:

(i) arrange for the surviving corporation or acquiring corporation (or the surviving or acquiring corporation's parent company) to assume or continue the Stock Award or to substitute a similar stock award for the Stock Award (including, but not limited to, an award to acquire the same consideration paid to the stockholders of the Company pursuant to the Corporate Transaction);

(ii) arrange for the assignment of any reacquisition or repurchase rights held by the Company in respect of Common Stock issued pursuant to the Stock Award to the surviving corporation or acquiring corporation (or the surviving or acquiring corporation's parent company);

(iii) accelerate the vesting, in whole or in part, of the Stock Award (and, if applicable, the time at which the Stock Award may be exercised) to a date prior to the effective time of such Corporate Transaction as the Board determines (or, if the Board does not determine such a date, to the date that is five (5) days prior to the effective date of the Corporate Transaction), with such Stock Award terminating if not exercised (if applicable) at or prior to the effective time of the Corporate Transaction; provided, however, that the Board may require Participants to complete and deliver to the Company a notice of exercise before the effective date of a Corporate Transaction, which exercise is contingent upon the effectiveness of such Corporate Transaction;

(iv) arrange for the lapse, in whole or in part, of any reacquisition or repurchase rights held by the Company with respect to the Stock Award;

(v) cancel or arrange for the cancellation of the Stock Award, to the extent not vested or not exercised prior to the effective time of the Corporate Transaction, in exchange for such cash consideration, if any, as the Board, in its sole discretion, may consider appropriate; and

(vi) make a payment, in such form as may be determined by the Board equal to the excess, if any, of (A) the value of the property the Participant would have received upon the exercise of the Stock Award immediately prior to the effective time of the Corporate Transaction, over (B) any exercise price payable by such holder in connection with such exercise. For clarity, this payment may be zero ($0) if the value of the property is equal to or less than the exercise price. Payments under this provision may be delayed to the same extent that payment of consideration to the holders of the Company's Common Stock in connection with the Corporate Transaction is delayed as a result of escrows, earn outs, holdbacks or any other contingencies.

The Board need not take the same action or actions with respect to all Stock Awards or portions thereof or with respect to all Participants. The Board may take different actions with respect to the vested and unvested portions of a Stock Award.

(d) Change in Control. A Stock Award may be subject to additional acceleration of vesting and exercisability upon or after a Change in Control as may be provided in the Stock Award Agreement for such Stock Award or as may be provided in any other written agreement between the Company or any Affiliate and the Participant, but in the absence of such provision, no such acceleration will occur.

10. PLAN TERM; EARLIER TERMINATION OR SUSPENSION OF THE PLAN.

(a) Plan Term. The Board may suspend or terminate the Plan at any time. Unless terminated sooner by the Board, the Plan will automatically terminate on the day before the tenth (10th) anniversary of the earlier of (i) the date the Plan is adopted by the Board, or (ii) the date the Plan is approved by the stockholders of the Company. No Stock Awards may be granted under the Plan while the Plan is suspended or after it is terminated.

(b) No Impairment of Rights. Suspension or termination of the Plan will not impair rights and obligations under any Stock Award granted while the Plan is in effect except with the written consent of the affected Participant or as otherwise permitted in the Plan.

11. EFFECTIVE DATE OF PLAN.

This Plan will become effective on the Effective Date.

12. CHOICE OF LAW.

The laws of the State of Delaware will govern all questions concerning the construction, validity and interpretation of this Plan, without regard to that state's conflict of laws rules.

13. DEFINITIONS. As used in the Plan, the following definitions will apply to the capitalized terms indicated below:

(a) "***Affiliate***" means, at the time of determination, any "parent" or "majority-owned subsidiary" of the Company, as such terms are defined in Rule 405. The Board will have the authority to determine the time or times at which "parent" or "majority-owned subsidiary" status is determined within the foregoing definition.

(b) "***Board***" means the Board of Directors of the Company.

(c) "***Capitalization Adjustment***" means any change that is made in, or other events that occur with respect to, the Common Stock subject to the Plan or subject to any Stock Award after the Effective Date without the receipt of consideration by the Company through merger, consolidation, reorganization, recapitalization, reincorporation, stock dividend, dividend in property other than cash, large nonrecurring cash dividend, stock split, reverse stock split, liquidating dividend, combination of shares, exchange of shares, change in corporate structure, or any similar equity restructuring transaction, as that term is used in Statement of Financial Accounting Standards Board Accounting Standards Codification Topic 718 (or any successor thereto). Notwithstanding the foregoing, the conversion of any convertible securities of the Company will not be treated as a Capitalization Adjustment.

(d) "***Cause***" will have the meaning ascribed to such term in any written agreement between the Participant and the Company defining such term and, in the absence of such agreement, such term means, with respect to a Participant, the occurrence of any of the following events: (i) such Participant's commission of any felony or any crime involving fraud, dishonesty or moral turpitude under the laws of the United States or any state thereof; (ii) such Participant's attempted commission of, or participation in, a fraud or act of dishonesty against the Company; (iii) such Participant's intentional, material violation of any contract or agreement between the Participant and the Company or of any statutory duty owed to the Company; (iv) such Participant's unauthorized use or disclosure of the Company's confidential information or trade secrets; or (v) such Participant's gross misconduct. The determination that a termination of the Participant's Continuous Service is either for Cause or without Cause will be made by the Company, in its sole discretion. Any determination by the Company that the Continuous Service of a

Participant was terminated with or without Cause for the purposes of outstanding Stock Awards held by such Participant will have no effect upon any determination of the rights or obligations of the Company or such Participant for any other purpose.

(e) "***Change in Control***" means the occurrence, in a single transaction or in a series of related transactions, of any one or more of the following events:

(i) any Exchange Act Person becomes the Owner, directly or indirectly, of securities of the Company representing more than fifty percent (50%) of the combined voting power of the Company's then outstanding securities other than by virtue of a merger, consolidation or similar transaction. Notwithstanding the foregoing, a Change in Control will not be deemed to occur (A) on account of the acquisition of securities of the Company directly from the Company, (B) on account of the acquisition of securities of the Company by an investor, any affiliate thereof or any other Exchange Act Person that acquires the Company's securities in a transaction or series of related transactions the primary purpose of which is to obtain financing for the Company through the issuance of equity securities or (C) solely because the level of Ownership held by any Exchange Act Person (the "***Subject Person***") exceeds the designated percentage threshold of the outstanding voting securities as a result of a repurchase or other acquisition of voting securities by the Company reducing the number of shares outstanding, provided that if a Change in Control would occur (but for the operation of this sentence) as a result of the acquisition of voting securities by the Company, and after such share acquisition, the Subject Person becomes the Owner of any additional voting securities that, assuming the repurchase or other acquisition had not occurred, increases the percentage of the then outstanding voting securities Owned by the Subject Person over the designated percentage threshold, then a Change in Control will be deemed to occur;

(ii) there is consummated a merger, consolidation or similar transaction involving (directly or indirectly) the Company and, immediately after the consummation of such merger, consolidation or similar transaction, the stockholders of the Company immediately prior thereto do not Own, directly or indirectly, either (A) outstanding voting securities representing more than fifty percent (50%) of the combined outstanding voting power of the surviving Entity in such merger, consolidation or similar transaction or (B) more than fifty percent (50%) of the combined outstanding voting power of the parent of the surviving Entity in such merger, consolidation or similar transaction, in each case in substantially the same proportions as their Ownership of the outstanding voting securities of the Company immediately prior to such transaction;

(iii) the stockholders of the Company approve or the Board approves a plan of complete dissolution or liquidation of the Company, or a complete dissolution or liquidation of the Company will otherwise occur, except for a liquidation into a parent corporation;

(iv) there is consummated a sale, lease, exclusive license or other disposition of all or substantially all of the consolidated assets of the Company and its Subsidiaries, other than a sale, lease, license or other disposition of all or substantially all of the consolidated assets of the Company and its Subsidiaries to an Entity, more than fifty percent (50%) of the combined voting power of the voting securities of which are Owned by stockholders of the Company in substantially the same proportions as their Ownership of the outstanding voting securities of the Company immediately prior to such sale, lease, license or other disposition; or

(v) individuals who, on the date the Plan is adopted by the Board, are members of the Board (the "***Incumbent Board***") cease for any reason to constitute at least a majority of the members of the Board; *provided*, *however*, that if the appointment or election (or nomination for election) of any new Board member was approved or recommended by a majority vote of the members of the Incumbent

Board then still in office, such new member will, for purposes of this Plan, be considered as a member of the Incumbent Board.

Notwithstanding the foregoing definition or any other provision of this Plan, (A) the term Change in Control will not include a sale of assets, merger or other transaction effected exclusively for the purpose of changing the domicile of the Company, and (B) the definition of Change in Control (or any analogous term) in an individual written agreement between the Company or any Affiliate and the Participant will supersede the foregoing definition with respect to Stock Awards subject to such agreement; *provided, however,* that if no definition of Change in Control or any analogous term is set forth in such an individual written agreement, the foregoing definition will apply.

(f) "***Code***" means the Internal Revenue Code of 1986, as amended, including any applicable regulations and guidance thereunder.

(g) "***Committee***" means a committee of one or more Directors to whom authority has been delegated by the Board in accordance with Section 2(c).

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

(i) "***Company***" means Allbirds, Inc., a Delaware corporation.

(j) "***Consultant***" means any person, including an advisor, who is (i) engaged by the Company or an Affiliate to render consulting or advisory services and is compensated for such services, or (ii) serving as a member of the board of directors of an Affiliate and is compensated for such services. However, service solely as a Director, or payment of a fee for such service, will not cause a Director to be considered a "Consultant" for purposes of the Plan.

(k) "***Continuous Service***" means that the Participant's service with the Company or an Affiliate, whether as an Employee, Director or Consultant, is not interrupted or terminated. A change in the capacity in which the Participant renders service to the Company or an Affiliate as an Employee, Director or Consultant or a change in the Entity for which the Participant renders such service, provided that there is no interruption or termination of the Participant's service with the Company or an Affiliate, will not terminate a Participant's Continuous Service; *provided, however*, that if the Entity for which a Participant is rendering services ceases to qualify as an Affiliate, as determined by the Board in its sole discretion, such Participant's Continuous Service will be considered to have terminated on the date such Entity ceases to qualify as an Affiliate. For example, a change in status from an Employee of the Company to a Consultant of an Affiliate or to a Director will not constitute an interruption of Continuous Service. To the extent permitted by law, the Board or the chief executive officer of the Company, in that party's sole discretion, may determine whether Continuous Service will be considered interrupted in the case of (i) any leave of absence approved by the Board or chief executive officer, including sick leave, military leave or any other personal leave, or (ii) transfers between the Company, an Affiliate, or their successors. Notwithstanding the foregoing, a leave of absence will be treated as Continuous Service for purposes of vesting in a Stock Award only to such extent as may be provided in the Company's leave of absence policy, in the written terms of any leave of absence agreement or policy applicable to the Participant, or as otherwise required by law.

(l) "***Corporate Transaction***" means the consummation, in a single transaction or in a series of related transactions, of any one or more of the following events:

(i) a sale or other disposition of all or substantially all, as determined by the Board in its sole discretion, of the consolidated assets of the Company and its Subsidiaries;

(ii) a sale or other disposition of at least ninety percent (90%) of the outstanding securities of the Company;

(iii) a merger, consolidation or similar transaction following which the Company is not the surviving corporation; or

(iv) a merger, consolidation or similar transaction following which the Company is the surviving corporation but the shares of Common Stock outstanding immediately preceding the merger, consolidation or similar transaction are converted or exchanged by virtue of the merger, consolidation or similar transaction into other property, whether in the form of securities, cash or otherwise.

(m) "***Director***" means a member of the Board.

(n) "***Disability***" means, with respect to a Participant, the inability of such Participant to engage in any substantial gainful activity by reason of any medically determinable physical or mental impairment that can be expected to result in death or that has lasted or can be expected to last for a continuous period of not less than twelve (12) months as provided in Sections 22(e)(3) and 409A(a)(2)(c)(i) of the Code, and will be determined by the Board on the basis of such medical evidence as the Board deems warranted under the circumstances.

(o) "***Effective Date***" means the effective date of this Plan, which is the earlier of (i) the date that this Plan is first approved by the Company's stockholders, and (ii) the date this Plan is adopted by the Board.

(p) "***Employee***" means any person employed by the Company or an Affiliate. However, service solely as a Director, or payment of a fee for such services, will not cause a Director to be considered an "Employee" for purposes of the Plan.

(q) "***Entity***" means a corporation, partnership, limited liability company or other entity.

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

(s) "***Exchange Act Person***" means any natural person, Entity or "group" (within the meaning of Section 13(d) or 14(d) of the Exchange Act), except that "Exchange Act Person" will not include (i) the Company or any Subsidiary of the Company, (ii) any employee benefit plan of the Company or any Subsidiary of the Company or any trustee or other fiduciary holding securities under an employee benefit plan of the Company or any Subsidiary of the Company, (iii) an underwriter temporarily holding securities pursuant to an offering of such securities, (iv) an Entity Owned, directly or indirectly, by the stockholders of the Company in substantially the same proportions as their Ownership of stock of the Company; or (v) any natural person, Entity or "group" (within the meaning of Section 13(d) or 14(d) of the Exchange Act) that, as of the Effective Date, is the Owner, directly or indirectly, of securities of the Company representing more than fifty percent (50%) of the combined voting power of the Company's then outstanding securities.

(t) "***Fair Market Value***" means, as of any date, the value of the Common Stock determined by the Board in compliance with Section 409A of the Code or, in the case of an Incentive Stock Option, in compliance with Section 422 of the Code.

(u) "***Incentive Stock Option***" means an option granted pursuant to Section 5 of the Plan that is intended to be, and that qualifies as, an "incentive stock option" within the meaning of Section 422 of the Code.

(v) "***Nonstatutory Stock Option***" means any option granted pursuant to Section 5 of the Plan that does not qualify as an Incentive Stock Option.

(w) "***Officer***" means any person designated by the Company as an officer.

(x) "***Option***" means an Incentive Stock Option or a Nonstatutory Stock Option to purchase shares of Common Stock granted pursuant to the Plan.

(y) "***Option Agreement***" means a written agreement between the Company and an Optionholder evidencing the terms and conditions of an Option grant. Each Option Agreement will be subject to the terms and conditions of the Plan.

(z) "***Optionholder***" means a person to whom an Option is granted pursuant to the Plan or, if applicable, such other person who holds an outstanding Option.

(aa) "***Other Stock Award***" means an award based in whole or in part by reference to the Common Stock which is granted pursuant to the terms and conditions of Section 6(c).

(bb) "***Other Stock Award Agreement***" means a written agreement between the Company and a holder of an Other Stock Award evidencing the terms and conditions of an Other Stock Award grant. Each Other Stock Award Agreement will be subject to the terms and conditions of the Plan.

(cc) "***Own***," "***Owned***," "***Owner***," "***Ownership***" A person or Entity will be deemed to "Own," to have "Owned," to be the "Owner" of, or to have acquired "Ownership" of securities if such person or Entity, directly or indirectly, through any contract, arrangement, understanding, relationship or otherwise, has or shares voting power, which includes the power to vote or to direct the voting, with respect to such securities.

(dd) "***Participant***" means a person to whom a Stock Award is granted pursuant to the Plan or, if applicable, such other person who holds an outstanding Stock Award.

(ee) "***Plan***" means this Allbirds, Inc. 2015 Equity Incentive Plan.

(ff) "***Restricted Stock Award***" means an award of shares of Common Stock which is granted pursuant to the terms and conditions of Section 6(a).

(gg) "***Restricted Stock Award Agreement***" means a written agreement between the Company and a holder of a Restricted Stock Award evidencing the terms and conditions of a Restricted Stock Award grant. Each Restricted Stock Award Agreement will be subject to the terms and conditions of the Plan.

(hh) "***Restricted Stock Unit Award***" means a right to receive shares of Common Stock which is granted pursuant to the terms and conditions of Section 6(b).

(ii) "***Restricted Stock Unit Award Agreement***" means a written agreement between the Company and a holder of a Restricted Stock Unit Award evidencing the terms and conditions of a Restricted Stock Unit Award grant. Each Restricted Stock Unit Award Agreement will be subject to the terms and conditions of the Plan.

(jj) "***Rule 405***" means Rule 405 promulgated under the Securities Act.

(kk) "***Rule 701***" means Rule 701 promulgated under the Securities Act.

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

(mm) "***Stock Appreciation Right***" or "***SAR***" means a right to receive the appreciation on Common Stock that is granted pursuant to the terms and conditions of Section 5.

(nn) "***Stock Appreciation Right Agreement***" means a written agreement between the Company and a holder of a Stock Appreciation Right evidencing the terms and conditions of a Stock Appreciation Right grant. Each Stock Appreciation Right Agreement will be subject to the terms and conditions of the Plan.

(oo) "***Stock Award***" means any right to receive Common Stock granted under the Plan, including an Incentive Stock Option, a Nonstatutory Stock Option, a Restricted Stock Award, a Restricted Stock Unit Award, a Stock Appreciation Right or any Other Stock Award.

(pp) "***Stock Award Agreement***" means a written agreement between the Company and a Participant evidencing the terms and conditions of a Stock Award grant. Each Stock Award Agreement will be subject to the terms and conditions of the Plan.

(qq) "***Subsidiary***" means, with respect to the Company, (i) any corporation of which more than fifty percent (50%) of the outstanding capital stock having ordinary voting power to elect a majority of the board of directors of such corporation (irrespective of whether, at the time, stock of any other class or classes of such corporation will have or might have voting power by reason of the happening of any contingency) is at the time, directly or indirectly, Owned by the Company, and (ii) any partnership, limited liability company or other entity in which the Company has a direct or indirect interest (whether in the form of voting or participation in profits or capital contribution) of more than fifty percent (50%) .

(rr) "***Ten Percent Stockholder***" means a person who Owns (or is deemed to Own pursuant to Section 424(d) of the Code) stock possessing more than ten percent (10%) of the total combined voting power of all classes of stock of the Company or any Affiliate.

ALLBIRDS, INC.

STOCK OPTION GRANT NOTICE
(2015 EQUITY INCENTIVE PLAN)

ALLBIRDS, INC. (the "***Company***"), pursuant to its 2015 Equity Incentive Plan (the "***Plan***"), hereby grants to Optionholder an option to purchase the number of shares of the Company's Common Stock set forth below. This option is subject to all of the terms and conditions as set forth in this notice, in the Option Agreement, the Plan and the Notice of Exercise, all of which are attached hereto and incorporated herein in their entirety. Capitalized terms not explicitly defined herein but defined in the Plan or the Option Agreement will have the same definitions as in the Plan or the Option Agreement. If there is any conflict between the terms in this notice and the Plan, the terms of the Plan will control.

Optionholder:	_____
Date of Grant:	_____
Vesting Commencement Date:	_____
Number of Shares Subject to Option:	_____
Exercise Price (Per Share):	_____
Total Exercise Price:	_____
Expiration Date:	_____

Type of Grant: o Incentive Stock Option[1] o Nonstatutory Stock Option

Exercise Schedule: o Same as Vesting Schedule o Early Exercise Permitted

Vesting Schedule: _____
_____
_____

Payment: By one or a combination of the following items (described in the Option Agreement):

By cash, check, bank draft or money order payable to the Company
Pursuant to a Regulation T Program if the shares are publicly traded
By delivery of already-owned shares if the shares are publicly traded
By deferred payment
If and only to the extent this option is a Nonstatutory Stock Option, and subject to the Company's consent at the time of exercise, by a "net exercise" arrangement

[1] If this is an Incentive Stock Option, it (plus other outstanding Incentive Stock Options) cannot be first *exercisable* for more than $100,000 in value (measured by exercise price) in any calendar year. Any excess over $100,000 is a Nonstatutory Stock Option.

Additional Terms/Acknowledgements: Optionholder acknowledges receipt of, and understands and agrees to, this Stock Option Grant Notice, the Option Agreement and the Plan. Optionholder acknowledges and agrees that this Stock Option Grant Notice and the Option Agreement may not be modified, amended or revised except as provided in the Plan. Optionholder further acknowledges that as of the Date of Grant, this Stock Option Grant Notice, the Option Agreement, and the Plan set forth the entire understanding between Optionholder and the Company regarding this option award and supersede all prior oral and written agreements, promises and/or representations on that subject with the exception of (i) options previously granted and delivered to Optionholder, and (ii) the following agreements only. By accepting this option, you consent to receive such documents by electronic delivery and to participate in the Plan through an on-line or electronic system established and maintained by the Company or another third party designated by the Company.

