

**UNITED STATES  
SECURITIES AND EXCHANGE COMMISSION  
Washington, D.C. 20549  
Amendment No. 1**

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

**nCino, Inc.**

*(Exact name of Registrant as specified in its charter)*

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

**7372**  
*(Primary Standard Industrial  
Classification Code Number)*

**46-4353148**  
*(I.R.S. Employer  
Identification Number)*

**6770 Parker Farm Drive  
Wilmington, North Carolina 28405  
(888) 676-2466**

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

**Pierre Naudé  
President and Chief Executive Officer  
nCino, Inc.**

**6770 Parker Farm Drive  
Wilmington, North Carolina 28405  
(888) 676-2466**

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

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

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

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

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

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

Large accelerated filer	<input type="checkbox"/>	Accelerated filer	<input type="checkbox"/>
Non-accelerated filer	<input checked="" type="checkbox"/>	Smaller reporting company	<input type="checkbox"/>
Emerging growth company	<input checked="" type="checkbox"/>		

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	Shares to be Registered <sup>(1)</sup>	Proposed Maximum Aggregate Offering Price Per Share <sup>(2)</sup>	Maximum Aggregate Offering Price <sup>(1)(2)</sup>	Amount of Registration Fee <sup>(3)</sup>
Common Stock, par value \$0.0005 per share	8,768,750	\$24.00	\$210,450,000	\$27,317

(1) Includes an additional 1,143,750 shares of our common stock that the underwriters have the option to purchase.

(2) Estimated solely for the purpose of calculating the registration fee in accordance with Rule 457(a) of the Securities Act of 1933, as amended.

(3) The registrant previously paid \$12,980 of this amount in connection with a prior filing of this registration statement.

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

PROSPECTUS

Subject to Completion  
Preliminary Prospectus dated July 8, 2020

7,625,000 Shares



Common Stock

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 declared effective. This prospectus is not an offer to sell these securities and we are not soliciting offers to buy these securities in any jurisdiction where the offer or sale is not permitted.

This is the initial public offering of shares of common stock of nCino, Inc. Prior to this offering, there has been no public market for our common stock. We anticipate that the initial public offering price will be between \$22.00 and \$24.00 per share. We have applied to list our common stock on The Nasdaq Global Select Market under the symbol "NCNO."

We have granted the underwriters a 30-day option to purchase up to 1,143,750 additional shares of common stock from us at the initial public offering price, less the underwriting discounts and commissions.

We are an "emerging growth company" as the term is used in the Jumpstart Our Business Startups Act of 2012 and, as such, have elected to comply with certain reduced public company reporting requirements. See the section titled "Prospectus Summary—Emerging Growth Company."

**Investing in our common stock involves risks. See "Risk Factors" on page 14.**

	Price to Public	Underwriting Discounts and Commissions <sup>(1)</sup>	Proceeds to Us, Before Expenses
Per Share	\$	\$	\$
Total	\$	\$	\$

(1) See the section entitled "Underwriting" for additional information regarding underwriting compensation.

Neither the Securities and Exchange Commission, any state securities commission nor any other regulatory body 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 to investors on or about \_\_\_\_\_, 2020.

**BofA Securities**      **Barclays**      **KeyBanc Capital Markets**      **SunTrust Robinson Humphrey**  
**Piper Sandler**                      **Raymond James**                                      **Macquarie Capital**

The date of this prospectus is \_\_\_\_\_, 2020.



## OUR REPUTATION

“TD Bank’s investment into the nCino platform ultimately will enable us to provide a seamless experience to our clients and an improved employee experience—both critical to the success of the organization. Through nCino, TD Bank is consolidating numerous legacy systems into one top-tier, foundational platform that allows for better communication, credit administration and processes, and through data, advanced visibility into the lifecycle of relationships and future opportunities.”

### CHRIS GIAMO

HEAD OF COMMERCIAL BANKING



“At ConnectOne, we’ve built our success through our sense of urgency and culture of efficiency. The nCino platform allows us to scale this culture by providing a fully digitized end to end experience. With nCino, it takes maybe a minute to put a lead’s information into the system and start the process. It’s a game changer. We were already processing loans pretty quickly, but with nCino it is cutting time from the process.”