OTHER AGREEMENTS: _____

_____

_____

ALLBIRDS, INC

By: _____
Signature

Title: _____

Date: _____

OPTIONHOLDER:

_____
Signature

Date: _____

ATTACHMENTS: Option Agreement, 2015 Equity Incentive Plan and Notice of Exercise

ATTACHMENT I

OPTION AGREEMENT

ALLBIRDS, INC.

2015 EQUITY INCENTIVE PLAN

OPTION AGREEMENT
(INCENTIVE STOCK OPTION OR NONSTATUTORY STOCK OPTION)

Pursuant to your Stock Option Grant Notice ("***Grant Notice***") and this Option Agreement, **Allbirds, Inc.** (the "***Company***") has granted you an option under its 2015 Equity Incentive Plan (the "***Plan***") to purchase the number of shares of the Company's Common Stock indicated in your Grant Notice at the exercise price indicated in your Grant Notice. The option is granted to you effective as of the date of grant set forth in the Grant Notice (the "***Date of Grant***"). If there is any conflict between the terms in this Option Agreement and the Plan, the terms of the Plan will control. Capitalized terms not explicitly defined in this Option Agreement or in the Grant Notice but defined in the Plan will have the same definitions as in the Plan.

The details of your option, in addition to those set forth in the Grant Notice and the Plan, are as follows:

1. VESTING. Your option will vest as provided in your Grant Notice. Vesting will cease upon the termination of your Continuous Service.

2. NUMBER OF SHARES AND EXERCISE PRICE The number of shares of Common Stock subject to your option and your exercise price per share in your Grant Notice will be adjusted for Capitalization Adjustments.

3. EXERCISE RESTRICTION FOR NON-EXEMPT EMPLOYEES. If you are an Employee eligible for overtime compensation under the Fair Labor Standards Act of 1938, as amended (that is, a "***Non-Exempt Employee***"), and except as otherwise provided in the Plan, you may not exercise your option until you have completed at least six (6) months of Continuous Service measured from the Date of Grant, even if you have already been an employee for more than six (6) months. Consistent with the provisions of the Worker Economic Opportunity Act, you may exercise your option as to any vested portion prior to such six (6) month anniversary in the case of (i) your death or disability, (ii) a Corporate Transaction in which your option is not assumed, continued or substituted, (iii) a Change in Control or (iv) your termination of Continuous Service on your "retirement" (as defined in the Company's benefit plans).

4. EXERCISE PRIOR TO VESTING ("EARLY EXERCISE"). If permitted in your Grant Notice (*i.e.*, the "Exercise Schedule" indicates "Early Exercise Permitted") and subject to the provisions of your option, you may elect at any time that is both (i) during the period of your Continuous Service and (ii) during the term of your option, to exercise all or part of your option, including the unvested portion of your option; *provided, however,* that:

a. a partial exercise of your option will be deemed to cover first vested shares of Common Stock and then the earliest vesting installment of unvested shares of Common Stock;

b. any shares of Common Stock so purchased from installments that have not vested as of the date of exercise will be subject to the purchase option in favor of the Company as described in the Company's form of Early Exercise Stock Purchase Agreement;

c. you will enter into the Company's form of Early Exercise Stock Purchase Agreement with a vesting schedule that will result in the same vesting as if no early exercise had occurred; and

d. if your option is an Incentive Stock Option, then, to the extent that the aggregate Fair Market Value (determined at the Date of Grant) of the shares of Common Stock with respect to which your option plus all other Incentive Stock Options you hold are exercisable for the first time by you during any calendar year (under all plans of the Company and its Affiliates) exceeds one hundred thousand dollars ($100,000), your option(s) or portions thereof that exceed such limit (according to the order in which they were granted) will be treated as Nonstatutory Stock Options.

5. METHOD OF PAYMENT. You must pay the full amount of the exercise price for the shares you wish to exercise. You may pay the exercise price in cash or by check, bank draft or money order payable to the Company or in any other manner ***permitted by your Grant Notice,*** which may include one or more of the following:

a. Provided that at the time of exercise the Common Stock is publicly traded, pursuant to a program developed under Regulation T as promulgated by the Federal Reserve Board that, prior to the issuance of Common Stock, results in either the receipt of cash (or check) by the Company or the receipt of irrevocable instructions to pay the aggregate exercise price to the Company from the sales proceeds. This manner of payment is also known as a "broker-assisted exercise", "same day sale", or "sell to cover".

b. Provided that at the time of exercise the Common Stock is publicly traded, by delivery to the Company (either by actual delivery or attestation) of already-owned shares of Common Stock that are owned free and clear of any liens, claims, encumbrances or security interests, and that are valued at Fair Market Value on the date of exercise. "Delivery" for these purposes, in the sole discretion of the Company at the time you exercise your option, will include delivery to the Company of your attestation of ownership of such shares of Common Stock in a form approved by the Company. You may not exercise your option by delivery to the Company of Common Stock if doing so would violate the provisions of any law, regulation or agreement restricting the redemption of the Company's stock.

c. If this option is a Nonstatutory Stock Option, subject to the consent of the Company at the time of exercise, by a "net exercise" arrangement pursuant to which the Company will reduce the number of shares of Common Stock issued upon exercise of your option by the largest whole number of shares with a Fair Market Value that does not exceed the aggregate exercise price. You must pay any remaining balance of the aggregate exercise price not satisfied by the "net exercise" in cash or other permitted form of payment. Shares of Common Stock will no longer be outstanding under your option and will not be exercisable thereafter if those shares (i) are used to pay the exercise price pursuant to the "net exercise," (ii) are delivered to you as a result of such exercise, and (iii) are withheld to satisfy your tax withholding obligations.

d. Pursuant to the following deferred payment alternative:

(i) Not less than one hundred percent (100%) of the aggregate exercise price, plus accrued interest, will be due four (4) years from date of exercise or, at the Company's election, upon termination of your Continuous Service.

(ii) Interest will be compounded at least annually and will be charged at the minimum rate of interest necessary to avoid (1) the treatment as interest, under any applicable provisions of the Code, of any amounts other than amounts stated to be interest under the deferred payment arrangement and (2) the classification of your option as a liability for financial accounting purposes.

(iii) In order to elect the deferred payment alternative, you must, as a part of your written notice of exercise, give notice of the election of this payment alternative and, in order to

secure the payment of the deferred exercise price to the Company hereunder, if the Company so requests, you must tender to the Company a promissory note and a pledge agreement covering the purchased shares of Common Stock, both in form and substance satisfactory to the Company, or such other or additional documentation as the Company may request.

6. WHOLE SHARES. You may exercise your option only for whole shares of Common Stock.

7. SECURITIES LAW COMPLIANCE. In no event may you exercise your option unless the shares of Common Stock issuable upon exercise are then registered under the Securities Act or, if not registered, the Company has determined that your exercise and the issuance of the shares would be exempt from the registration requirements of the Securities Act. The exercise of your option also must comply with all other applicable laws and regulations governing your option, and you may not exercise your option if the Company determines that such exercise would not be in material compliance with such laws and regulations (including any restrictions on exercise required for compliance with Treas. Reg. 1.401(k)-1(d)(3), if applicable).

8. TERM. You may not exercise your option before the Date of Grant or after the expiration of the option's term. The term of your option expires, subject to the provisions of Section 5(h) of the Plan, upon the earliest of the following:

a. immediately upon the termination of your Continuous Service for Cause;

b. three (3) months after the termination of your Continuous Service for any reason other than Cause, your Disability or your death (except as otherwise provided in Section 8(d) below); *provided, however,* that if during any part of such three (3) month period your option is not exercisable solely because of the condition set forth in the section above relating to "Securities Law Compliance," your option will not expire until the earlier of the Expiration Date or until it has been exercisable for an aggregate period of three (3) months after the termination of your Continuous Service; *provided further,* that if (i) you are a Non-Exempt Employee, (ii) your Continuous Service terminates within six (6) months after the Date of Grant, and (iii) you have vested in a portion of your option at the time of your termination of Continuous Service, your option will not expire until the earlier of (x) the later of (A) the date that is seven (7) months after the Date of Grant, and (B) the date that is three (3) months after the termination of your Continuous Service, and (y) the Expiration Date;

c. twelve (12) months after the termination of your Continuous Service due to your Disability (except as otherwise provided in Section 8(d)) below;

d. eighteen (18) months after your death if you die either during your Continuous Service or within three (3) months after your Continuous Service terminates for any reason other than Cause;

e. the Expiration Date indicated in your Grant Notice; or

f. the day before the tenth (10th) anniversary of the Date of Grant.

If your option is an Incentive Stock Option, note that to obtain the federal income tax advantages associated with an Incentive Stock Option, the Code requires that at all times beginning on the Date of Grant and ending on the day three (3) months before the date of your option's exercise, you must be an employee of the Company or an Affiliate, except in the event of your death or Disability. The Company has provided for extended exercisability of your option under certain circumstances for your benefit but cannot guarantee that your option will necessarily be treated as an Incentive Stock Option if you continue

to provide services to the Company or an Affiliate as a Consultant or Director after your employment terminates or if you otherwise exercise your option more than three (3) months after the date your employment with the Company or an Affiliate terminates.

9. EXERCISE.

a. You may exercise the vested portion of your option (and the unvested portion of your option if your Grant Notice so permits) during its term by (i) delivering a Notice of Exercise (in a form designated by the Company) or completing such other documents and/or procedures designated by the Company for exercise and (ii) paying the exercise price and any applicable withholding taxes to the Company's Secretary, stock plan administrator, or such other person as the Company may designate, together with such additional documents as the Company may then require.

b. By exercising your option you agree that, as a condition to any exercise of your option, the Company may require you to enter into an arrangement providing for the payment by you to the Company of any tax withholding obligation of the Company arising by reason of (i) the exercise of your option, (ii) the lapse of any substantial risk of forfeiture to which the shares of Common Stock are subject at the time of exercise, or (iii) the disposition of shares of Common Stock acquired upon such exercise.

c. If your option is an Incentive Stock Option, by exercising your option you agree that you will notify the Company in writing within fifteen (15) days after the date of any disposition of any of the shares of the Common Stock issued upon exercise of your option that occurs within two (2) years after the Date of Grant or within one (1) year after such shares of Common Stock are transferred upon exercise of your option.

d. By exercising your option you agree that you will not sell, dispose of, transfer, make any short sale of, grant any option for the purchase of, or enter into any hedging or similar transaction with the same economic effect as a sale with respect to any shares of Common Stock or other securities of the Company held by you, for a period of one hundred eighty (180) days following the effective date of a registration statement of the Company filed under the Securities Act or such longer period as the underwriters or the Company will request to facilitate compliance with FINRA Rule 2711 or NYSE Member Rule 472 or any successor or similar rules or regulation (the "***Lock-Up Period***"); *provided, however*, that nothing contained in this section will prevent the exercise of a repurchase option, if any, in favor of the Company during the Lock-Up Period. You further agree to execute and deliver such other agreements as may be reasonably requested by the Company or the underwriters that are consistent with the foregoing or that are necessary to give further effect thereto. In order to enforce the foregoing covenant, the Company may impose stop-transfer instructions with respect to your shares of Common Stock until the end of such period. You also agree that any transferee of any shares of Common Stock (or other securities) of the Company held by you will be bound by this Section 9(d). The underwriters of the Company's stock are intended third party beneficiaries of this Section 9(d) and will have the right, power and authority to enforce the provisions hereof as though they were a party hereto.

10. TRANSFERABILITY. Except as otherwise provided in this Section 10, your option is not transferable, except by will or by the laws of descent and distribution, and is exercisable during your life only by you.

a. Certain Trusts. Upon receiving written permission from the Board or its duly authorized designee, you may transfer your option to a trust if you are considered to be the sole beneficial owner (determined under Section 671 of the Code and applicable state law) while the option is held in the trust. You and the trustee must enter into transfer and other agreements required by the Company.

b. Domestic Relations Orders. Upon receiving written permission from the Board or its duly authorized designee, and provided that you and the designated transferee enter into transfer and other agreements required by the Company, you may transfer your option pursuant to the terms of a domestic relations order, official marital settlement agreement or other divorce or separation instrument as permitted by Treasury Regulation 1.421-1(b)(2) that contains the information required by the Company to effectuate the transfer. You are encouraged to discuss the proposed terms of any division of this option with the Company prior to finalizing the domestic relations order or marital settlement agreement to help ensure the required information is contained within the domestic relations order or marital settlement agreement. If this option is an Incentive Stock Option, this option may be deemed to be a Nonstatutory Stock Option as a result of such transfer.

c. Beneficiary Designation. Upon receiving written permission from the Board or its duly authorized designee, you may, by delivering written notice to the Company, in a form approved by the Company and any broker designated by the Company to handle option exercises, designate a third party who, on your death, will thereafter be entitled to exercise this option and receive the Common Stock or other consideration resulting from such exercise. In the absence of such a designation, your executor or administrator of your estate will be entitled to exercise this option and receive, on behalf of your estate, the Common Stock or other consideration resulting from such exercise.

11. RIGHT OF FIRST REFUSAL. Shares of Common Stock that you acquire upon exercise of your option are subject to any right of first refusal that may be described in the Company's bylaws in effect at such time the Company elects to exercise its right; *provided, however,* that if there is no right of first refusal described in the Company's bylaws at such time, the right of first refusal described below will apply. The Company's right of first refusal will expire on the first date upon which any security of the Company is listed (or approved for listing) upon notice of issuance on a national securities exchange or quotation system (the "***Listing Date***").

a. Prior to the Listing Date, you may not validly Transfer (as defined below) any shares of Common Stock acquired upon exercise of your option, or any interest in such shares, unless such Transfer is made in compliance with the following provisions:

(i) Before there can be a valid Transfer of any shares of Common Stock or any interest therein, the record holder of the shares of Common Stock to be transferred (the "***Offered Shares***") will give written notice (by registered or certified mail) to the Company. Such notice will specify the identity of the proposed transferee, the cash price offered for the Offered Shares by the proposed transferee (or, if the proposed Transfer is one in which the holder will not receive cash, such as an involuntary transfer, gift, donation or pledge, the holder will state that no purchase price is being proposed), and the other terms and conditions of the proposed Transfer. The date such notice is mailed will be hereinafter referred to as the "***Notice Date***" and the record holder of the Offered Shares will be hereinafter referred to as the "***Offeror***." If, from time to time, there is any stock dividend, stock split or other change in the character or amount of any of the outstanding Common Stock which is subject to the provisions of your option, then in such event any and all new, substituted or additional securities to which you are entitled by reason of your ownership of the shares of Common Stock acquired upon exercise of your option will be immediately subject to the Company's Right of First Refusal (as defined below) with the same force and effect as the shares subject to the Right of First Refusal immediately before such event.

(ii) For a period of thirty (30) calendar days after the Notice Date, or such longer period as may be required to avoid the classification of your option as a liability for financial accounting purposes, the Company will have the option to purchase all (but not less than all) of the

Offered Shares at the purchase price and on the terms set forth in Section 11(a)(iii) (the Company's "***Right of First Refusal***"). In the event that the proposed Transfer is one involving no payment of a purchase price, the purchase price will be deemed to be the Fair Market Value of the Offered Shares as determined in good faith by the Board in its discretion. The Company may exercise its Right of First Refusal by mailing (by registered or certified mail) written notice of exercise of its Right of First Refusal to the Offeror prior to the end of said thirty (30) days (including any extension required to avoid classification of the option as a liability for financial accounting purposes).

(iii) The price at which the Company may purchase the Offered Shares pursuant to the exercise of its Right of First Refusal will be the cash price offered for the Offered Shares by the proposed transferee (as set forth in the notice required under Section 11(a)(i)), or the Fair Market Value as determined by the Board in the event no purchase price is involved. To the extent consideration other than cash is offered by the proposed transferee, the Company will not be required to pay any additional amounts to the Offeror other than the cash price offered (or the Fair Market Value, if applicable). The Company's notice of exercise of its Right of First Refusal will be accompanied by full payment for the Offered Shares and, upon such payment by the Company, the Company will acquire full right, title and interest to all of the Offered Shares.

(iv) If, and only if, the option given pursuant to Section 11(a)(ii) is not exercised, the Transfer proposed in the notice given pursuant to Section 11(a)(i) may take place; *provided, however*, that such Transfer must, in all respects, be exactly as proposed in said notice except that such Transfer may not take place either before the tenth (10^{th}) calendar day after the expiration of the thirty (30) day option exercise period or after the ninetieth (90^{th}) calendar day after the expiration of the thirty (30) day option exercise period, and if such Transfer has not taken place prior to said ninetieth (90^{th}) day, such Transfer may not take place without once again complying with this Section 11(a). The option exercise periods in this Section 11(a)(iv) will be adjusted to include any extension required to avoid the classification of your option as a liability for financial accounting purposes.

b. As used in this Section 11, the term "***Transfer***" means any sale, encumbrance, pledge, gift or other form of disposition or transfer of shares of Common Stock or any legal or equitable interest therein; *provided, however*, that the term Transfer does not include a transfer of such shares or interests by will or intestacy to your Immediate Family (as defined below). In such case, the transferee or other recipient will receive and hold the shares of Common Stock so transferred subject to the provisions of this Section, and there will be no further transfer of such shares except in accordance with the terms of this Section 11. As used herein, the term "***Immediate Family***" will mean your spouse, the lineal descendant or antecedent, father, mother, brother or sister, child, adopted child, grandchild or adopted grandchild of you or your spouse, or the spouse of any child, adopted child, grandchild or adopted grandchild of you or your spouse.

c. None of the shares of Common Stock purchased on exercise of your option will be transferred on the Company's books nor will the Company recognize any such Transfer of any such shares or any interest therein unless and until all applicable provisions of this Section 11 have been complied with in all respects. The certificates of stock evidencing shares of Common Stock purchased on exercise of your option will bear an appropriate legend referring to the transfer restrictions imposed by this Section 11.

d. To ensure that the shares subject to the Company's Right of First Refusal will be available for repurchase by the Company, the Company may require you to deposit the certificates evidencing the shares that you purchase upon exercise of your option with an escrow agent designated by the Company under the terms and conditions of an escrow agreement approved by the Company. If the

Company does not require such deposit as a condition of exercise of your option, the Company reserves the right at any time to require you to so deposit the certificates in escrow. As soon as practicable after the expiration of the Company's Right of First Refusal, the agent will deliver to you the shares and any other property no longer subject to such restriction. In the event the shares and any other property held in escrow are subject to the Company's exercise of its Right of First Refusal, the notices required to be given to you will be given to the escrow agent, and any payment required to be given to you will be given to the escrow agent. Within thirty (30) days after payment by the Company for the Offered Shares, the escrow agent will deliver the Offered Shares that the Company has repurchased to the Company and will deliver the payment received from the Company to you.

12. RIGHT OF REPURCHASE. To the extent provided in the Company's bylaws in effect at such time the Company elects to exercise its right, the Company will have the right to repurchase all or any part of the shares of Common Stock you acquire pursuant to the exercise of your option.

13. OPTION NOT A SERVICE CONTRACT. Your option is not an employment or service contract, and nothing in your option will be deemed to create in any way whatsoever any obligation on your part to continue in the employ of the Company or an Affiliate, or of the Company or an Affiliate to continue your employment. In addition, nothing in your option will obligate the Company or an Affiliate, their respective stockholders, boards of directors, officers or employees to continue any relationship that you might have as a Director or Consultant for the Company or an Affiliate.

14. WITHHOLDING OBLIGATIONS.

a. At the time you exercise your option, in whole or in part, and at any time thereafter as requested by the Company, you hereby authorize withholding from payroll and any other amounts payable to you, and otherwise agree to make adequate provision for (including by means of a "same day sale" pursuant to a program developed under Regulation T as promulgated by the Federal Reserve Board to the extent permitted by the Company), any sums required to satisfy the federal, state, local and foreign tax withholding obligations of the Company or an Affiliate, if any, which arise in connection with the exercise of your option.

b. If this option is a Nonstatutory Stock Option, then upon your request and subject to approval by the Company, and compliance with any applicable legal conditions or restrictions, the Company may withhold from fully vested shares of Common Stock otherwise issuable to you upon the exercise of your option a number of whole shares of Common Stock having a Fair Market Value, determined by the Company as of the date of exercise, not in excess of the minimum amount of tax required to be withheld by law (or such lower amount as may be necessary to avoid classification of your option as a liability for financial accounting purposes). If the date of determination of any tax withholding obligation is deferred to a date later than the date of exercise of your option, share withholding pursuant to the preceding sentence shall not be permitted unless you make a proper and timely election under Section 83(b) of the Code, covering the aggregate number of shares of Common Stock acquired upon such exercise with respect to which such determination is otherwise deferred, to accelerate the determination of such tax withholding obligation to the date of exercise of your option. Notwithstanding the filing of such election, shares of Common Stock shall be withheld solely from fully vested shares of Common Stock determined as of the date of exercise of your option that are otherwise issuable to you upon such exercise. Any adverse consequences to you arising in connection with such share withholding procedure shall be your sole responsibility.

c. You may not exercise your option unless the tax withholding obligations of the Company and/or any Affiliate are satisfied. Accordingly, you may not be able to exercise your option when desired even though your option is vested, and the Company will have no obligation to issue a

certificate for such shares of Common Stock or release such shares of Common Stock from any escrow provided for herein, if applicable, unless such obligations are satisfied.

15. TAX CONSEQUENCES. You hereby agree that the Company does not have a duty to design or administer the Plan or its other compensation programs in a manner that minimizes your tax liabilities. You will not make any claim against the Company, or any of its Officers, Directors, Employees or Affiliates related to tax liabilities arising from your option or your other compensation. In particular, you acknowledge that this option is exempt from Section 409A of the Code only if the exercise price per share specified in the Grant Notice is at least equal to the "fair market value" per share of the Common Stock on the Date of Grant and there is no other impermissible deferral of compensation associated with the option. Because the Common Stock is not traded on an established securities market, the Fair Market Value is determined by the Board, perhaps in consultation with an independent valuation firm retained by the Company. You acknowledge that there is no guarantee that the Internal Revenue Service will agree with the valuation as determined by the Board, and you will not make any claim against the Company, or any of its Officers, Directors, Employees or Affiliates in the event that the Internal Revenue Service asserts that the valuation determined by the Board is less than the "fair market value" as subsequently determined by the Internal Revenue Service.

16. NOTICE. Any notices provided for in your option or the Plan will be given in writing (including electronically) and will be deemed effectively given upon receipt or, in the case of notices delivered by mail by the Company to you, five (5) days after deposit in the United States mail, postage prepaid, addressed to you at the last address you provided to the Company. The Company may, in its sole discretion, decide to deliver any documents related to participation in the Plan and this option by electronic means or to request your consent to participate in the Plan by electronic means. By accepting this option, you consent to receive such documents by electronic delivery and to participate in the Plan through an on-line or electronic system established and maintained by the Company or another third party designated by the Company.

17. GOVERNING PLAN DOCUMENT. Your option is subject to all the provisions of the Plan, the provisions of which are hereby made a part of your option, and is further subject to all interpretations, amendments, rules and regulations, which may from time to time be promulgated and adopted pursuant to the Plan. If there is any conflict between the provisions of your option and those of the Plan, the provisions of the Plan will control.

ATTACHMENT II

2015 EQUITY INCENTIVE PLAN

[*See attached.*]

ATTACHMENT III

NOTICE OF EXERCISE

ALLBIRDS, INC.
NOTICE OF EXERCISE

Allbirds, Inc.

_____

_____ Date of Exercise: _____

This constitutes notice to **ALLBIRDS, INC.** (the "***Company***") under my stock option that I elect to purchase the below number of shares of Common Stock of the Company (the "***Shares***") for the price set forth below.

Type of option (check one):	Incentive ☐	Nonstatutory ☐
Stock option dated:	_____	_____
Number of Shares as to which option is exercised:	_____	_____
Certificates to be issued in name of:	_____	_____
Total exercise price:	$_____	$_____
Cash payment delivered herewith:	$_____	$_____

By this exercise, I agree (i) to provide such additional documents as you may require pursuant to the terms of the 2015 Equity Incentive Plan, (ii) to provide for the payment by me to you (in the manner designated by you) of your withholding obligation, if any, relating to the exercise of this option, and (iii) if this exercise relates to an incentive stock option, to notify you in writing within fifteen (15) days after the date of any disposition of any of the Shares issued upon exercise of this option that occurs within two (2) years after the date of grant of this option or within one (1) year after such Shares are issued upon exercise of this option.

I further agree that, if required by the Company (or a representative of the underwriters) in connection with the first underwritten registration of the offering of any securities of the Company under the Securities Act, I will not sell, dispose of, transfer, make any short sale of, grant any option for the purchase of, or enter into any hedging or similar transaction with the same economic effect as a sale with respect to any shares of Common Stock or other securities of the Company for a period of one hundred eighty (180) days following the effective date of a registration statement of the Company filed under the Securities Act (or such longer period as the underwriters or the Company shall request to facilitate compliance with FINRA Rule 2711 or NYSE Member Rule 472 or any successor or similar rule or regulation) (the "***Lock-Up Period***"). I further agree to execute and deliver such other agreements as may be reasonably requested by the Company or the underwriters that are consistent with the foregoing or that are necessary to give further effect thereto. In order to enforce the foregoing covenant, the Company may impose stop-transfer instructions with respect to securities subject to the foregoing restrictions until the end of such period.

Very truly yours,

_____
(Signature)

_____
Name (Please Print)

Address of Record: _____
_____
_____

ALLBIRDS, INC.

EARLY EXERCISE STOCK PURCHASE AGREEMENT
UNDER THE 2015 EQUITY INCENTIVE PLAN

THIS AGREEMENT is made by and between **ALLBIRDS, INC.**, a Delaware corporation (the "***Company***"), and the individual designated on the signature page hereto as a Purchaser ("***Purchaser***").

RECITALS:

A. Purchaser holds a stock option dated _____ to purchase shares of common stock ("***Common Stock***") of the Company (the "***Option***") pursuant to the Company's 2015 Equity Incentive Plan (the "***Plan***").

B. The Option consists of a Stock Option Grant Notice and a Stock Option Agreement.

C. Purchaser desires to exercise the Option on the terms and conditions contained herein.

D. Purchaser wishes to take advantage of the early exercise provision of Purchaser's Option and therefore to enter into this Agreement.

The parties agree as follows:

1. INCORPORATION OF PLAN AND OPTION BY REFERENCE. This Agreement is subject to all of the terms and conditions as set forth in the Plan and the Option. If there is a conflict between the terms of this Agreement and/or the Option and the terms of the Plan, the terms of the Plan shall control. If there is a conflict between the terms of this Agreement and the terms of the Option, the terms of the Option shall control. Defined terms not explicitly defined in this Agreement but defined in the Plan shall have the same definitions as in the Plan. Defined terms not explicitly defined in this Agreement or the Plan but defined in the Option shall have the same definitions as in the Option.

2. PURCHASE AND SALE OF COMMON STOCK.

a. Agreement to purchase and sell Common Stock. Purchaser hereby agrees to purchase from the Company, and the Company hereby agrees to sell to Purchaser, shares of the Common Stock of the Company in accordance with the Notice of Exercise duly executed by Purchaser and attached hereto as Exhibit A.

b. Closing. The closing hereunder, including payment for and delivery of the Common Stock, shall occur at the offices of the Company immediately following the execution of this Agreement, or at such other time and place as the parties may mutually agree; *provided, however,* that if stockholder approval of the Plan is required before the Option may be exercised, then the Option may not be exercised, and the closing shall be delayed, until such stockholder approval is obtained. If such stockholder approval is not obtained within the time limit specified in the Plan, then this Agreement shall be null and void.

3. UNVESTED SHARE REPURCHASE OPTION.

a. Repurchase Option. In the event Purchaser's Continuous Service terminates, then the Company shall have an irrevocable option (the "***Repurchase Option***") for a period of six months after said termination (or in the case of shares issued upon exercise of the Option after such date of termination, within six months after the date of the exercise), or such longer period as may be agreed to by the Company and Purchaser (the "***Repurchase Period***"), to repurchase from Purchaser or Purchaser's

personal representative, as the case may be, those shares that Purchaser received pursuant to the exercise of the Option that have not as yet vested as of such termination date in accordance with the Vesting Schedule indicated on Purchaser's Stock Option Grant Notice (the "***Unvested Shares***").

b. Share Repurchase Price. The Company may repurchase all or any of the Unvested Shares at the lower of (i) the Fair Market Value of the such shares (as determined under the Plan) on the date of repurchase, or (ii) the price equal to Purchaser's Exercise Price for such shares as indicated on Purchaser's Stock Option Grant Notice.

4. EXERCISE OF REPURCHASE OPTION. The Repurchase Option shall be exercised by written notice signed by such person as designated by the Company, and delivered or mailed as provided herein. Such notice shall identify the number of shares of Common Stock to be purchased and shall notify Purchaser of the time, place and date for settlement of such purchase, which shall be scheduled by the Company within the term of the Repurchase Option set forth above. In addition, the Company shall be deemed to have exercised the Repurchase Option as of the last day of the Repurchase Period, unless an officer of the Company notifies the holder of the Unvested Shares during the Repurchase Period in writing (delivered or mailed as provided herein) that the Company expressly declines to exercise its Repurchase Option for some or all of the Unvested Shares. The Company shall be entitled to pay for any shares of Common Stock purchased pursuant to its Repurchase Option at the Company's option in cash or by offset against any indebtedness owing to the Company by Purchaser (including without limitation any Promissory Note given in payment for the Common Stock), or by a combination of both. Upon exercise of the Repurchase Option and payment of the purchase price in any of the ways described above, the Company shall become the legal and beneficial owner of the Common Stock being repurchased and all rights and interest therein or related thereto, and the Company shall have the right to transfer to its own name the Common Stock being repurchased by the Company, without further action by Purchaser.

5. CAPITALIZATION ADJUSTMENTS TO COMMON STOCK. In the event of a Capitalization Adjustment, then any and all new, substituted or additional securities or other property to which Purchaser is entitled by reason of Purchaser's ownership of Common Stock shall be immediately subject to the Repurchase Option and be included in the word "Common Stock" for all purposes of the Repurchase Option with the same force and effect as the shares of the Common Stock presently subject to the Repurchase Option, but only to the extent the Common Stock is, at the time, covered by such Repurchase Option. While the total Option Price shall remain the same after each such event, the Option Price per share of Common Stock upon exercise of the Repurchase Option shall be appropriately adjusted.

6. CORPORATE TRANSACTIONS. In the event of a Corporate Transaction, then the Repurchase Option may be assigned by the Company to the successor of the Company (or such successor's parent company), if any, in connection with such Corporate Transaction. To the extent the Repurchase Option remains in effect following such Corporate Transaction, it shall apply to the new capital stock or other property received in exchange for the Common Stock in consummation of the Corporate Transaction, but only to the extent the Common Stock was at the time covered by such right. Appropriate adjustments shall be made to the price per share payable upon exercise of the Repurchase Option to reflect the Corporate Transaction upon the Company's capital structure; *provided, however,* that the aggregate price payable upon exercise of the Repurchase Option shall remain the same.

7. ESCROW OF UNVESTED COMMON STOCK. As security for Purchaser's faithful performance of the terms of this Agreement and to insure the availability for delivery of Purchaser's Common Stock upon exercise of the Repurchase Option herein provided for, Purchaser agrees, at the closing hereunder, to deliver to and deposit with the Secretary of the Company or the Secretary's

designee ("***Escrow Agent***"), as Escrow Agent in this transaction, three stock assignments duly endorsed (with date and number of shares blank) in the form attached hereto as Exhibit B, together with a certificate or certificates evidencing all of the Common Stock subject to the Repurchase Option; said documents are to be held by the Escrow Agent and delivered by said Escrow Agent pursuant to the Joint Escrow Instructions of the Company and Purchaser set forth in Exhibit C, attached hereto and incorporated by this reference, which instructions also shall be delivered to the Escrow Agent at the closing hereunder.

8. RIGHTS OF PURCHASER. Subject to the provisions of the Option, Purchaser shall exercise all rights and privileges of a stockholder of the Company with respect to the shares deposited in escrow. Purchaser shall be deemed to be the holder of the shares for purposes of receiving any dividends that may be paid with respect to such shares and for purposes of exercising any voting rights relating to such shares, even if some or all of such shares have not yet vested and been released from the Company's Repurchase Option.

9. LIMITATIONS ON TRANSFER. In addition to any other limitation on transfer created by applicable securities laws, Purchaser shall not sell, assign, hypothecate, donate, encumber or otherwise dispose of any interest in the Common Stock while the Common Stock is subject to the Repurchase Option. After any Common Stock has been released from the Repurchase Option, Purchaser shall not sell, assign, hypothecate, donate, encumber or otherwise dispose of any interest in the Common Stock except in compliance with the provisions herein and applicable securities laws. Furthermore, the Common Stock shall be subject to any right of first refusal in favor of the Company or its assignees or other transfer restrictions that may be contained in the Company's Bylaws.

10. RESTRICTIVE LEGENDS. All certificates representing the Common Stock shall have endorsed thereon legends in substantially the following forms (in addition to any other legend which may be required by other agreements between the parties hereto):

a. "THE SHARES REPRESENTED BY THIS CERTIFICATE ARE SUBJECT TO AN OPTION SET FORTH IN AN AGREEMENT BETWEEN THE COMPANY AND THE REGISTERED HOLDER, OR SUCH HOLDER'S PREDECESSOR IN INTEREST, A COPY OF WHICH IS ON FILE AT THE PRINCIPAL OFFICE OF THIS COMPANY. ANY TRANSFER OR ATTEMPTED TRANSFER OF ANY SHARES SUBJECT TO SUCH OPTION IS VOID WITHOUT THE PRIOR EXPRESS WRITTEN CONSENT OF THE COMPANY."

b. "THE SHARES REPRESENTED BY THIS CERTIFICATE HAVE NOT BEEN REGISTERED UNDER THE SECURITIES ACT OF 1933 AS AMENDED. THEY MAY NOT BE SOLD, OFFERED FOR SALE, PLEDGED OR HYPOTHECATED IN THE ABSENCE OF AN EFFECTIVE REGISTRATION STATEMENT AS TO THE SECURITIES UNDER SAID ACT OR AN OPINION OF COUNSEL SATISFACTORY TO THE COMPANY THAT SUCH REGISTRATION IS NOT REQUIRED."

c. "THE SHARES REPRESENTED BY THIS CERTIFICATE ARE SUBJECT TO A RIGHT OF FIRST REFUSAL OPTION IN FAVOR OF THE COMPANY AND/OR ITS ASSIGNEE(S) AS PROVIDED IN THE BYLAWS OF THE COMPANY AND IN AN AGREEMENT WITH THE COMPANY."

d. "THE SHARES REPRESENTED BY THIS CERTIFICATE WERE ISSUED PURSUANT TO THE EXERCISE OF [AN INCENTIVE STOCK OPTION/ A NONSTATUTORY STOCK OPTION]."

e. "THE SHARES REPRESENTED BY THIS CERTIFICATE ARE SUBJECT TO A TRANSFER RESTRICTION, AS PROVIDED IN THE BYLAWS OF THE COMPANY."

f. Any legend required by appropriate blue sky officials.

11. INVESTMENT REPRESENTATIONS. In connection with the purchase of the Common Stock, Purchaser represents to the Company the following:

a. Purchaser 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 Common Stock. Purchaser is acquiring the Common Stock for investment for Purchaser'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.

b. Purchaser understands that the Common Stock has not been registered under the Securities Act by reason of a specific exemption therefrom, which exemption depends upon, among other things, the bona fide nature of Purchaser's investment intent as expressed herein.

c. Purchaser further acknowledges and understands that the Common Stock must be held indefinitely unless the Common Stock is subsequently registered under the Securities Act or an exemption from such registration is available. Purchaser further acknowledges and understands that the Company is under no obligation to register the Common Stock. Purchaser understands that the certificate evidencing the Common Stock will be imprinted with a legend that prohibits the transfer of the Common Stock unless the Common Stock is registered or such registration is not required in the opinion of counsel for the Company.

d. Purchaser is familiar with the provisions of Rules 144 and 701, under the Securities Act, as in effect from time to time, which, in substance, permit limited public resale of "restricted securities" acquired, directly or indirectly, from the issuer thereof (or from an affiliate of such issuer), in a non-public offering subject to the satisfaction of certain conditions. Rule 701 provides that if the issuer qualifies under Rule 701 at the time of issuance of the securities, such issuance will be exempt from registration under the Securities Act. In the event the Company becomes subject to the reporting requirements of Section 13 or 15(d) of the Securities Exchange Act of 1934, the securities exempt under Rule 701 may be sold by Purchaser 90 days thereafter, subject to the satisfaction of certain of the conditions specified by Rule 144 and the market stand-off provision described in Purchaser's Stock Option Agreement.

e. In the event that the sale of the Common Stock does not qualify under Rule 701 at the time of purchase, then the Common Stock may be resold by Purchaser in certain limited circumstances subject to the provisions of Rule 144, which requires, among other things: (i) the availability of certain public information about the Company, and (ii) the resale occurring following the required holding period under Rule 144 after Purchaser has purchased, and made full payment of (within the meaning of Rule 144), the securities to be sold.

f. Purchaser further understands that at the time Purchaser wishes to sell the Common Stock there may be no public market upon which to make such a sale, and that, even if such a public market then exists, the Company may not be satisfying the current public current information requirements of Rule 144 or 701, and that, in such event, Purchaser would be precluded from selling the Common Stock under Rule 144 or 701 even if the minimum holding period requirement had been satisfied.

g. Purchaser further warrants and represents that Purchaser has either (i) preexisting personal or business relationships, with the Company or any of its officers, directors or controlling persons, or (ii) the capacity to protect his own interests in connection with the purchase of the Common Stock by virtue of the business or financial expertise of Purchaser or of professional advisors to Purchaser who are unaffiliated with and who are not compensated by the Company or any of its affiliates, directly or indirectly. Purchaser further warrants and represents that Purchaser's purchase the Common Stock was not accomplished by the publication of any advertisement.

12. SECTION 83(b) ELECTION. Purchaser understands that Section 83(a) of the Code taxes as ordinary income the difference between the amount paid for the Common Stock and the fair market value of the Common Stock as of the date any restrictions on the Common Stock lapse. In this context, "restriction" includes the right of the Company to buy back the Common Stock pursuant to the Repurchase Option set forth above. Purchaser understands that Purchaser may elect to be taxed at the time the Common Stock is purchased, rather than when and as the Repurchase Option expires, by filing an election under Section 83(b) (an "***83(b) Election***") of the Code with the Internal Revenue Service within 30 days of the date of purchase, a copy of which is included as Exhibit D. Even if the fair market value of the Common Stock at the time of the execution of this Agreement equals the amount paid for the Common Stock, the 83(b) Election must be made to avoid income under Section 83(a) in the future. Purchaser understands that failure to file such an 83(b) Election in a timely manner may result in adverse tax consequences for Purchaser. Purchaser further understands that Purchaser must file an additional copy of such 83(b) Election with his or her federal income tax return for the calendar year in which the date of this Agreement falls. Purchaser acknowledges that the foregoing is only a summary of the effect of United States federal income taxation with respect to purchase of the Common Stock hereunder, and does not purport to be complete. Purchaser further acknowledges that the Company has directed Purchaser to seek independent advice regarding the applicable provisions of the Code, the income tax laws of any municipality, state or foreign country in which Purchaser may reside, and the tax consequences of Purchaser's death. Purchaser assumes all responsibility for filing an 83(b) Election and paying all taxes resulting from such election or the lapse of the restrictions on the Common Stock.

13. REFUSAL TO TRANSFER. The Company shall not be required (a) to transfer on its books any shares of Common Stock of the Company which shall have been transferred in violation of any of the provisions set forth in this Agreement, or (b) to treat as owner of such shares or to accord the right to vote as such owner or to pay dividends to any transferee to whom such shares shall have been so transferred.

14. NO EMPLOYMENT RIGHTS. This Agreement is not an employment contract and nothing in this Agreement shall affect in any manner whatsoever the right or power of the Company or its Affiliates to terminate Purchaser's employment for any reason at any time, with or without cause and with or without notice.