### FRANK SORRENTINO

CEO AND CHAIRMAN



“Santander UK has embarked on a transformation project to deliver a cutting-edge experience for our clients and nCino is a critical part of our strategy. With the nCino Bank Operating System in place, we no longer rely on siloed legacy systems that require rekeying information and result in prolonged turnaround times. Instead, we have a modern, flexible and scalable technology solution that allows us to offer our clients a faster, more efficient and more transparent onboarding and lending experience.”

### CHRIS FALLIS

CHIEF OPERATING OFFICER  
CORPORATE & COMMERCIAL BANKING



“With nCino, we can not only provide much-needed funding to our small business customers, but we can track in real-time how much of our pipeline is related to COVID-19, easily create automated and customized reports, make changes quickly in a constantly-evolving situation, and ensure we are always remaining compliant. The impact this software has had on our business and our customer base is significant.”

### BRAD TURNER

EVP AND CHIEF CREDIT OFFICER







OUR CULTURE



**TRANSFORMING FINANCIAL  
SERVICES THROUGH INNOVATION,  
REPUTATION AND SPEED**



OUR COMPANY

KEY COMPANY HIGHLIGHTS

 **NCINO BANK OPERATING SYSTEM**  
A SINGLE PLATFORM FOR ONBOARDING,  
LOAN ORIENTATION AND ACCOUNT OPENING

 **HEADQUARTERS**  
WILMINGTON, NC, USA

 **1,100+**  
FINANCIAL INSTITUTIONS USING NCINO

 **900+**  
PASSIONATE EMPLOYEES ACROSS  
7 GLOBAL OFFICES

KEY PERFORMANCE HIGHLIGHTS

**~\$10B**  
SERVICEABLE  
ADDRESSABLE  
MARKET

**147%**  
FY 2020  
SUBSCRIPTION  
REVENUE  
RETENTION RATE<sup>(1)</sup>

**161**  
CUSTOMERS PAYING  
>\$100K PER YEAR  
INCLUDING  
21 > \$1M

**70%**  
SUBSCRIPTION  
GROSS  
MARGIN

**60%**  
SUBSCRIPTION  
REVENUE<sup>(2)</sup>  
GROWTH

**10**  
COUNTRIES WHERE  
THE NCINO BANK  
OPERATING SYSTEM  
IS DEPLOYED

Note: Fiscal year end is January 31, 2020. (1) Subscription revenue retention rate is calculated as total subscription revenues in a fiscal year from customers who purchased any of our solutions as of January 31 of the prior fiscal year, expressed as a percentage of total subscription revenues for the prior fiscal year. Year-over-year increases in subscription revenues from existing customers reflect both the effect of phased activations of originally contracted for seats as well as additional sales to these customers, net of attrition. (2) Recurring or subscription revenues consist principally of fees from customers for accessing the nCino Bank Operating System and maintenance and support services that we offer under non-cancellable multi-year contracts, which typically range from three to five years.

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**You should rely only on the information contained in this document or to which we have referred you. Neither we nor any of the underwriters has authorized anyone to provide you with information that is different. This document may only be used in jurisdictions where it is legal to sell these securities. The information in this document may only be accurate as of the date of this document or such other date set forth in this document, regardless of the time of delivery of this prospectus or of any sale of shares of our common stock, and the information in any free writing prospectus that we may provide you in connection with this offering is accurate only as of the date of that free writing prospectus. Our business, financial condition, results of operations and future growth prospects may have changed since those dates.**

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

**Basis of presentation**

Our fiscal year ends on January 31 of each year and references in this prospectus to a fiscal year mean the year in which that fiscal year ends. Accordingly, references in this prospectus to “fiscal 2018,” “fiscal 2019,” and “fiscal 2020” refer to the fiscal year ended January 31, 2018, January 31, 2019 and January 31, 2020, respectively.

In this prospectus, when we refer to “Annual Contract Value” or “ACV” for any customer for any given period, we mean the annualized subscription fees from fully-activated subscription contracts in effect for such customers at the end of the applicable period.