15. MISCELLANEOUS.

a. Notices. All notices required or permitted hereunder shall be in writing and shall be deemed effectively given: (i) upon personal delivery to the party to be notified, (ii) when sent by confirmed facsimile if sent during normal business hours of the recipient, and if not during normal business hours of the recipient, then on the next business day, (iii) five calendar days after having been sent by registered or certified mail, return receipt requested, postage prepaid, or (iv) one business day after deposit with a nationally recognized overnight courier, specifying next day delivery, with written verification of receipt. All communications shall be sent to the other party hereto at such party's address hereinafter set forth on the signature page hereof, or at such other address as such party may designate by 10 days advance written notice to the other party hereto.

b. Successors and Assigns. This Agreement shall inure to the benefit of the successors and assigns of the Company and, subject to the restrictions on transfer herein set forth, be binding upon Purchaser, Purchaser's successors, and assigns. The Company may assign the Repurchase Option hereunder at any time or from time to time, in whole or in part.

c. Attorneys' Fees; Specific Performance. Purchaser shall reimburse the Company for all costs incurred by the Company in enforcing the performance of, or protecting its rights under, any part of this Agreement, including reasonable costs of investigation and attorneys' fees. It is the intention of the parties that the Company, upon exercise of the Repurchase Option and payment for the shares repurchased, pursuant to the terms of this Agreement, shall be entitled to receive the Common Stock, *in specie*, in order to have such Common Stock available for future issuance without dilution of the holdings of other stockholders. Furthermore, it is expressly agreed between the parties that money damages are inadequate to compensate the Company for the Common Stock and that the Company shall, upon proper exercise of the Repurchase Option, be entitled to specific enforcement of its rights to purchase and receive said Common Stock.

d. Governing Law; Venue. This Agreement shall be governed by and construed in accordance with the laws of the State of Delaware. The parties agree that any action brought by either party to interpret or enforce any provision of this Agreement shall be brought in, and each party agrees to, and does hereby, submit to the jurisdiction and venue of, the appropriate state or federal court for the district encompassing the Company's principal place of business.

e. Further Execution. The parties agree to take all such further action(s) as may reasonably be necessary to carry out and consummate this Agreement as soon as practicable, and to take whatever steps may be necessary to obtain any governmental approval in connection with or otherwise qualify the issuance of the securities that are the subject of this Agreement.

f. Independent Counsel. Purchaser acknowledges that this Agreement has been prepared on behalf of the Company by Cooley LLP, counsel to the Company and that Cooley LLP does not represent, and is not acting on behalf of, Purchaser. Purchaser has been provided with an opportunity to consult with Purchaser's own counsel with respect to this Agreement.

g. Entire Agreement; Amendment. This Agreement constitutes the entire agreement between the parties with respect to the subject matter hereof and supersedes and merges all prior agreements or understandings, whether written or oral. This Agreement may not be amended, modified or revoked, in whole or in part, except by an agreement in writing signed by each of the parties hereto.

h. 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.

i. Counterparts. This Agreement may be executed in two or more counterparts, each of which shall be deemed an original, but all of which together shall constitute one and the same instrument. Counterparts may be delivered via facsimile, electronic mail (including pdf or any electronic signature complying with the U.S. federal ESIGN Act of 2000, Uniform Electronic Transactions Act or other applicable law) or other transmission method and any counterpart so delivered shall be deemed to have been duly and validly delivered and be valid and effective for all purposes.

The parties hereto have executed this Agreement as of _____.

COMPANY:

ALLBIRDS, INC.

By: _____

Name: _____

Title: _____

Email: _____

PURCHASER:

_____

(Signature)

_____

Name (Please Print)

_____

Email

ATTACHMENTS:

Exhibit A Notice of Exercise
Exhibit B Assignment Separate from Certificate
Exhibit C Joint Escrow Instructions
Exhibit D Form of 83(b) Election

[SIGNATURE PAGE TO EARLY EXERCISE STOCK PURCHASE AGREEMENT]

EXHIBIT A

NOTICE OF EXERCISE

NOTICE OF EXERCISE

Allbirds, Inc.

_____

_____

Date of Exercise: _____

This constitutes notice to **ALLBIRDS, INC.** (the "***Company***") under my stock option that I elect to purchase the below number of shares of Common Stock of the Company (the "***Shares***") for the price set forth below.

Type of option (check one):	Incentive ☐	Nonstatutory ☐
Stock option dated:	_____	_____
Number of Shares as to which option is exercised:	_____	_____
Certificates to be issued in name of:	_____	_____
Total exercise price:	$ _____	$ _____
Cash payment delivered herewith:	$ _____	$ _____
Regulation T Program (cashless exercise)[2]	$ _____	$ _____
Value of _____ Shares delivered herewith:[3]	$ _____	$ _____

By this exercise, I agree (i) to provide such additional documents as you may require pursuant to the terms of the 2015 Equity Incentive Plan, (ii) to provide for the payment by me to you (in the manner designated by you) of your withholding obligation, if any, relating to the exercise of this option, and (iii) if this exercise relates to an incentive stock option, to notify you in writing within fifteen (15) days after the date of any disposition of any of the Shares issued upon exercise of this option that occurs within two (2) years after the date of grant of this option or within one (1) year after such Shares are issued upon exercise of this option.

I further acknowledge and agree that, except for such information as required to be delivered to me by the Company pursuant to the option or the Plan (if any), I will have no right to receive any information from the Company by virtue of the grant of the option or the purchase of shares of Common Stock through exercise of the option, ownership of such shares of Common Stock, or as a result of my being a holder of record of stock of the Company. Without limiting the foregoing, to the fullest extent permitted by law, I

[2] Shares must meet the public trading requirements set forth in the option agreement.

[3] Shares must meet the public trading requirements set forth in the option. Shares must be valued in accordance with the terms of the option being exercised, and must be owned free and clear of any liens, claims, encumbrances or security interests. Certificates must be endorsed or accompanied by an executed assignment separate from certificate.

hereby waive all inspection rights under Section 220 of the Delaware General Corporation Law and all such similar information and/or inspection rights that may be provided under the law of any jurisdiction, or any federal, state or foreign regulation, that are, or may become, applicable to the Company or the Company's capital stock (the "***Inspection Rights***"). I hereby covenant and agree 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.

I further agree that, if required by the Company (or a representative of the underwriters) in connection with the first underwritten registration of the offering of any securities of the Company under the Securities Act, I will not sell, dispose of, transfer, make any short sale of, grant any option for the purchase of, or enter into any hedging or similar transaction with the same economic effect as a sale with respect to any shares of Common Stock or other securities of the Company for a period of one hundred eighty (180) days following the effective date of a registration statement of the Company filed under the Securities Act (or such longer period as the underwriters or the Company shall request to facilitate compliance with FINRA Rule 2711 or NYSE Member Rule 472 or any successor or similar rule or regulation) (the "***Lock-Up Period***"). I further agree to execute and deliver such other agreements as may be reasonably requested by the Company or the underwriters that are consistent with the foregoing or that are necessary to give further effect thereto. In order to enforce the foregoing covenant, the Company may impose stop-transfer instructions with respect to securities subject to the foregoing restrictions until the end of such period.

Very truly yours,

_____

(Signature)

_____

Name (Please Print)

Address of Record: _____

_____

_____

EXHIBIT B

STOCK ASSIGNMENT SEPARATE FROM CERTIFICATE

FOR VALUE RECEIVED the undersigned hereby sells, assigns and transfers unto **ALLBIRDS, INC.**, a Delaware corporation (the "***Company***"), pursuant to the Repurchase Option under that certain Early Exercise Stock Purchase Agreement, dated [_____], by and between the undersigned and the Company (the "***Agreement***") _____ shares of Common Stock of the Company standing in the undersigned's name on the books of the Company represented by Certificate No[s] _____ and does hereby irrevocably constitute and appoint both the Company's Secretary and the Company's attorney, or either of them, to transfer said stock on the books of the Company with full power of substitution in the premises. This Assignment may be used only in accordance with and subject to the terms and conditions of the Agreement, in connection with the repurchase of shares of Common Stock issued to the undersigned pursuant to the Agreement, and only to the extent that such shares remain subject to the Company's Repurchase Option under the Agreement.

Dated: _____
(leave blank)

_____
(Signature)

_____
Name (Please Print)

INSTRUCTION: ***Please do not fill in any blanks other than the signature line. Do not fill in the date line***. The purpose of this Assignment is to enable the Company to exercise its Repurchase Option set forth in the Agreement without requiring additional signatures on the part of Purchaser.

EXHIBIT C

JOINT ESCROW INSTRUCTIONS

JOINT ESCROW INSTRUCTIONS

_____, 20__

Secretary
Allbirds, Inc.
_____
_____

Ladies and Gentlemen:

As Escrow Agent for both **Allbirds, Inc.**, a Delaware corporation ("***Company***") and the purchaser listed on the signature page hereto ("***Purchaser***"), you are hereby authorized and directed to hold the documents delivered to you pursuant to the terms of that certain Early Exercise Stock Purchase Agreement dated as of _____ ("***Agreement***"), to which a copy of these Joint Escrow Instructions is attached as an Exhibit, in accordance with the following instructions:

1. In the event Company or an assignee shall elect to exercise the Repurchase Option set forth in the Agreement, the Company or its assignee will give to Purchaser and you a written notice specifying the number of shares of stock to be acquired and the time for a closing thereunder at the principal office of the Company. Purchaser and the Company hereby irrevocably authorize and direct you to close the transaction contemplated by such notice in accordance with the terms of said notice.

2. At the closing, you are directed (a) to date the stock assignments necessary for the transfer in question, (b) to fill in the number of shares being transferred, and (c) to deliver the same, together with the certificate evidencing the shares of stock to be transferred, to the Company.

3. Purchaser irrevocably authorizes the Company to deposit with you any certificates evidencing shares of stock to be held by you hereunder and any additions and substitutions to said shares as specified in the Agreement. Purchaser does hereby irrevocably constitute and appoint you as his attorney-in-fact and agent for the term of this escrow to execute with respect to such securities all documents necessary or appropriate to make such securities negotiable and complete any transaction herein contemplated, including but not limited to any appropriate filing with state or government officials or bank officials. Subject to the provisions of this paragraph 3, Purchaser shall exercise all rights and privileges of a stockholder of the Company while the stock is held by you.

4. This escrow shall terminate and the shares of stock held hereunder shall be released in full upon the exercise or expiration in full of the Repurchase Option, whichever occurs first.

5. If at the time of termination of this escrow under Section 4 herein you should have in your possession any documents, securities, or other property belonging to Purchaser, you shall deliver all of the same to Purchaser and shall be discharged of all further obligations hereunder; provided, however, that if at the time of termination of this escrow you are advised by the Company that any property subject to this escrow is the subject of a pledge or other security agreement, you shall deliver all such property to the pledgeholder or other person designated by the Company.

6. Except as otherwise provided in these Joint Escrow Instructions, your duties hereunder may be altered, amended, modified or revoked only by a writing signed by all of the parties hereto.

7. You shall be obligated only for the performance of such duties as are specifically set forth herein and may rely and shall be protected in relying or refraining from acting on any instrument reasonably believed by you to be genuine and to have been signed or presented by the proper party or

parties. You shall not be personally liable for any act you may do or omit to do hereunder as Escrow Agent or as attorney-in-fact for Purchaser while acting in good faith and in the exercise of your own good judgment, and any act done or omitted by you pursuant to the advice of your own attorneys shall be conclusive evidence of such good faith.

8. You are hereby expressly authorized to disregard any and all warnings given by any of the parties hereto or by any other person or entity, excepting only orders or process of courts of law, and are hereby expressly authorized to comply with and obey orders, judgments or decrees of any court. In case you obey or comply with any such order, judgment or decree of any court, you shall not be liable to any of the parties hereto or to any other person, firm or corporation by reason of such compliance, notwithstanding any such order, judgment or decree being subsequently reversed, modified, annulled, set aside, vacated or found to have been entered without jurisdiction.

9. You shall not be liable in any respect on account of the identity, authorities or rights of the parties executing or delivering or purporting to execute or deliver these Joint Escrow Instructions documents or papers deposited or called for hereunder.

10. You shall not be liable for the outlawing of any rights under any statute of limitations with respect to these Joint Escrow Instructions or any documents deposited with you.

11. Your responsibilities as Escrow Agent hereunder shall terminate if you shall cease to be Secretary of the Company or if you shall resign by written notice to the Company. In the event of any such termination, the Secretary of the Company shall automatically become the successor Escrow Agent unless the Company shall appoint another successor Escrow Agent, and Purchaser hereby confirms the appointment of such successor as Purchaser's attorney-in-fact and agent to the full extent of your appointment.

12. If you reasonably require other or further instruments in connection with these Joint Escrow Instructions or obligations in respect hereto, the necessary parties hereto shall join in furnishing such instruments.

13. It is understood and agreed that should any dispute arise with respect to the delivery and/or ownership or right of possession of the securities held by you hereunder, you are authorized and directed to retain in your possession without liability to anyone all or any part of said securities until such dispute shall have been settled either by mutual written agreement of the parties concerned or by a final order, decree or judgment of a court of competent jurisdiction after the time for appeal has expired and no appeal has been perfected, but you shall be under no duty whatsoever to institute or defend any such proceedings.

14. All notices required or permitted hereunder shall be in writing and shall be deemed effectively given: (a) upon personal delivery to the party to be notified, (b) when sent by confirmed telex or facsimile if sent during normal business hours of the recipient, and if not during normal business hours of the recipient, then on the next business day, (c) five (5) calendar days after having been sent by registered or certified mail, return receipt requested, postage prepaid, or (d) one (1) business day after deposit with a nationally recognized overnight courier, specifying next day delivery, with written verification of receipt. All communications shall be sent to the other party hereto at such party's address set forth below, or at such other address as such party may designate by ten (10) days advance written notice to the other party hereto.

Company: Allbirds, Inc.

_____

_____

Attn: Co-Chief Executive Officer

Purchaser: _____

_____

_____

Escrow Agent: Allbirds, Inc.

_____

_____

Attn: Secretary

15. By signing these Joint Escrow Instructions, you become a party hereto only for the purpose of said Joint Escrow Instructions; you do not become a party to the Agreement.

16. You shall be entitled to employ such legal counsel and other experts (including, without limitation, the firm of Cooley LLP) as you may deem necessary properly to advise you in connection with your obligations hereunder. You may rely upon the advice of such counsel, and you may pay such counsel reasonable compensation therefor. The Company shall be responsible for all fees generated by such legal counsel in connection with your obligations hereunder.

17. This instrument shall be binding upon and inure to the benefit of the parties hereto and their respective successors and permitted assigns. It is understood and agreed that references to "you" and "your" herein refer to the original Escrow Agents and to any and all successor Escrow Agents. It is understood and agreed that the Company may at any time or from time to time assign its rights under the Agreement and these Joint Escrow Instructions in whole or in part.

[Remainder of page intentionally left blank]

18. These Joint Escrow Instructions shall be governed by and interpreted and determined in accordance with the laws of the State of Delaware, as such laws are applied by Delaware courts to contracts made and to be performed entirely in Delaware by residents of that state. The parties hereby expressly consent to the personal jurisdiction of the state and federal courts located in the county in which the Company has its principal offices for any lawsuit arising from or related to this Agreement.

Very truly yours,

COMPANY:

ALLBIRDS, INC.

By: _____

Name: _____

Title: _____

PURCHASER:

_____

(Signature)

_____

Name (Please Print)

ESCROW AGENT:

_____

[_____], SECRETARY

[SIGNATURE PAGE TO JOINT ESCROW INSTRUCTIONS]

EXHIBIT D

83(B) ELECTION

[THIS FORM IS DESIGNED FOR INDIVIDUAL PURCHASERS. CORPORATE OR TRUST PURCHASERS SHOULD CONTACT THEIR TAX PROFESSIONAL TO REVIEW BEFORE SUBMITTING.]

INSTRUCTIONS FOR FILING SECTION 83(b) ELECTION

Attached is a form of election under Section 83(b) of the Internal Revenue Code and an accompanying IRS cover letter. Please fill in your [social security number][taxpayer identification number] and sign the election and cover letter, then proceed as follows:

(a) Make **three** copies of the completed election form and one copy of the IRS cover letter.

(b) Send the **original** signed election form and cover letter, the copy of the cover letter, and a self-addressed stamped return envelope to the Internal Revenue Service Center where you would otherwise file your tax return[4]. Even if an address for an Internal Revenue Service Center is already included in the forms below, it is your obligation to verify such address. This can be done by searching for the term "where to file" on www.irs.gov or by calling 1 (800) 829-1040.

Sending the election via certified mail, requesting a return receipt, with the certified mail number written on the cover letter is also recommended.

(c) Deliver one copy of the completed election form to the Company.

(d) Applicable state law may require that you attach a copy of the completed election form to your 20[__] state personal income tax return(s) when you file it for the year (assuming you file a state personal income tax return).[5]

Please consult your personal tax advisor(s) to determine whether or not a copy of this Section 83(b) election should be filed with your state personal income tax return(s).

(e) Retain one copy of the completed election form for your personal permanent records.

Note: An additional copy of the completed election form must be delivered to the transferee (recipient) of the property if the service provider and the transferee are not the same person.

Please note that the election must be filed with the IRS within 30 days of the date of your restricted stock grant. Failure to file within that time will render the election void and you may recognize ordinary taxable income as your vesting restrictions lapse. The Company and its counsel cannot assume responsibility for failure to file the election in a timely manner under any circumstances.

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[4] ***Note***: Per Treasury Regulation § 1.83-2(c), the Section 83(b) election must be filed with the IRS office where the person otherwise files his or her tax return. As of October 2016, if you live in a foreign country or are a dual status alien (foreigners that will have lived both in their home country and the United States during the year in which they make the election) you should send the 83(b) election to Austin, TX 73301-0215. You can verify this is still the correct address at: http://www.irs.gov/uac/Where-to-File-Addresses-for--Taxpayers-and--Tax-Professionals-Filing-Form-1040.

[5] ***Note***: Pursuant to Treasury Regulations finalized in July 2016 (Treas. Reg. § 1.83-2(c); T.D. 9779), taxpayers are no longer required to submit a copy of a Code Sec. 83(b) election with their ***federal*** personal income tax returns for the year in which the property subject to the election was transferred. However, you are strongly encouraged to retain a copy of the completed election form and the IRS filed-stamped copy of your cover letter along with a copy of the federal personal income tax return for the year in which the property subject to the election was transferred for your personal permanent records in case you ever need to demonstrate proper and timely filing (a common requirement imposed by acquirers in M&A transactions).

SECTION 83(b) ELECTION

_____, 20__

Department of the Treasury
Internal Revenue Service
[City, State Zip][6][Austin, TX 73301-0215
USA][7]

Re: Election Under Section 83(b)

Ladies and Gentlemen:

The undersigned taxpayer hereby elects, pursuant to Section 83(b) of the Internal Revenue Code of 1986, as amended, to include in gross income as compensation for services the excess (if any) of the fair market value of the shares described below over the amount paid for those shares. The following information is supplied in accordance with Treasury Regulation § 1.83-2:

1. **The name, [social security number][taxpayer identification number], address of the undersigned, and the taxable year for which this election is being made are:**

   Name: _____
   [Social Security Number][Tax Identification Number]: _____[8]
   Address: _____
   _____
   Taxable year: Calendar year 20__.[9]

2. **The property that is the subject of this election:** [#] shares of common stock of Allbirds, Inc., a Delaware corporation (the "***Company***").

3. **The property was transferred on:** [•], 20__.

4. **The property is subject to the following restrictions:** Some or all of the shares are subject to forfeiture or repurchase at less than their fair market value if the undersigned does not continue to provide services for the Company for a designated period of time. The risk of forfeiture or repurchase lapses over a specified vesting period.

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[6] ***Note***: Per Treasury Regulation § 1.83-2(c), the Section 83(b) election must be filed with the IRS office where the person otherwise files his or her tax return. Assuming these are individual taxpayers who would file a Form 1040, see http://www.irs.gov/uac/Where-to-File-Addresses-for--Taxpayers-and--Tax-Professionals-Filing-Form-1040. Use the address in the row which includes the state in which the service provider lives and in the column entitled "And you ARE NOT enclosing a payment".

[7] ***Note***: Per Treasury Regulation § 1.83-2(c), the Section 83(b) election must be filed with the IRS office where the person otherwise files his or her tax return. As of October 2016, if you live in a foreign country or are a dual status alien (foreigners that will have lived both in their home country and the United States during the year in which they make the election) you should send the 83(b) election to Austin, TX 73301-0215. You can verify this is still the correct address at: http://www.irs.gov/uac/Where-to-File-Addresses-for--Taxpayers-and--Tax-Professionals-Filing-Form-1040.

[8] ***Note***: If you do not have a taxpayer ID number (TIN), put "None –non-US taxpayer" and include in the cover letter to the IRS a statement explaining that the Section 83(b) election is being filed because the individual may become a US taxpayer before the stock vests. If the individual is applying for a TIN, instead include "applied for" and enclose a copy of the W-7 application. Note that there may be important factors to consider before applying for a TIN, including immigration status, etc.

[9] ***Note***: If an entity is the service provider, instead use "Fiscal year ending ___."

5. **The fair market value of the property at the time of transfer (determined without regard to any restriction other than a nonlapse restriction as defined in Treasury Regulation § 1.83-3(h)):** $[•] per share x [#] shares = $[•].

6. **For the property transferred, the undersigned paid:** $[•] per share x [#] shares = $[•].

7. **The amount to include in gross income is:** $[•].[10]

The undersigned taxpayer will file this election with the Internal Revenue Service office with which taxpayer files his or her annual income tax return not later than 30 days after the date of transfer of the property. A copy of the election also will be furnished to the person for whom the services were performed and the transferee of the property. Additionally, the undersigned will include a copy of the election with his or her income tax return for the taxable year in which the property is transferred. The undersigned is the person performing the services in connection with which the property was transferred.

Very truly yours,

_____

[Name]

[10] ***Note***: This should equal the amount in Item 5 minus the amount in Item 6, and in many cases will be $0.00.

RETURN SERVICE REQUESTED

Department of the Treasury
Internal Revenue Service
[City, State, ZIP**]**[Austin, TX 73301-0215
USA]

Re: **Election Under Section 83(b) of the Internal Revenue Code**

Dear Sir or Madam:

Enclosed please find an executed form of election under Section 83(b) of the Internal Revenue Code of 1986, as amended, filed with respect to an interest in Allbirds, Inc.

[Please note, the undersigned does not currently have a Tax Identification Number because the undersigned is not a U.S. taxpayer, but may become a U.S. resident before the stock vests.]

Also enclosed is a copy of the signed form of election under Section 83(b). Please acknowledge receipt of these materials by marking the copy when received and returning it in the enclosed stamped, self-addressed envelope.

Thank you very much for your assistance.

Very truly yours,

_____

[Name]

Enclosures

ALLBIRDS, INC.
STOCK OPTION GRANT NOTICE (INTERNATIONAL)
(2015 EQUITY INCENTIVE PLAN)

ALLBIRDS, INC. (the "***Company***"), pursuant to its 2015 Equity Incentive Plan (the "***Plan***"), hereby grants to Optionholder an option to purchase the number of shares of the Company's Common Stock (the "***Option***") set forth below. This Option is subject to all of the terms and conditions as set forth in this Stock Option Grant Notice (International), in the Option Agreement (International), including any special terms and conditions for your country set forth in the appendix attached thereto (the "***Option Agreement***"), the Plan and the Notice of Exercise, all of which are attached hereto and incorporated herein in their entirety. Capitalized terms not explicitly defined herein but defined in the Plan or the Option Agreement will have the same definitions as in the Plan or the Option Agreement. If there is any conflict between the terms in this Stock Option Grant Notice (International) and the Plan, the terms of the Plan will control.

Optionholder:	_____
Date of Grant:	_____
Vesting Commencement Date:	_____
Number of Shares Subject to Option:	_____
Exercise Price (US$ Per Share):	_____
Total Exercise Price (US$):	_____
Expiration Date:	_____

Type of Grant: ☒ Nonstatutory Stock Option

Exercise Schedule: ☐ Same as Vesting Schedule

Vesting Schedule:

Payment: By one or a combination of the following items (described in the Option Agreement):

☑ By cash, check, bank draft or money order payable to the Company
☐ Pursuant to a Regulation T Program if the shares are publicly traded
☐ Subject to the Company's consent at the time of exercise, by a "net exercise" arrangement

Additional Terms/Acknowledgements: The undersigned Optionholder acknowledges receipt of, and understands and agrees to, this Stock Option Grant Notice (International), the Option Agreement and the Plan. Optionholder acknowledges and agrees that this Stock Option Grant Notice and the Option Agreement may not be modified, amended or revised except as provided in the Option Agreement and the Plan. Optionholder further acknowledges that as of the Date of Grant, this Stock Option Grant Notice (International), the Option Agreement, and the Plan set forth the entire understanding between Optionholder and the Company regarding this Option award and supersede all prior oral and written agreements, promises and/or representations on that subject with the exception of (i) options previously granted and delivered to Optionholder, and (ii) the following agreements only. By accepting this Option, Optionholder consents to receive such documents by electronic delivery and to participate in the Plan through an on-line or electronic system established and maintained by the Company or a third party designated by the Company.

OTHER AGREEMENTS: _____

_____

_____

ALLBIRDS, INC.

By: _____
Signature

Title: President

Date: _____

OPTIONHOLDER:

_____
Signature

Date: _____

Address: _____

Country: _____

By providing the additional signature below, Optionholder declares that Optionholder expressly agrees with the data processing practices described in Section 14 of the Option Agreement and in the Appendix for EU Participants, as applicable, and consents to the collection, processing and use of Data by the Company and the transfer of Data to the recipients mentioned in Section 14 and in the Appendix for EU Participants, as applicable, including recipients located in countries which do not provide an adequate level of protection from a European (or other non-U.S.) data protection law perspective, for the purposes described in Section 14 and in the Appendix for EU Participants, as applicable. Optionholder understands that providing his or her signature below is a condition of receiving the Option and that the Company may forfeit the Option if a signature is not obtained. Optionholder understands that Optionholder may withdraw his or her consent at any time with future effect for any or no reason as described in Section 14 of the Option Agreement and in the Appendix for EU Participants, as applicable.

Optionholder: _____

ATTACHMENTS: Option Agreement, 2015 Equity Incentive Plan and Notice of Exercise

ATTACHMENT I

OPTION AGREEMENT (INTERNATIONAL)

ALLBIRDS, INC.
2015 EQUITY INCENTIVE PLAN

OPTION AGREEMENT (INTERNATIONAL)
(NONSTATUTORY STOCK OPTION)

Pursuant to your Stock Option Grant Notice ("***Grant Notice***") and this Option Agreement (International), including any special terms and conditions for your country set forth in the appendix attached hereto (the "***Appendix***" and, together with this Option Agreement (International), the "***Agreement***"), **ALLBIRDS, INC.** (the "***Company***") has granted you an option under its 2015 Equity Incentive Plan (the "***Plan***") to purchase the number of shares of the Company's Common Stock (the "***Option***") indicated in your Grant Notice at the exercise price indicated in your Grant Notice. The Option is granted to you effective as of the date of grant set forth in the Grant Notice (the "***Date of Grant***"). If there is any conflict between the terms in this Agreement and the Plan, the terms of the Plan will control. Capitalized terms not explicitly defined in this Agreement or in the Grant Notice but defined in the Plan will have the same meaning as in the Plan.

The details of your Option, in addition to those set forth in the Grant Notice and the Plan, are as follows:

1. VESTING. Subject to the limitations contained herein, your Option will vest as provided in your Grant Notice. Vesting will cease upon the termination of your Continuous Service.

For purposes of your Option, your Continuous Service will be considered terminated (regardless of the reason for such termination and whether or not later found to be invalid or in breach of employment laws in the jurisdiction where you are employed or the terms of your employment agreement, if any) as of the date you are no longer actively providing services to the Company or any Affiliate and will not be extended by any notice period (e.g., your period of Continuous Service would not include any contractual notice period or any period of "garden leave" or similar period mandated under employment laws in the jurisdiction where you are employed). The Board or its duly authorized delegatee shall have the exclusive discretion to determine when you are no longer actively providing services for purposes of your Option grant (including whether you may still be considered to be providing services while on a leave of absence).

2. NUMBER OF SHARES AND EXERCISE PRICE. The number of shares of Common Stock subject to your Option and your exercise price in United States dollars per share in your Grant Notice will be adjusted for Capitalization Adjustments.

3. METHOD OF PAYMENT. Payment of the exercise price is due in full upon exercise of all or any part of your Option. All amounts due are payable in United States dollars calculated by reference to the local currency to United States dollar exchange rate published in the Wall Street Journal on the date of exercise (or if the date of exercise is not a business day in the United States, the next available business day in the United States).You may elect to make payment of the exercise price in cash or by check, bank draft or money order payable to the Company or in any other manner ***permitted by your Grant Notice***, unless otherwise provided in the Appendix, which may include one or more of the following:

a. Provided that at the time of exercise the Common Stock is publicly traded, pursuant to a program developed under Regulation T as promulgated by the United States ("***U.S.***") Federal Reserve Board that, prior to the issuance of Common Stock, results in either the receipt of cash (or check) by the Company or the receipt of irrevocable instructions to pay the aggregate exercise price to the Company from the sales proceeds. This manner of payment is also known as a "broker-assisted exercise", "same day sale", or "sell to cover".

b. Subject to the consent of the Company at the time of exercise, by a "net exercise" arrangement pursuant to which the Company will reduce the number of shares of Common Stock issued upon exercise of your Option by the largest whole number of shares with a fair market value that does not exceed the aggregate exercise price. You must pay any remaining balance of the aggregate exercise price not satisfied by the "net exercise" in cash or other permitted form of payment. Shares of Common Stock will no longer be outstanding under your Option and will not be exercisable thereafter if those shares (i) are used to pay the exercise price pursuant to the "net exercise," (ii) are delivered to you as a result of such exercise, and (iii) are withheld to satisfy any withholding obligations for Tax-Related Items, as defined in Section 13(a) below.

4. WHOLE SHARES. You may exercise your Option only for whole shares of Common Stock.

5. COMPLIANCE WITH LAW. Notwithstanding anything to the contrary contained herein, you may not exercise your Option and receive shares of Common Stock issuable upon exercise prior to the completion of any registration or qualification of the shares of Common Stock under U.S. or non-U.S. local, state or federal securities or exchange control laws or under rulings or regulations of the U.S. Securities and Exchange Commission ("SEC") or any other governmental regulatory body, or prior to obtaining any approval or other clearance from any U.S. or non-U.S. local, state or federal agency, which registration, qualification, or approval of the Company, in its sole discretion, deems necessary or advisable, unless the Company has determined that such exercise and issuance would be exempt from any registration, qualification or other legal requirements applicable to the shares of Common Stock. You may not exercise your Option if the Company determines that such exercise would not be in material compliance with such laws and regulations. You understand that the Company is under no obligation to register or qualify the shares of Common Stock with the SEC or any other securities commission or to seek approval or clearance from any governmental authority for the issuance or sale of the shares of Common Stock. Further, you agree that the Company shall have unilateral authority to amend the Plan and the Agreement without your consent to the extent necessary to comply with securities or other laws applicable to issuance of shares of Common Stock.

6. TERM. You may not exercise your Option before the Date of Grant or after the expiration of the Option's term. The term of your Option expires, subject to the provisions of Section 5(h) of the Plan, upon the earliest of the following:

a. immediately upon the termination of your Continuous Service for Cause;

b. three (3) months after the termination of your Continuous Service for any reason other than Cause, your Disability or your death (except as otherwise provided in Section 6(d) below); *provided*, *however*, that if during any part of such three (3) month period your Option is not exercisable solely because of the condition set forth in the section above relating to "Compliance with Law," your Option will not expire until the earlier of the Expiration Date or until it has been exercisable for an aggregate period of three (3) months after the termination of your Continuous Service;

c. twelve (12) months after the termination of your Continuous Service due to your Disability (except as otherwise provided in Section 6(d)) below;

d. eighteen (18) months after your death if you die either during your Continuous Service or within three (3) months after your Continuous Service terminates for any reason other than Cause;

e. the Expiration Date indicated in your Grant Notice; or

f. the day before the tenth (10th) anniversary of the Date of Grant.

Notwithstanding the foregoing, if you die during the period provided in Sections 6(c) or 6(d) above, the term of your Option shall not expire until the earlier of eighteen (18) months after your death, the Expiration Date indicated in your Grant Notice, or the day before the tenth (10th) anniversary of the Date of Grant.

For purposes of your Option, the date on which the termination of your Continuous Service occurs will be determined in accordance with Section 1 above.

7. EXERCISE.

a. You may exercise the vested portion of your Option during its term by (i) delivering a Notice of Exercise (in a form designated by the Company) or completing such other documents and/or procedures designated by the Company for exercise and (ii) paying the exercise price to the Company's Secretary, stock plan administrator, or such other person as the Company may designate, together with such additional documents as the Company may then require.

b. By exercising your Option you agree that you will not sell, dispose of, transfer, make any short sale of, grant any option for the purchase of, or enter into any hedging or similar transaction with the same economic effect as a sale with respect to any shares of Common Stock or other securities of the Company held by you, for a period of one hundred eighty (180) days following the effective date of a registration statement of the Company filed under the Securities Act (or any foreign securities law regime) or such longer period as the underwriters or the Company will request to facilitate compliance with FINRA Rule 2711 or NYSE Member Rule 472 or any successor or similar rules or regulation (the "***Lock-Up Period***"); *provided, however*, that nothing contained in this section will prevent the exercise of a repurchase option, if any, in favor of the Company during the Lock-Up Period. You further agree to execute and deliver such other agreements as may be reasonably requested by the Company or the underwriters that are consistent with the foregoing or that are necessary to give further effect thereto. In order to enforce the foregoing covenant, the Company may impose stop-transfer instructions with respect to your shares of Common Stock until the end of such period. You also agree that any transferee of any shares of Common Stock (or other securities) of the Company held by you will be bound by this Section 7(b). The underwriters of the Company's stock are intended third party beneficiaries of this Section 7(b) and will have the right, power and authority to enforce the provisions hereof as though they were a party hereto.

8. TRANSFERABILITY. Except as otherwise provided in this Section 8, your Option is not transferable, except by will or by the laws of descent and distribution, and is exercisable during your life only by you. Upon receiving written permission from the Board or its duly authorized designee, you may, by delivering written notice to the Company, in a form approved by the Company and any broker designated by the Company to handle option exercises, designate a third party who, on your death, will thereafter be entitled to exercise this Option, provided such designation is valid under local law, and receive the shares of Common Stock or other consideration resulting from such exercise. In the absence of such a designation, your heirs, executor or administrator of your estate will be entitled to exercise this Option and receive, on behalf of your estate, the shares of Common Stock or other consideration resulting from such exercise.

9. RIGHT OF FIRST REFUSAL. Shares of Common Stock that you acquire upon exercise of your Option are subject to any right of first refusal that may be described in the Company's bylaws in effect at such time the Company elects to exercise its right; *provided, however,* that if there is no right of first refusal described in the Company's bylaws at such time, the right of first refusal described below will

apply. The Company's right of first refusal will expire on the first date upon which any security of the Company is listed (or approved for listing) upon notice of issuance on a national securities exchange or quotation system (the "***Listing Date***").

a. Prior to the Listing Date, you may not validly Transfer (as defined below) any shares of Common Stock acquired upon exercise of your Option, or any interest in such shares of Common Stock, unless such Transfer is made in compliance with the following provisions:

(i) Before there can be a valid Transfer of any shares of Common Stock or any interest therein, the record holder of the shares of Common Stock to be transferred (the "***Offered Shares***") will give written notice (by registered or certified mail) to the Company. Such notice will specify the identity of the proposed transferee, the cash price offered for the Offered Shares by the proposed transferee (or, if the proposed Transfer is one in which the holder will not receive cash, such as an involuntary transfer, gift, donation or pledge, the holder will state that no purchase price is being proposed), and the other terms and conditions of the proposed Transfer. The date such notice is mailed will be hereinafter referred to as the "***Notice Date***" and the record holder of the Offered Shares will be hereinafter referred to as the "***Offeror***." If, from time to time, there is any stock dividend, stock split or other change in the character or amount of any of the outstanding Common Stock which is subject to the provisions of your Option, then in such event any and all new, substituted or additional securities to which you are entitled by reason of your ownership of the shares of Common Stock acquired upon exercise of your Option will be immediately subject to the Company's Right of First Refusal (as defined below) with the same force and effect as the shares subject to the Right of First Refusal immediately before such event.

(ii) For a period of thirty (30) calendar days after the Notice Date, or such longer period as may be required to avoid the classification of your Option as a liability for financial accounting purposes, the Company will have the option to purchase all (but not less than all) of the Offered Shares at the purchase price and on the terms set forth in Section 9(a)(iii) (the Company's "***Right of First Refusal***"). In the event that the proposed Transfer is one involving no payment of a purchase price, the purchase price will be deemed to be the fair market value of the Offered Shares as determined in good faith by the Board in its discretion. The Company may exercise its Right of First Refusal by mailing (by registered or certified mail) written notice of exercise of its Right of First Refusal to the Offeror prior to the end of said thirty (30) days (including any extension required to avoid classification of the option as a liability for financial accounting purposes).

(iii) The price at which the Company may purchase the Offered Shares pursuant to the exercise of its Right of First Refusal will be the cash price offered for the Offered Shares by the proposed transferee (as set forth in the notice required under Section 9(a)(i)), or the fair market value as determined by the Board in the event no purchase price is involved. To the extent consideration other than cash is offered by the proposed transferee, the Company will not be required to pay any additional amounts to the Offeror other than the cash price offered (or the fair market value, if applicable). The Company's notice of exercise of its Right of First Refusal will be accompanied by full payment for the Offered Shares and, upon such payment by the Company, the Company will acquire full right, title and interest to all of the Offered Shares.

(iv) If, and only if, the option given pursuant to Section 9(a)(ii) is not exercised, the Transfer proposed in the notice given pursuant to Section 9(a)(i) may take place; *provided*, *however*, that such Transfer must, in all respects, be exactly as proposed in said notice except that such Transfer may not take place either before the tenth (10^{th}) calendar day after the expiration of the thirty (30) day option exercise period or after the ninetieth (90^{th}) calendar day after the expiration of the thirty

(30) day option exercise period, and if such Transfer has not taken place prior to said ninetieth (90th) day, such Transfer may not take place without once again complying with this Section 9(a). The option exercise periods in this Section 9(a)(iv) will be adjusted to include any extension required to avoid the classification of your option as a liability for financial accounting purposes.

b. As used in this Section 9, the term "***Transfer***" means any sale, encumbrance, pledge, gift or other form of disposition or transfer of shares of Common Stock or any legal or equitable interest therein; *provided*, *however*, that the term Transfer does not include a transfer of such shares or interests by will or intestacy to your Immediate Family (as defined below). In such case, the transferee or other recipient will receive and hold the shares of Common Stock so transferred subject to the provisions of this Section, and there will be no further transfer of such shares except in accordance with the terms of this Section 9. As used herein, the term "***Immediate Family***" will mean your spouse, the lineal descendant or antecedent, father, mother, brother or sister, child, adopted child, grandchild or adopted grandchild of you or your spouse, or the spouse of any child, adopted child, grandchild or adopted grandchild of you or your spouse.

c. None of the shares of Common Stock purchased on exercise of your Option will be transferred on the Company's books nor will the Company recognize any such Transfer of any such shares or any interest therein unless and until all applicable provisions of this Section 9 have been complied with in all respects. The certificates of stock evidencing shares of Common Stock purchased on exercise of your Option will bear an appropriate legend referring to the transfer restrictions imposed by this Section 9.

d. To ensure that the shares subject to the Company's Right of First Refusal will be available for repurchase by the Company, the Company may require you to deposit the certificates evidencing the shares of Common Stock that you purchase upon exercise of your Option with an escrow agent designated by the Company under the terms and conditions of an escrow agreement approved by the Company. If the Company does not require such deposit as a condition of exercise of your Option, the Company reserves the right at any time to require you to so deposit the certificates in escrow. As soon as practicable after the expiration of the Company's Right of First Refusal, the agent will deliver to you the shares of Common Stock and any other property no longer subject to such restriction. In the event the shares and any other property held in escrow are subject to the Company's exercise of its Right of First Refusal, the notices required to be given to you will be given to the escrow agent, and any payment required to be given to you will be given to the escrow agent. Within thirty (30) days after payment by the Company for the Offered Shares, the escrow agent will deliver the Offered Shares that the Company has repurchased to the Company and will deliver the payment received from the Company to you.

10. RIGHT OF REPURCHASE. To the extent provided in the Company's bylaws in effect at such time the Company elects to exercise its right, the Company will have the right to repurchase all or any part of the shares of Common Stock you acquire pursuant to the exercise of your Option.

11. OPTION NOT A SERVICE CONTRACT. Your Option is not an employment or service contract, and nothing in your Option will be deemed to create in any way an employment or other service relationship with the Company, nor will your participation in the Plan create a right to further employment with the Affiliate for whom you provide services (the "Service Recipient") or interfere with the ability of the Service Recipient to terminate your employment or service relationship at any time. In addition, nothing in your Option will obligate the Company or an Affiliate, their respective stockholders, boards of directors, officers or employees to continue any relationship that you might have as a Director or Consultant for the Company or an Affiliate.

12. NO ADVICE REGARDING GRANT. The Company is not providing any tax, legal or financial advice, nor is the Company making recommendations regarding participation in the Plan or your acquisition or sale of the underlying shares of Common Stock. You understand and agree that you should consult with your own personal tax, legal and financial advisors regarding participation in the Plan before taking any action related to the Option.

13. RESPONSIBILITY FOR TAXES.

a. Regardless of any action the Company or the Service Recipient takes with respect to any or all income tax, social insurance, payroll tax, fringe benefit, payment on account or other tax-related withholding items related to your participation in the Plan and legally applicable to you ("***Tax-Related Items***"), you acknowledge that, regardless of any action taken by the Company or your Service Recipient, the ultimate liability for all Tax-Related Items is and remains your responsibility and may exceed the amount actually withheld by the Company and/or the Service Recipient. You further acknowledge that the Company and/or the Service Recipient (1) make no representations or undertakings regarding the treatment of any Tax-Related Items in connection with any aspect of your Option, including, but not limited to, the grant, vesting or exercise of the Option, the issuance of shares of Common Stock pursuant to such exercise, the subsequent sale of shares of Common Stock and the receipt of any dividends; and (2) do not commit to and are under no obligation to structure the terms of the grant or any aspect of the Option to reduce or eliminate your liability for Tax-Related Items or achieve a particular tax result. Further, if you are subject to tax in more than one jurisdiction, you acknowledge that the Company and/or the Service Recipient (or former service recipient, as applicable) may be required to withhold or account for Tax-Related Items in more than one jurisdiction. In those jurisdictions where it is legal for you to pay or bear liability for the Service Recipient's social security or social insurance charges, "Tax-Related Items" shall include such Service Recipient's charges and you hereby agree to pay them

b. Prior to the relevant taxable or tax withholding event, as applicable, you agree to make adequate arrangements satisfactory to the Company and/or the Service Recipient to satisfy all Tax-Related Items. In this regard, you authorize the Company and/or the Service Recipient, or their respective agents, at their discretion, to satisfy their withholding obligations with regard to all Tax-Related Items by one or a combination of the following methods:

(i) withholding from any cash compensation payable by the Company or the Service Recipient to you through payroll or otherwise:

(ii) withholding from proceeds of the sale of Common Stock acquired at exercise of the Option either through a cashless exercise or through a mandatory sale arranged by the Company (on your behalf pursuant to this authorization without further consent);

(iii) withholding shares of Common Stock otherwise issuable to you upon the exercise of your Option.

c. The Company may withhold or account for Tax-Related Items by considering applicable minimum statutory withholding amount or other applicable withholding rates, including maximum rates applicable in your jurisdiction, in which case you may receive a refund of any over-withheld amount in cash and will have no entitlement to the equivalent amount in shares of Common Stock. If the obligation for Tax-Related Items is satisfied by withholding shares of Common Stock, for tax purposes, you are deemed to have been issued the full number of shares of Common Stock subject to the exercised portion of your Option, notwithstanding that a number of the shares of Common Stock is held back solely for the purpose of paying the Tax-Related Items.

d. (d) You agree to pay to the Company or the Service Recipient any amount of Tax-Related Items that the Company or the Service Recipient may be required to withhold or account for as a result of your participation in the Plan that cannot be satisfied by the means previously described. The Company may refuse to issue or deliver the shares of Common Stock or the proceeds from the sale of shares of Common Stock, if you fail to comply with your obligations in connection with the Tax-Related Items.

14. DATA PROTECTION.

a. ***Except if you reside in the European Union or European Economic Area, in which case you are subject to the special terms and conditions set forth in the Appendix, you hereby explicitly and unambiguously consent to the collection, use and transfer, in electronic or other form, of your personal data as described in this Agreement and any other Option grant materials by and among, as applicable, you, the Company, the Service Recipient or any other Affiliate for the exclusive purpose of implementing, administering and managing your participation in the Plan.***

b. ***You understand that the Company and the Service Recipient may hold certain personal information about you, including, but not limited to, your name, home address and telephone number, date of birth, social insurance number, passport or other identification number, salary, nationality, job title, any shares of stock or directorships held in the Company, details of all Options or any other entitlement to shares of Common Stock awarded, canceled, vested, unvested or outstanding in your favor ("Data"), for the exclusive purpose of implementing, administering and managing the Plan.***

c. ***You understand that Data may be transferred to a designated Plan broker or such other stock plan service provider as may be selected by the Company in the future, which may be assisting the Company with the implementation, administration and management of the Plan. You understand that the recipients of Data may be located in the United States or elsewhere, and that the recipients' country (e.g., the United States) may have different data privacy laws and protections than your country. You understand that if you reside outside the United States, you may request a list with the names and addresses of any potential recipients of Data by contacting your local human resources representative. You authorize the Company, its designated Plan broker, and any other possible recipients which may assist the Company (presently or in the future) with implementing, administering and managing the Plan to receive, possess, use, retain and transfer Data, in electronic or other form, for the sole purpose of implementing, administering and managing your participation in the Plan. You understand that Data will be held only as long as is necessary to implement, administer and manage your participation in the Plan. You understand if you resides outside the United States, you may, at any time, view Data, request additional information about the storage and processing of Data, require any necessary amendments to Data or refuse or withdraw the consents herein, in any case without cost, by contacting in writing your local human resources representative. Further, you understand that you are providing the consents herein on a purely voluntary basis. If you do not consent, or if you later seek to revoke your consent, your Continuous Service with the Service Recipient will not be affected; the only consequence of refusing or withdrawing your consent is that the Company would not be able to grant Options or other awards to you or administer or maintain such awards. Therefore, you understand that refusing or withdrawing your consent may affect your ability to participate in the Plan. For more information on the consequences of your refusal to consent or withdrawal of consent, you understand that you may contact your local human resources representative.***

d. ***Finally, upon request of the Company or the Service Recipient, you agree to provide an executed data privacy consent form (or any other agreements or consents) that the***

Company or the Service Recipient may deem necessary to obtain from you for the purpose of administering your participation in the Plan in compliance with the data privacy laws in your country, either now or in the future. You understand and agree that you will not be able to participate in the Plan if you fail to provide any such consent or agreement requested by the Company and/or the Service Recipient.

15. ADDITIONAL ACKNOWLEDGEMENTS. You hereby consent and acknowledge that:

a. Participation in the Plan is voluntary and therefore you must accept the terms and conditions of the Plan and this Option as a condition to participating in the Plan and receipt of this Option. The Plan is established voluntarily by the Company, it is discretionary in nature and the Company can modify, amend, suspend or terminate it at any time, to the extent permitted by the Plan.

b. This Option and any other awards under the Plan are exceptional, voluntary and occasional and do not create any contractual or other right to receive future awards or other benefits in lieu of future awards, even if similar awards have been granted repeatedly in the past. All determinations with respect to any such future awards, including, but not limited to, the time or times when such awards are made, the size of such awards and performance and other conditions applied to the awards, will be at the sole discretion of the Company.

c. The Option and shares of Common Stock subject to the Option, and the income from and value of same, are not intended to replace any pension rights or compensation;

d. The Option and any shares of Common Stock subject to the Option, and the income from and value of same, are not to be considered part of normal or expected compensation or salary for any purpose, including, but not limited to, of calculating any severance, resignation, termination, payment in lieu of notice, redundancy, dismissal, end-of-service payments, bonuses, holiday pay, long-service awards, pension or retirement or welfare benefits or similar payments.

e. The future value of your Option is unknown and cannot be predicted with certainty.

f. If the underlying shares of Common Stock subject to the Option do not increase in value, the Option will have no value;

g. If you exercise the Option and acquires shares of Common Stock, the value of such shares may increase or decrease, even below the exercise rice;

h. No claim or entitlement to compensation or damages shall arise from forfeiture of your Option resulting from the termination of your Continuous Service (for any reason whatsoever, whether or not later found to be invalid or in breach of employment laws in the jurisdiction where you are employed or the terms of your employment agreement, if any).

i. Neither the Company, the Service Recipient nor any other Affiliate shall be liable for any foreign exchange rate fluctuation that may affect the value of the Option or of any amounts due to you pursuant to the exercise of the Option or the subsequent sale of any shares of Common Stock acquired upon exercise.

16. NOTICES. Any notices provided for in your Option or the Plan will be given in writing (including electronically) and will be deemed effectively given upon receipt or, in the case of notices delivered by mail by the Company to you, five (5) days after deposit in the United States mail or comparable foreign postal service, postage prepaid, addressed to you at the last address you provided to

the Company. The Company may, in its sole discretion, decide to deliver any documents related to participation in the Plan and this option by electronic means or to request your consent to participate in the Plan by electronic means. By accepting this Option, you consent to receive such documents by electronic delivery and to participate in the Plan through an on-line or electronic system established and maintained by the Company or another third party designated by the Company.

17. SEVERABILITY. If all or any part of this Agreement or the Plan is declared by any court or governmental authority to be unlawful or invalid or otherwise unenforceable, such unlawfulness or invalidity will not invalidate any portion of this Agreement or the Plan not declared to be unlawful or invalid. Any Section of this Agreement (or part of such a Section) so declared to be unlawful or invalid or otherwise unenforceable shall, if possible, be construed in a manner which will give effect to the terms of such Section or part of a Section to the fullest extent possible while remaining lawful and valid.

18. IMPOSITION OF OTHER REQUIREMENTS. The Company reserves the right to impose other requirements on your participation in the Plan, on the Option and on any shares of Common Stock purchased upon exercise of the Option, to the extent the Company determines it is necessary or advisable for legal or administrative reasons, and to require you to sign any additional agreements or undertakings that may be necessary to accomplish the foregoing.

19. APPENDIX. Notwithstanding any provisions in this Agreement, the Option grant shall be subject to any special terms and conditions set forth in the Appendix to this Agreement for your country. Moreover, if you relocate to one of the countries included in the Appendix, the special terms and conditions for such country will apply to you, to the extent the Company determines that the application of such terms and conditions is necessary or advisable for legal or administrative reasons. The Appendix constitutes part of this Agreement.

20. LANGUAGE. You acknowledge that you are proficient in the English language and understand the terms of this Agreement and the Plan. If you have received this Agreement, or any other document related to the Option and/or the Plan translated into a language other than English and if the meaning of the translated version is different than the English version, the English version will control.

21. ELECTRONIC DELIVERY AND PARTICIPATION. The Company may, in its sole discretion, decide to deliver any documents related to current or future participation in the Plan by electronic means. You hereby consent to receive such documents by electronic delivery and agree to participate in the Plan through an online or electronic system established and maintained by the Company or a third party designated by the Company.

22. GOVERNING PLAN DOCUMENT. Your Option is subject to all the provisions of the Plan, the provisions of which are hereby made a part of your Option, and is further subject to all interpretations, amendments, rules and regulations, which may from time to time be promulgated and adopted pursuant to the Plan. If there is any conflict between the provisions of your Option and those of the Plan, the provisions of the Plan will control.

23. GOVERNING LAW AND CHOICE OF VENUE. The laws of the State of Delaware will govern all questions concerning the construction, validity and interpretation of this Agreement and the Plan, without regard to that state's conflict of laws rules. For purposes of any action, lawsuit or other proceedings brought to enforce this Agreement, relating to it, or arising from it, the parties hereby submit to and consent to the sole and exclusive jurisdiction of San Francisco County, California, or the federal courts for the U.S. for the Northern District of California, and no other courts, where the grant is made and/or to be performed.

24. INSIDER TRADING/MARKET ABUSE LAWS. You acknowledge that, depending on your country or the broker's country, or the country in which the shares of Common Stock may be listed in the future, you may become subject to insider trading restrictions and/or market abuse laws in applicable jurisdictions, which may affect his or her ability to accept, acquire, sell or attempt to sell, or otherwise dispose of the shares of common Stock, rights to shares of Common Stock (e.g., the Option) or rights linked to the value of shares of Common Stock, during such times as you is considered to have "inside information" regarding the Company (as defined by the laws or regulations in applicable jurisdictions, including the U.S. and your country). Local insider trading laws and regulations may prohibit the cancellation or amendment of orders you placed before possessing inside information. Furthermore, you may be prohibited from (i) disclosing insider information to any third party, including fellow employees (other than on a "need to know" basis) and (ii) "tipping" third parties or causing them to otherwise buy or sell securities. Any restrictions under these laws or regulations are separate from and in addition to any restrictions that may be imposed under any applicable Company insider trading policy. You acknowledge that it is your responsibility to comply with any applicable restrictions, and you should speak to his or her personal advisor on this matter.

25. FOREIGN ASSET/ACCOUNT REPORTING. You acknowledge that there may be certain foreign asset and/or account reporting requirements which may affect your ability to acquire or hold shares of Common Stock acquired under the Plan or cash received from participating in the Plan in an escrow, trust, brokerage or bank account outside your country. You may be required to report such accounts, assets or transactions to the tax or other authorities in your country. You also may be required to repatriate sale proceeds or other funds received as a result of participation in the Plan to your country through a designated bank or broker within a certain time after receipt. You acknowledge that it is your responsibility to be compliant with such regulations, and you should consult your personal legal advisor for any details.

26. WAIVER. You acknowledge that a waiver by the Company of breach of any provision of this Agreement shall not operate or be construed as a waiver of any other provision of this Agreement, or of any subsequent breach by you or any other person who holds an outstanding Option.

***

You will be deemed to have signed this Agreement
when you sign the Grant Notice to which this Agreement is attached.

APPENDIX

ALLBIRDS, INC.

2015 EQUITY INCENTIVE PLAN

OPTION AGREEMENT (INTERNATIONAL)

SPECIAL TERMS AND CONDITIONS FOR PARTICIPANTS OUTSIDE THE U.S.

Capitalized terms not explicitly defined in this Appendix but defined in the Option Agreement (International) or the Plan will have the same meaning as in the Option Agreement (International) or the Plan.

Terms and Conditions

This Appendix includes special terms and conditions that govern this Option if you reside and/or work in one of the countries listed below. If you are a citizen or resident (or are considered as such for local law purposes) of a country other than the country in which you are currently residing and/or working, or if you transfer to another country after the Date of Grant, the Committee shall, in its discretion, determine to what extent the special terms and conditions contained herein shall apply to you.

Notifications

This Appendix also includes information regarding securities, exchange control, tax and certain other issues of which you should be aware with respect to your participation in the Plan. The information is based on the securities, exchange control, tax and other laws in effect in the respective countries as of June 2018. Such laws are often complex and change frequently. As a result, the Company strongly recommends that you do not rely on the information noted herein as the only source of information relating to the consequences of your participation in the Plan because the information may be out of date at the time you exercise this Option or at the time you sell any shares of Common Stock acquired under the Plan.

In addition, the information is general in nature and may not apply to your particular situation, and the Company is not in a position to assure you of any particular result. Therefore, you are advised to seek appropriate professional advice as to how the relevant laws in your country may apply to your individual situation.

Finally, if you are a citizen or resident (or are considered as such for local law purposes) of a country other than the one in which you are currently residing and//or working, or if you transfer to another country after the Date of Grant, or if you are considered resident of another country for local law purposes, then the provisions contained herein may not be applicable to you in the same manner.

CHINA

The following provisions apply only to you if you are subject to exchange control restrictions imposed by the State Administration of Foreign Exchange ("**SAFE***"), as determined by the Company in its sole discretion:*

Terms and Conditions

Exercisability of Option. In addition to the vesting conditions set forth in the Grant Notice and the Option Agreement (International), this Option shall not vest nor be exercisable until the earlier of the date (a) the shares of Common Stock are publicly traded, quoted or listed on a recognized exchange or normal

securities market, are no longer subject to a market stand-off and all necessary exchange control and other approvals from SAFE or its local counterpart have been received by the Company or one of its Chinese Affiliates under applicable exchange control rules with respect to the Plan and the awards thereunder, or (b) a Change in Control contemplated in Section 13 (i), (ii), (iv) of the Plan has occurred and such transaction results in your ability to exercise this Option, or such other right assumed, substituted and/or substituted therefor, in a manner that complies with or is otherwise exempt from all necessary exchange control and other approvals of SAFE or any other government authority (the earlier of the date on which either condition is met, the "***Liquidity Date***"). You must continue to provide service through each date on the vesting schedule and through the Liquidity Date to be able to exercise the vested portion of this Option. Should the Liquidity Date occur after any of the vesting dates in the vesting schedule, you will (i) receive a credit for any vesting that would have occurred under the vesting schedule once the Liquidity Date occurs and (ii) continue to vest in accordance with the vesting schedule following the Liquidity Date, provided that your Continuous Service is not terminated as of the Liquidity Date and you are otherwise entitled to exercise this Option pursuant to the terms of any applicable SAFE approval or regulations.

If the Company is unable to or decides, in its discretion, not to complete the SAFE registration or maintain the registration, no shares of Common Stock subject to this Option shall be issued.

Nothing herein shall be construed as obligating the Company to (a) complete the SAFE registration, (b) in the absence of a SAFE registration, allow you to exercise this Option, (c) pay a cash settlement in accordance with the foregoing paragraph, or (d) otherwise compensate you for this Option or the underlying shares of Common Stock.

Furthermore, notwithstanding any provision in the Grant Notice and the Option Agreement (International), if your Continuous Service is terminated before the Liquidity Date, this Option shall be forfeited, unless the Company determines in its sole discretion that any portion of this Option that may otherwise have vested and become exercisable in accordance with the terms of the Option Agreement (International) may be exercised in compliance with applicable SAFE regulations and restrictions.

Finally, notwithstanding any provision in the Grant Notice and the Option Agreement (International), if your Continuous Service is terminated after the Liquidity Date, this Option, to the extent that it is exercisable with respect to vested shares of Common Stock as of the date that your Continuous Service is terminated, may be exercised only in accordance with SAFE requirements, as determined by the Company in its sole discretion.

Stock Must Remain With Company's Designated Broker. You agree to hold any shares of Common Stock received upon exercise of this Option with the Company's designated broker until the shares of Common Stock are sold. The limitation shall apply to all shares of Common Stock issued to you under the Plan, whether or not your Continuous Service is terminated.

Manner of Exercise. Notwithstanding any provision in the Grant Notice and the Option Agreement (International), you may pay the exercise price only by using the payment method described in Section 3 of the Option Agreement (International). The Company reserves the right to provide you with additional methods of payment depending on the development of local law.

Forced Sale of Shares. The Company has the discretion to arrange for the sale of the shares of Common Stock issued upon exercise of this Option, either immediately upon exercise or at any time thereafter. In any event, if your Continuous Service is terminated, you will be required to sell any shares of Common Stock acquired upon exercise of this Option within such time period as required by the Company in accordance with SAFE requirements. Any shares of Common Stock remaining in the brokerage account

at the end of this period shall be sold by the broker (on your behalf and you hereby authorize such sale). You agree to sign any additional agreements, forms and/or consents that reasonably may be requested by the Company (or the Company's designated broker) to effectuate the sale of shares of Common Stock (including, without limitation, as to the transfer of the sale proceeds and other exchange control matters noted below) and shall otherwise cooperate with the Company with respect to such matters. You acknowledge that neither the Company nor the designated broker is under any obligation to arrange for the sale of shares of Common Stock at any particular price (it being understood that the sale will occur in the market) and that broker's fees and similar expenses may be incurred in any such sale. In any event, when the shares of Common Stock are sold, the sale proceeds, less any tax withholding, any broker's fees or commissions, and any similar expenses of the sale will be remitted to you in accordance with applicable exchange control laws and regulations.

Exchange Control Restrictions. You understand and agree that you will be required to immediately repatriate to China the proceeds from the sale of any shares of Common Stock acquired under the Plan and any cash dividends paid on such shares of Common Stock. You further understand that such repatriation of proceeds may need to be effected through a special bank account established by the Company (or an Affiliate), and you hereby consent and agree that any sale proceeds and cash dividends may be transferred to such special account by the Company (or an Affiliate) on your behalf prior to being delivered to you and that no interest shall be paid with respect to funds held in such account.

The proceeds may be paid to you in U.S. dollars or local currency at the Company's discretion. If the proceeds are paid to you in U.S. dollars, you understand that a U.S. dollar bank account in China must be established and maintained so that the proceeds may be deposited into such account. If the proceeds are paid to you in local currency, you acknowledge that the Company (or its Affiliates) are under no obligation to secure any particular exchange conversion rate and that the Company (or its Affiliates) may face delays in converting the proceeds to local currency due to exchange control restrictions. You agree to bear any currency fluctuation risk between the time the shares of Common Stock are sold and the net proceeds are converted into local currency and distributed to you. You further agree to comply with any other requirements that may be imposed by the Company (or its Affiliate) in the future in order to facilitate compliance with exchange control requirements in China.

Administration. The Company (or its Affiliates) shall not be liable for any costs, fees, lost interest or dividends or other losses that you may incur or suffer resulting from the enforcement of the terms of this

Appendix or otherwise from the Company's operation and enforcement of the Plan, the Grant Notice and this Option in accordance with any applicable laws, rules, regulations and requirements.

Notifications

Exchange Control Information. Chinese residents may be required to report to SAFE all details of their foreign financial assets and liabilities (including shares of Common Stock acquired under the Plan), as well as details of any economic transactions conducted with non-Chinese residents. Such disclosures, if applicable, shall be your sole responsibility.

EUROPEAN UNION/EUROPEAN ECONOMIC AREA

Terms and Conditions

Data Protection. The following provision replaces Section 14 of the Option Agreement (International):

(a) ***Data Collection and Usage. The Company and the Service Recipient may collect, process and use certain personal information about the Optionee, including, but not limited to, the Optionee's name, home address and telephone number, email address, date of birth, social insurance, passport or other identification number, salary, nationality, job title, any shares of Common Stock or directorships held in the Company, details of all stock options or any other entitlement to Shares or equivalent benefits awarded, canceled, exercised, vested, unvested or outstanding in the Optionee's favor ("Data"), for the purposes of implementing, administering and managing the Plan. The legal basis, where required, for the processing of Data is the Optionee's consent.***

(b) ***Stock Plan Administration Service Providers. The Company may transfer Data to such service provider(s) as may be engaged by the Company to assist with the implementation, administration and management of the Plan. Such service provider(s) will be based in the United States, and the Company may select different or additional service providers and share Data with such other provider(s) serving in a similar manner. The Optionee may be asked to agree on separate terms and data processing practices with the service provider, with such agreement being a condition to the ability to participate in the Plan.***

(c) ***International Data Transfers. The Company and its service providers are based in the United States. The Optionee's country or jurisdiction may have different data privacy laws and protections than the United States. For example, the European Commission has issued a limited adequacy finding with respect to the United States that applies only to the extent companies register for the EU-U.S. Privacy Shield program. The Company's legal basis, where required, for the transfer of Data is the Optionee's consent.***

(d) ***Data Retention. The Company will hold and use Data only as long as is necessary to implement, administer and manage the Optionee's participation in the Plan, or as required to comply with legal or regulatory obligations, including under tax and security laws.***

(e) ***Voluntariness and Consequences of Consent Denial or Withdrawal. Participation in the Plan is voluntary, and the Optionee is providing the consents herein on a purely voluntary basis. If the Optionee does not consent, or if the Optionee later seek to revoke consent, the Optionee's salary from or employment and career with the Service Recipient will not be affected; the only consequence of refusing or withdrawing consent is that the Company would not be able to grant the Option or other equity awards to the Optionee or administer or maintain such awards.***

(f) ***Data Subject Rights. The Optionee may have a number of rights under data privacy laws in the Optionee's jurisdiction. Depending on where the Optionee is based, such rights may include the right to (i) request access or copies of Data the Company processes, (ii) rectification of incorrect Data, (iii) deletion of Data, (iv) restrictions on processing of Data, (v) portability of Data, (vi) lodge complaints with competent authorities in the Optionee's jurisdiction, and/or (vii) receive a list with the names and addresses of any potential recipients of Data. To receive clarification regarding these rights or to exercise these rights, the Optionee can contact the local human resources representative.***

By accepting this Option and indicating consent via the Company's acceptance procedure, the Optionee is declaring agreement with the data processing practices described herein and consent to the collection, processing and use of Data by the Company and the transfer of Data to the recipients mentioned above, including recipients located in countries which do not adduce an adequate level of protection from a European (or other non-U.S.) data protection law perspective, for the purposes described above.

Finally, the Optionee understands that the Company may rely on a different basis for the processing or transfer of Data in the future and/or request that the Optionee provide another data privacy consent. If applicable, the Optionee agrees that upon request of the Company or the Service Recipient, the Optionee will provide an executed acknowledgement or data privacy consent form (or any other agreements or consents) that the Company and/or the Service Recipient may deem necessary to obtain from the Optionee for the purpose of administering the Optionee's participation in the Plan in compliance with the data privacy laws in the Optionee's country, either now or in the future. The Optionee understands and agrees that he or she will not be able to participate in the Plan if he or she fails to provide any such consent or agreement requested by the Company and/or the Service Recipient.

HONG KONG

Terms and Conditions

Restriction on Sale of Shares. In the event that shares of Common Stock are issued to you or your heirs within six (6) months of the Date of Grant, such shares may not be sold prior to the six (6)-month anniversary of the Date of Grant.

Notifications

Securities Law Information. *WARNING: The contents of this document have not been reviewed by any regulatory authority in Hong Kong. You are advised to exercise caution in relation to the grant. If you have any questions regarding the contents of the Agreement or the Plan, you should obtain independent professional advice. Neither the grant of the Option nor the issuance of shares of Common Stock upon exercise of the Option constitutes a public offering of securities under Hong Kong law and is available only to eligible employees and other service providers of the Company and its Affiliates. The Agreement, the Plan and other incidental communication materials distributed in connection with the Option (i) have not been prepared in accordance with and are not intended to constitute a "prospectus" for a public offering of securities under the applicable securities legislation in Hong Kong and (ii), are intended only for the personal use of each eligible employee or other service provider of the Company and its Affiliates and may not be distributed to any other person.*

KOREA

Notifications

Foreign Asset / Account Reporting Information. Korean residents must declare any foreign financial accounts (*e.g.*, non-Korean bank, escrow, trust and brokerage accounts) to the Korean tax authority and file a report with respect to such accounts if the value of such accounts exceeds KRW 1 billion (or an equivalent amount in foreign currency). Shares of Common Stock held in a U.S. bank, escrow, trust or brokerage account may need to be included in the report. You should consult with your personal tax advisor to determine any personal reporting obligations.

TAIWAN

Notifications

Securities Law Information. The offer of participation in the Plan is available only for employees and certain service providers of the Company and its Affiliates. The offer of participation in the Plan is not a public offer of securities by a Taiwanese company.

Exchange Control Information. Taiwanese residents may acquire and remit foreign currency to acquire and sell shares of Common Stock out of or into Taiwan through an authorized foreign exchange bank up to USD 5 million per year. However, if the transaction amount is TWD 500,000 or more in a single transaction, Taiwanese residents must submit a Foreign Exchange Transaction Form, and other supporting documentation (such as an award agreement) to the satisfaction of the remitting bank.

UNITED KINGDOM

Terms and Conditions

Section 431 Election. As a condition of participation in the Plan and the exercise of this Option, you agree that, jointly with the Service Recipient, you shall enter into the joint election within Section 431 of the U.K. Income Tax (Earnings and Pensions) Act 2003 ("***ITEPA 2003***") in respect of computing any tax charge on the acquisition of "Restricted Securities" (as defined in Sections 423 and 424 of ITEPA 2003), and that you will not revoke such election at any time. This election will be to treat the shares of Common Stock acquired pursuant to the exercise of this Option as if such shares of Common Stock were not Restricted Securities (for U.K. tax purposes only). You must enter into the form of 431 election attached to this Appendix concurrent with the execution of the Option Agreement.

Responsibility for Taxes. The following provision supplements Section 13 of the Option Agreement (International):

Without limitation to Section 13 of the Option Agreement (International), you agree that you are liable for all Tax-Related Items and hereby covenant to pay all such Tax-Related Items as and when requested by the Company or the Service Recipient or by Her Majesty's Revenue and Customs ("***HMRC***") (or any other tax authority or any other relevant authority). You also agree to indemnify and keep indemnified the Company and the Service Recipient against any Tax-Related Items that they are required to pay or withhold or have paid or will pay to HMRC (or any other tax authority or any other relevant authority) on your behalf.

Notwithstanding the foregoing, if you are a director or executive officer (within the meaning of Section 13(k) of the Exchange Act), you understand that you may not be able to indemnify the Company or the Service Recipient for the amount of Tax-Related Items not collected from or paid by you because the indemnification could be considered to be a loan. In this case, any income tax not collected within ninety (90) days of the end of the U.K. tax year in which an event giving rise to the Tax-Related Items occurs may constitute a benefit to you on which additional income tax and National Insurance contributions ("***NICs***") may be payable. You understand that you will be responsible for reporting and paying any income tax due on this additional benefit directly to HMRC under the self-assessment regime and for reimbursing the Company and/or the Service Recipient (as appropriate) for the value of employee NICs due on this additional benefit which the Company and/or the Service Recipient may recover from you by any of the means referred to in Section 13 of the Option Agreement (International).

Joint Election. As a condition of your participation in the Plan and the exercise of this Option, you agree to accept any liability for secondary Class 1 NICs which may be payable by the Company and/or the

Service Recipient in connection with this Option and any event giving rise to Tax-Related Items (the "***Service Recipient's NICs***"). Without limitation to the foregoing, you agree to enter into a joint election with the Company and/or the Service Recipient (the "***Joint Election***"), the form of such Joint Election being formally approved by HMRC, and to execute any other consents or elections required to accomplish the transfer of the Service Recipient's NICs to you. You further agree to execute such other joint elections as may be required between you and any successor to the Company and/or the Service Recipient. You further agree that the Company and/or the Service Recipient may collect the Service Recipient's NICs from you by any of the means set forth in Section 13 of the Option Agreement (International).

If you do not enter into a Joint Election, if approval of the Joint Election has been withdrawn by HMRC, if the Joint Election is revoked by the Company or the Service Recipient (as applicable), or if the Joint Election is jointly revoked by you and the Company or the Service Recipient, as applicable, the Company, in its sole discretion and without any liability to the Company or the Service Recipient, may choose not to issue or deliver any shares of Common Stock or proceeds from the sale of shares of Common Stock to you upon exercise of this Option.

IMPORTANT NOTE: By accepting the Option (whether by signing the Grant Notice or via the Company's designated electronic acceptance procedures), you are agreeing to be bound by the terms of the Joint Election and the Section 431 Election. You should read the terms of the Joint Election and the Section 431 Election carefully before accepting the Agreement, the Joint Election, and the Section 431 Election. If requested by the Company, you agree to execute the Joint Election and the Section 431 Election in hard copy even if you have accepted the Agreement through the Company's electronic acceptance procedure. By entering into the Joint Election:

- You agree that any employer's NICs liability that may arise in connection with participation in the Plan will be transferred to you;
- You authorize your employer to recover an amount sufficient to cover this liability by such methods including but not limited to, deductions from your salary or other payments due or the sale of sufficient shares acquired pursuant to the Option.

By entering into this Section 431 Election, you agree that you will be subject to income tax and, where applicable, National Insurance contributions on the full spread at exercise of this Option based on the full unrestricted market value of the shares of Common Stock that you acquire pursuant to the exercise of this Option.

Attachment 1 to Appendix for the United Kingdom

Section 431 Joint Election Form

Joint Election under s431 ITEPA 2003

for full disapplication of Chapter 2 Income Tax (Earnings and Pensions) Act 2003

One Part Election

1. Between

the Employee	[insert name of employee]
whose National Insurance Number is	[insert employee Nat. Ins. Number]
and	
the Company (who is the Employee's employer)	Allbirds UK Limited
of Company Registration Number	11350304

2. Purpose of Election

This joint election is made pursuant to section 431(1) Income Tax (Earnings and Pensions) Act 2003 ("**ITEPA**") and applies where employment-related securities, which are restricted securities by reason of section 423 ITEPA, are acquired.

The effect of an election under section 431(1) is that, for the purposes of income tax and National Insurance contributions ("**NICs**"), the employment-related securities and their market value will be treated as if they were not restricted securities and that sections 425 to 430 ITEPA do not apply. Additional income tax will be payable as a result of this election (with PAYE withholding and NICs being applicable where the securities are Readily Convertible Assets).

Should the value of the securities fall following the acquisition, it is possible that income tax/NICs that would have arisen because of any future chargeable event (in the absence of an election) would have been less than the income tax/NICs due by reason of this election. Should this be the case, there is no income tax/NICs relief available under Part 7 of ITEPA 2003; nor is it available if the securities acquired are subsequently transferred, forfeited or revert to the original owner.

3. Application

This joint election is made not later than 14 days after the date of acquisition of the securities by the employee and applies to:

Number of securities	[insert number]
Description of securities	Common Stock
Name of issuer of securities	Allbirds, Inc.

To be acquired by the Employee on or after the date of this Election under the terms of the Allbirds, Inc. 2015 Equity Incentive Plan.

4. Extent of Application

This election disapplies S.431(1) ITEPA: All restrictions attaching to the securities.

5. Declaration

This election will become irrevocable upon the later of its signing or acceptance and the acquisition (and each subsequent acquisition) of employment-related securities to which this election applies.

The Employee acknowledges that, by clicking on the "ACCEPT" box, the Employee agrees to be bound by the terms of this election.

OR:

The Employee acknowledges that, by signing this election, the Employee agrees to be bound by the terms of this election.

..../...../.....

Signature (Employee) Date

The Company acknowledges that, by signing this election or arranging for the scanned signature of an authorised representative to appear on this election, the Company agrees to be bound by the terms of this election.

..../...../.....

Signature (for and on behalf of the Company) Date

.....

Position in company

Note: Where the election is in respect of multiple acquisitions, prior to the date of any subsequent acquisition of a security it may be revoked by agreement between the employee and employer in respect of that and any later acquisition.

Attachment 2 to Appendix for the United Kingdom

ALLBIRDS, INC.

2015 EQUITY INCENTIVE PLAN

(UK EMPLOYEES)

ELECTION TO TRANSFER THE EMPLOYER'S SECONDARY CLASS 1 NATIONAL INSURANCE LIABILITY TO THE EMPLOYEE

1. PARTIES

This Election is between:

(A) The individual who has gained access to this Election (the ***"Employee"***), who is employed by one of the employing companies listed in the attached schedule (the ***"Employer"***) and who is eligible to receive options (***"Options")*** pursuant to the terms and conditions of the Allbirds, Inc. 2015 Equity Incentive Plan, (the ***"Plan"***), and

(B) Allbirds, Inc., 730 Montgomery St., San Francisco, CA 94111, USA (the ***"Company"***), which may grant Options under the Plan and is entering into this Form of Election on behalf of the Employer.

2. PURPOSE OF ELECTION

2.1 This Election relates to all Options granted to Employee under the Plan up to the termination date of the Plan.

2.2 In this Election the following words and phrases have the following meanings:

"**ITEPA**" means the Income Tax (Earnings and Pensions) Act 2003.

"Relevant Employment Income" from Options on which Employer's National Insurance Contributions becomes due is defined as:

(i) an amount that counts as employment income of the earner under section 426 ITEPA (restricted securities: charge on certain post-acquisition events);

(ii) an amount that counts as employment income of the earner under section 438 ITEPA (convertible securities: charge on certain post-acquisition events); or

(iii) any gain that is treated as remuneration derived from the earner's employment by virtue of section 4(4)(a) SSCBA, including without limitation:

(A) the acquisition of securities pursuant to the Options (within the meaning of section 477(3)(a) of ITEPA);

(B) the assignment (if applicable) or release of the Options in return for consideration (within the meaning of section 477(3)(b) of ITEPA);

(C) the receipt of a benefit in connection with the Options, other than a benefit within (i) or (ii) above (within the meaning of section 477(3)(c) of ITEPA).

"**SSCBA**" means the Social Security Contributions and Benefits Act 1992.

"Taxable Event" means any event giving rise to Relevant Employment Income.

2.3 This Election relates to the Employer's secondary Class 1 National Insurance Contributions (the "***Employer's Liability***") which may arise in respect of Relevant Employment Income in respect of the Options pursuant to section 4(4)(a) and/or paragraph 3B(1A) of Schedule 1 of the SSCBA.

2.4 This Election does not apply in relation to any liability, or any part of any liability, arising as a result of regulations being given retrospective effect by virtue of section 4B(2) of either the SSCBA or the Social Security Contributions and Benefits (Northern Ireland) Act 1992.

2.5 This Election does not apply to the extent that it relates to relevant employment income which is employment income of the earner by virtue of Chapter 3A of Part VII of ITEPA (employment income: securities with artificially depressed market value).

2.6 Any reference to the Company and/or the Employer shall include that entity's successors in title and assigns as permitted in accordance with the terms of the Plan and the Stock Option Agreement. This Election will have effect in respect of the Options and any awards which replace or replaced the Options following their grant in circumstances where section 483 of ITEPA applies.

3. ELECTION

The Employee and the Company jointly elect that the entire liability of the Employer to pay the Employer's Liability that arises on any Relevant Employment Income is hereby transferred to the Employee. The Employee understands that by electronically accepting the Option or by separately signing this Election, he or she will become personally liable for the Employer's Liability covered by this Election. This Election is made in accordance with paragraph 3B(1) of Schedule 1 to SSCBA.

4. PAYMENT OF THE EMPLOYER'S LIABILITY

4.1 The Employee hereby authorises the Company and/or the Employer to collect the Employer's Liability in respect of any Relevant Employment Income from the Employee at any time after the Taxable Event:

(i) by deduction from salary or any other payment payable to the Employee at any time on or after the date of the Taxable Event; and/or

(ii) directly from the Employee by payment in cash or cleared funds; and/or

(iii) by arranging, on behalf of the Employee, for the sale of some of the securities which the Employee is entitled to receive in respect of the Options, the proceeds from which must be delivered to the Employer in sufficient time for payment to be made to Her Majesty's Revenue & Customs ("***HMRC***") by the due date; and/or

(iv) where the proceeds of the gain are to be paid through a third party, the Employee will authorize that party to withhold an amount from the payment or to sell some of the securities which the Employee is entitled to receive in respect of the Options, such amount to be paid in sufficient time to enable the Company and/or the Employer to make payment to HMRC by the due date; and/or

(v) by any other means specified in the Stock Option Agreement.

4.2 The Company hereby reserves for itself and the Employer the right to withhold the transfer of any securities in respect of the Options to the Employee until full payment of the Employer's Liability is received.

4.3 The Company agrees to procure the remittance by the Employer of the Employer's Liability to HMRC on behalf of the Employee within 14 days after the end of the UK tax month during which the Taxable Event occurs (or within 17 days after the end of the UK tax month during which the Taxable Event occurs, if payments are made electronically).

5. DURATION OF ELECTION

5.1 The Employee and the Company agree to be bound by the terms of this Election regardless of whether the Employee is transferred abroad or is not employed by the Employer on the date on which the Employer's Liability becomes due.

5.2 Any reference to the Company and/or the Employer shall include that entity's successors in title and assigns as permitted in accordance with the terms of the Plan and relevant award agreement. This Election will continue in effect in respect of any awards which replace the Options in circumstances where section 483 of ITEPA applies.

5.3 This Election will continue in effect until the earliest of the following:

(i) the Employee and the Company agree in writing that it should cease to have effect;

(ii) on the date the Company serves written notice on the Employee terminating its effect;

(iii) on the date HMRC withdraws approval of this Election; or

(iv) after due payment of the Employer's Liability in respect of the entirety of the Options to which this Election relates or could relate, such that the Election ceases to have effect in accordance with its terms.

5.4 This Election will continue in force regardless of whether the Employee ceases to be an employee of the Employer.

[Electronic Acceptance/Signature page follows]

Acceptance by the Employee

The Employee acknowledges that by accepting the Option, (whether by clicking on the "Accept option grant" box where indicated in the Company's electronic acceptance procedure or by signing the Stock Option Grant Notice in hard copy) or by separately signing this Election, the Employee agrees to be bound by the terms of this Election.

Signed

_____

The Employee

Acceptance by the Company

The Company acknowledges that, by signing this Election or arranging for the scanned signature of an authorised representative to appear on this Election, the Company agrees to be bound by the terms of this Election.

Signed for and on behalf of the Company

_____

[insert name]

[insert title]

SCHEDULE OF EMPLOYER COMPANIES

The following are the employing companies to which this Joint Election may apply:

Name:	Allbirds UK Limited
Registered Office:	6TH Floor One London Wall London, EC2Y 5EB United Kingdom
Company Registration Number:	11350304
Corporation Tax Reference:	56825 13923
PAYE Reference:	475GB81719

ATTACHMENT II

2015 EQUITY INCENTIVE PLAN

[*See attached.*]

ATTACHMENT III

NOTICE OF OPTION EXERCISE (INTERNATIONAL)

ALLBIRDS, INC.

NOTICE OF OPTION EXERCISE (INTERNATIONAL)

Allbirds, Inc.

_____

_____ Date of Exercise: _____

This constitutes notice to **Allbirds, Inc.** (the "***Company***") under my stock option that I elect to purchase the below number of shares of Common Stock of the Company (the "***Shares***") for the price set forth below.

Type of option (check one):	Nonstatutory
Stock option dated:	_____
Number of Shares as to which option is exercised:	_____
Certificates to be issued in name of:	_____
Total exercise price:	$_____
Cash payment delivered herewith:	$_____

By this exercise, I agree (i) to provide such additional documents as the Company may require pursuant to the terms of the 2015 Equity Incentive Plan, and (ii) if so required by the Company, to provide for the payment by me to the Company (in the manner designated by the Company) of the withholding obligation, if any, relating to the exercise of this Option.

I further agree that, if required by the Company (or a representative of the underwriters) in connection with the first underwritten registration of the offering of any securities of the Company under the Securities Act, I will not sell, dispose of, transfer, make any short sale of, grant any option for the purchase of, or enter into any hedging or similar transaction with the same economic effect as a sale with respect to any Shares or other securities of the Company for a period of one hundred eighty (180) days following the effective date of a registration statement of the Company filed under the Securities Act (or such longer period as the underwriters or the Company shall request to facilitate compliance with FINRA Rule 2711 or NYSE Member Rule 472 or any successor or similar rule or regulation) (the "***Lock-Up Period***"). I further agree to execute and deliver such other agreements as may be reasonably requested by the Company or the underwriters that are consistent with the foregoing or that are necessary to give further effect thereto. In order to enforce the foregoing covenant, the Company may impose stop-transfer instructions with respect to securities subject to the foregoing restrictions until the end of such period.

Very truly yours,

_____

(Signature)

_____

Name (Please Print)

Address of Record: _____

_____

_____

ALLBIRDS, INC.
RESTRICTED STOCK AWARD GRANT NOTICE
(2015 EQUITY INCENTIVE PLAN)

Allbirds, Inc. (the "***Company***"), pursuant to its 2015 Equity Incentive Plan, as amended and/or restated as of the Date of Grant set forth below (the "***Plan***"), hereby awards to Participant, in consideration of Participant's services to the Company, the number of shares of the Company's Common Stock set forth below (the "***Award***"). The Award is subject to all of the terms and conditions as set forth herein, in the Restricted Stock Award Agreement, the Plan, the Assignment Separate from Certificate and the Joint Escrow Instructions, all of which are attached hereto and incorporated herein in their entirety. Capitalized terms not explicitly defined herein but defined in the Plan or the Restricted Stock Award Agreement will have the same definitions as in the Plan or the Restricted Stock Award Agreement, as applicable. If there is any conflict between the terms herein and the Plan, the terms of the Plan will control.

Participant:	
Date of Grant:	
Number of Shares Subject to Award:	
Consideration:	Participant's services

Vesting Schedule: Fully vested upon date of grant.

Additional Terms/Acknowledgements: The undersigned Participant acknowledges receipt of, and understands and agrees to, this Restricted Stock Award Grant Notice, the Restricted Stock Award Agreement and the Plan. By accepting this Award, Participant consents to receive such documents by electronic delivery and to participate through an on-line or electronic system established and maintained by the Company or another third party designated by the Company. Participant further acknowledges that as of the Date of Grant, this Restricted Stock Award Grant Notice, the Restricted Stock Award Agreement and the Plan set forth the entire understanding between Participant and the Company regarding the acquisition of stock in the Company and supersede all prior oral and written agreements on that subject with the exception of (i) restricted stock awards or other compensatory stock awards previously granted and delivered to Participant, and (ii) the following agreements only.

OTHER AGREEMENTS: _____

_____

ALLBIRDS, INC.

By: _____

Name: _____

Title: _____

Date: _____

PARTICIPANT:

_____
(Print name)

_____
(Signature)

Date: _____

ATTACHMENTS:

Attachment I:	Restricted Stock Award Agreement
Attachment II:	2015 Equity Incentive Plan

ATTACHMENT I

ALLBIRDS, INC.
RESTRICTED STOCK AWARD AGREEMENT
(2015 EQUITY INCENTIVE PLAN)

Pursuant to the Restricted Stock Award Grant Notice (the "***Grant Notice***") and this Restricted Stock Award Agreement (the "***Agreement***" and together with the Grant Notice, the "***Award***") and its 2015 Equity Incentive Plan, as amended and/or restated as of the Date of Grant set forth in the Grant Notice (the "***Plan***"), Allbirds, Inc. (the "***Company***") has awarded you, in exchange for your services to the Company, the number of shares of the Company's Common Stock subject to the Award as indicated in the Grant Notice. Capitalized terms not explicitly defined in this Agreement but defined in the Plan will have the same definitions as in the Plan. If there is any conflict between the terms in this Agreement and the Plan, the terms of the Plan will control.

The details of your Award, in addition to those set forth in the Grant Notice and the Plan, are as follows:

1. NUMBER OF SHARES. The number of shares subject to your Award may be adjusted from time to time for Capitalization Adjustments.

2. SECURITIES LAW COMPLIANCE. In no event may you be issued any shares of Common Stock under your Award unless the shares are either then registered under the Securities Act or, if not registered, the Company has determined that such issuance would be exempt from the registration requirements of the Securities Act. Your Award and the issuance of shares of Common Stock under your Award also must comply with all other applicable laws and regulations, and you will not receive any shares of Common Stock under your Award if the Company determines that such receipt would not be in material compliance with such laws and regulations.

3. TRANSFER RESTRICTIONS. In addition to any other limitation on transfer created by applicable securities laws, you will not sell, assign, hypothecate, donate, encumber or otherwise dispose of all or any part of the Shares or any interest in the Shares except in compliance with this Agreement (including without limitation Section 4), the Company's bylaws and applicable securities laws.

4. RIGHT OF FIRST REFUSAL. Shares of Common Stock that you acquire under your Award are subject to any right of first refusal that may be described in the Company's bylaws in effect at such time the Company elects to exercise its right. The Company's right of first refusal shall expire on the first date upon which any security of the Company is listed (or approved for listing) upon notice of issuance on a national securities exchange or quotation system.

5. REPURCHASE RIGHT. The shares issued to you pursuant to your Stock Award will be subject to any repurchase right applicable to shares of the Company's capital stock owned by you or issued to you provided in the Company's bylaws in effect at such time as the Company elects to exercise its right.

6. RIGHT AS STOCKHOLDER. Subject to the provisions of this Award, you will exercise all rights and privileges of a stockholder of the Company with respect to the shares of Common Stock deposited in escrow. You will be deemed to be the holder of the shares for purposes of receiving any dividends that may be paid with respect to such shares and for purposes of exercising any voting rights relating to such shares.

7. RESTRICTIVE LEGENDS. All certificates representing the Common Stock issued under your Award will be endorsed with appropriate legends determined by the Company in substantially the following forms (in addition to any other legend that may be required by other agreements between you and the Company):

a. "THE SHARES REPRESENTED BY THIS CERTIFICATE ARE SUBJECT TO A REACQUISITION RIGHT AND OTHER RESTRICTIONS AND CONDITIONS SET FORTH IN A RESTRICTED STOCK AWARD AGREEMENT BETWEEN THE COMPANY AND THE REGISTERED HOLDER, OR SUCH HOLDER'S PREDECESSOR IN INTEREST, A COPY OF WHICH IS ON FILE AT THE COMPANY'S PRINCIPAL CORPORATE OFFICES. ANY TRANSFER OR ATTEMPTED TRANSFER OF ANY SHARES SUBJECT TO SUCH RIGHT IS VOID WITHOUT THE PRIOR EXPRESS WRITTEN CONSENT OF THE COMPANY."

b. "THE SHARES REPRESENTED BY THIS CERTIFICATE HAVE NOT BEEN REGISTERED UNDER THE SECURITIES ACT OF 1933, AS AMENDED. THEY MAY NOT BE SOLD, OFFERED FOR SALE, PLEDGED OR HYPOTHECATED IN THE ABSENCE OF AN EFFECTIVE REGISTRATION STATEMENT AS TO THE SECURITIES UNDER SAID ACT OR AN OPINION OF COUNSEL SATISFACTORY TO THE COMPANY THAT SUCH REGISTRATION IS NOT REQUIRED."

c. "THE SHARES REPRESENTED BY THIS CERTIFICATE ARE SUBJECT TO CERTAIN RIGHTS OF REFUSAL GRANTED TO THE COMPANY AND/OR ITS ASSIGNEE(S) AND ACCORDINGLY MAY NOT BE SOLD, ASSIGNED, TRANSFERRED, ENCUMBERED OR IN ANY MANNER DISPOSED OF EXCEPT IN CONFORMITY WITH THE TERMS OF THE BYLAWS OF THE COMPANY AND/OR A RESTRICTED STOCK AWARD AGREEMENT BETWEEN THE COMPANY AND THE REGISTERED HOLDER, OR SUCH HOLDER'S PREDECESSOR IN INTEREST, A COPY OF WHICH IS ON FILE AT THE COMPANY'S PRINCIPAL CORPORATE OFFICES."

d. "THE SHARES REPRESENTED BY THIS CERTIFICATE ARE SUBJECT TO A TRANSFER RESTRICTION, AS PROVIDED IN THE BYLAWS OF THE COMPANY."

e. Any legend required by appropriate blue sky officials.

8. AWARD NOT A SERVICE CONTRACT. Your Award is not an employment or service contract, and nothing in your Award will be deemed to create in any way whatsoever any obligation on your part to continue in the employ of the Company or an Affiliate, or on the part of the Company or an Affiliate to continue your employment. In addition, nothing in your Award will obligate the Company or an Affiliate, their respective stockholders, boards of directors, Officers or Employees to continue any relationship that you might have as a Director or Consultant for the Company or an Affiliate.

9. WITHHOLDING OBLIGATIONS.

a. At the time your Award is made, or at any time thereafter as requested by the Company, you hereby authorize withholding from payroll and any other amounts payable to you, and otherwise agree to make adequate provision for any sums required to satisfy the federal, state, local and foreign tax withholding obligations of the Company or an Affiliate, if any, which arise in connection with your Award (the "***Withholding Taxes***"). The Company may, in its sole discretion, satisfy all or any portion of the Withholding Taxes obligation relating to your Award by any of the following means or by a combination of such means: (i) withholding from any amounts otherwise payable to you by the Company; (ii) causing you to tender a cash payment; or (iii) withholding shares of Common Stock from the shares of

Common Stock issued or otherwise issuable to you in connection with the Award with a Fair Market Value equal to the amount of such Withholding Taxes; *provided*, *however*, that the number of such shares of Common Stock withheld may not exceed the amount necessary to satisfy the Company's required tax withholding obligations using the minimum statutory withholding rates for federal, state, local and foreign tax purposes, including payroll taxes, that are applicable to supplemental taxable income.

b. Unless the tax withholding obligations of the Company and any Affiliate are satisfied, the Company will have no obligation to issue a certificate for such shares or release such shares from any escrow provided for in this Agreement.

10. INVESTMENTS REPRESENTATIONS. In connection with your acquisition of the Common Stock under your Award, you represent to the Company the following:

a. You are aware of the Company's business affairs and financial condition and have acquired sufficient information about the Company to reach an informed and knowledgeable decision to acquire the Common Stock. You are acquiring the Common Stock for investment for your own account only and not with a view to, or for resale in connection with, any "distribution" thereof within the meaning of the Securities Act.

b. You understand that the Common Stock has not been registered under the Securities Act by reason of a specific exemption therefrom, which exemption depends upon, among other things, the bona fide nature of your investment intent as expressed in this Agreement.

c. You further acknowledge and understand that the Common Stock must be held indefinitely unless the Common Stock is subsequently registered under the Securities Act or an exemption from such registration is available. You understand that the certificate evidencing the Common Stock will be imprinted with a legend that prohibits the transfer of the Common Stock unless the Common Stock is registered or such registration is not required in the opinion of counsel for the Company.

d. You are familiar with the provisions of Rules 144 and 701 under the Securities Act, as in effect from time to time, which, in substance, permit limited public resale of "restricted securities" acquired, directly or indirectly, from the issuer thereof (or from an affiliate of such issuer), in a non-public offering subject to the satisfaction of certain conditions. Rule 701 provides that if the issuer qualifies under Rule 701 at the time of issuance of the securities, such issuance will be exempt from registration under the Securities Act. In the event the Company becomes subject to the reporting requirements of Section 13 or 15(d) of the Exchange Act, the securities exempt under Rule 701 may be sold by you ninety (90) days thereafter, subject to the satisfaction of certain of the conditions specified by Rule 144 and the lock-up described in Section 11.

e. In the event that the sale of the Common Stock does not qualify under Rule 701 at the time of issuance, then the Common Stock may be resold by you in certain limited circumstances subject to the provisions of Rule 144, which requires, among other things: (i) the availability of certain public information about the Company; and (ii) the resale occurring following the required holding period under Rule 144 after you have purchased, and made full payment of (within the meaning of Rule 144), the securities to be sold.

f. You further understand that at the time you wish to sell the Common Stock there may be no public market upon which to make such a sale, and that, even if such a public market then exists, the Company may not be satisfying the current public current information requirements of Rule 144 or 701, and that, in such event, you would be precluded from selling the Common Stock under Rule 144 or 701 even if the minimum holding period requirement had been satisfied.

11. LOCK-UP PERIOD. By acquiring shares of Common Stock under your Award, you agree that you will not sell, dispose of, transfer, make any short sale of, grant any option for the purchase of, or enter into any hedging or similar transaction with the same economic effect as a sale, any shares of Common Stock or other securities of the Company held by you, for a period of one hundred eighty (180) days following the effective date of a registration statement of the Company filed under the Securities Act or such longer period as the underwriters or the Company request or as necessary to permit compliance with FINRA Rule 2241 and any similar or successor regulatory rules and regulations (the "***Lock-Up Period***"); *provided, however*, that nothing contained in this Section 11 will prevent the exercise of a reacquisition right or repurchase option, if any, in favor of the Company during the Lock-Up Period. You further agree to execute and deliver such other agreements as may be reasonably requested by the Company and the underwriters that are consistent with the foregoing or that are necessary to give further effect thereto. You also agree that any transferee of any shares of Common Stock (or other securities of the Company held by you) will be bound by this Section 11. To enforce the foregoing covenant, the Company may impose stop-transfer instructions with respect to your shares of Common Stock until the end of such period. The underwriters of the Company's stock are intended third party beneficiaries of this Section 11 and will have the right, power and authority to enforce the provisions of this Section 11 as though they were a party to this Agreement.

12. TAX CONSEQUENCES. You agree to review with your own tax advisors the federal, state, local and foreign tax consequences of this investment and the transactions contemplated by this Agreement. You will rely solely on such advisors and not on any statements or representations of the Company or any of its agents. You understand that you (and not the Company) will be responsible for your own tax liability that may arise as a result of this investment or the transactions contemplated by this Agreement. You understand that Section 83 of the Code taxes as ordinary income to you the fair market value of the shares of Common Stock issued to you pursuant to the Award as of the date of grant of the vested Award. You acknowledge that the foregoing is only a summary of the effect of U.S. federal income taxation with respect to issuance of the Common Stock pursuant to your Award, and does not purport to be complete. You further acknowledge that the Company has directed you to seek independent advice regarding the applicable provisions of the Code, the income tax laws of any municipality, state or foreign country in which you may reside, and the tax consequences of your death. YOU ARE REQUIRED TO FILE THE 83(B) ELECTION IN A TIMELY MANNER UNDER ANY CIRCUMSTANCES.

13. NOTICES. Any notices provided for in your Award or the Plan will be given in writing (including electronically) and will be deemed effectively given upon receipt or, in the case of notices delivered by the Company to you, five days after deposit in the U.S. mail, postage prepaid, addressed to you at the last address you provided to the Company. The Company may, in its sole discretion, decide to deliver any documents related to participation in the Plan and this Award by electronic means or to request your consent to participate in the Plan by electronic means. By accepting this Award, you consent to receive such documents by electronic delivery and to participate in the Plan through an on-line or electronic system established and maintained by the Company or another third party designated by the Company.

14. GOVERNING PLAN DOCUMENT. Your Award is subject to all the provisions of the Plan, the provisions of which are hereby made a part of your Award, and is further subject to all interpretations, amendments, rules and regulations which may from time to time be promulgated and adopted pursuant to the Plan. In the event of any conflict between the provisions of your Award and those of the Plan, the provisions of the Plan will control.

15. EFFECT ON OTHER EMPLOYEE BENEFIT PLANS. The value of this Award will not be included as compensation, earnings, salaries, or other similar terms used when calculating your benefits under any employee benefit plan sponsored by the Company or any Affiliate, except as such plan otherwise expressly provides. The Company expressly reserves its rights to amend, modify, or terminate any of the Company's or any Affiliate's employee benefit plans.

16. SEVERABILITY. If all or any part of this Award or the Plan is declared by any court or governmental authority to be unlawful or invalid, such unlawfulness or invalidity will not invalidate any portion of this Award or the Plan not declared to be unlawful or invalid. Any Section of this Award (or part of such a Section) so declared to be unlawful or invalid shall, if possible, be construed in a manner which will give effect to the terms of such Section or part of a Section to the fullest extent possible while remaining lawful and valid.

17. MISCELLANEOUS.

a. Upon request by the Company, you agree to execute certain customary agreements entered into with the holders of capital stock of the Company, including without limitation a right of first refusal and co-sale agreement, stockholders agreement and a voting agreement. By accepting this Award, you agree to deliver to the Company an executed counterpart signature page to that certain Amended and Restated Voting Agreement, by and between the Company and the persons and entities listed on Exhibit A and Exhibit B thereto, dated on or about July 19, 2016, as may be amended and/or restated from time to time (the "***Voting Agreement***"), as a "Key Holder" (as defined therein) thereto, if, as a result of this Award, you would hold 1% or more of the then-outstanding shares of the Company's capital stock (a "1% exercise"). You agree that your exercise of your option, if a 1% exercise, will be conditioned upon the Company's receipt of your executed counterpart signature page as a "Key Holder" to the Voting Agreement.

b. The rights and obligations of the Company under your Award are transferable by the Company to any one or more persons or entities, and all covenants and agreements hereunder will inure to the benefit of, and be enforceable by the Company's successors and assigns. Your rights and obligations under your Award may only be assigned with the prior written consent of the Company.

c. You agree upon request to execute any further documents or instruments necessary or desirable in the sole determination of the Company to carry out the purposes or intent of your Award.

d. You acknowledge and agree that, except for such information as required to be delivered to you by the Company pursuant to any other agreement by and between the Company and you, you will have no right to receive any information from the Company by virtue of your acquisition of the Shares, ownership of the Shares, or as a result of you being a holder of record of stock of the Company. Without limiting the foregoing, to the fullest extent permitted by law, you waive your inspection rights under Section 220 of the Delaware General Corporation Law and all such similar information and/or inspection rights that may be provided under the law of any jurisdiction, or any federal, state or foreign regulation, that are, or may become, applicable to the Company, the Company's capital stock or the Shares (the "***Inspection Rights***"). You covenant and agree 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.

e. You acknowledge and agree that you have reviewed your Award in its entirety, have had an opportunity to obtain the advice of counsel prior to executing and accepting your Award and fully understand all provisions of your Award.

* * *

1. This Restricted Stock Award Agreement will be deemed to be signed by the Company and Participant upon the signing by Participant of the Restricted Stock Award Grant Notice to which it is attached.

ATTACHMENT II

2015 EQUITY INCENTIVE PLAN

[*See attached.*]