## 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 buying shares in this offering. Therefore, you should read this entire prospectus carefully, including the sections titled “Risk Factors,” “Management’s Discussion and Analysis of Financial Condition and Results of Operations” and our consolidated financial statements and the related notes included elsewhere in this prospectus, before deciding whether to purchase our common stock. Unless the context requires otherwise, the words “we,” “us,” “our,” and “the Company” refer to nCino, Inc. and its subsidiaries.*

### **nCino, Inc.**

#### **Our Mission**

Our mission is to transform financial services through innovation, reputation and speed.

#### **Overview**

nCino is a leading global provider of cloud-based software for financial institutions. We empower banks and credit unions with the technology they need to meet ever-changing client expectations and regulatory requirements, gain increased visibility into their operations and performance, replace legacy systems, and operate digitally and more competitively. Our solution, the nCino Bank Operating System, digitizes, automates and streamlines inefficient and complex processes and workflow, and utilizes data analytics and artificial intelligence and machine learning (“AI/ML”) to enable financial institutions to more effectively onboard new clients, make loans and manage the entire loan life cycle, open deposit and other accounts and manage regulatory compliance. We serve financial institution customers of all sizes and complexities, including global financial institutions, enterprise banks, regional banks, community banks, credit unions and new market entrants, such as challenger banks. Our customers deploy and utilize our digital platform, which can be accessed anytime, anywhere and from any internet-enabled device, for mission critical functions across their organizations.

Built as a single, multi-tenant SaaS platform, the nCino Bank Operating System transforms the way financial institutions operate, go to market and interact with their clients, while delivering measurable return on investment by enabling them to:

- digitally serve their clients across commercial, small business and retail lines of business,
- improve financial results,
- operate more efficiently,
- manage risk and compliance more effectively, and
- establish a data, audit and business intelligence hub.

We were founded in a bank with the goal of improving that institution’s operations and client service. Realizing the problems we were addressing were endemic to virtually all banks and credit unions, we were spun out as a separate company in late 2011 with the vision of providing a comprehensive solution to onboard clients, originate any type of loan and open any type of account on a single cloud-based platform. We initially focused the nCino Bank Operating System on transforming commercial and small business lending for community and regional banks. We introduced our solution to enterprise banks in the United States in 2014, and then



internationally in 2017, and have subsequently expanded across North America, Europe and Asia-Pacific (“APAC”). Throughout this market expansion, we broadened our solution by adding functionality for retail lending, client onboarding, deposit account opening, analytics and AI/ML. Our holistic solution enables us to provide a single digital banking platform for financial institutions of all sizes on a global basis. We work with some of the world’s leading systems integrators (“SIs”) to help implement our solution, which has increased our capacity to deliver and deploy the nCino Bank Operating System and enabled us to scale more quickly.

As a native cloud platform that utilizes a single code base regardless of the size and complexity of the financial institution, the nCino Bank Operating System is highly scalable and configurable for the specific needs of each of our customers. Once implemented, our solution becomes deeply embedded in our customers’ business processes, enabling mission critical workflow across the financial institution on a single platform and allowing our customers to serve their clients without locality or access constraints. The nCino Bank Operating System connects the front, middle and back office employees of a financial institution with clients and third parties across lines of business. We deliver data analytics and AI/ML capabilities through our nCino IQ (“nIQ”) application suite to provide our customers with automation and insights into their operations, such as tools for analyzing, measuring and managing credit risk, as well as to improve their ability to comply with regulatory requirements. Fundamental elements of the nCino Bank Operating System are built on the Salesforce platform (the “Salesforce Platform”), which allows us to focus our product development efforts on building deep vertical functionality specifically for banks and credit unions while leveraging the Salesforce Platform’s global infrastructure, reliability and scalability.

We offer the nCino Bank Operating System on a subscription basis pursuant to non-cancellable multi-year contracts that typically range from three to five years, and we employ a “land and expand” business model. Our initial deployment with a customer generally focuses on implementing a client onboarding, loan origination and/or deposit account opening application in a specific line of business within the financial institution, such as commercial, small business or retail. The nCino Bank Operating System is designed to scale with our customers and once our solution is deployed, we seek to have our customers expand adoption within and across lines of business. The nCino Bank Operating System leverages common data sets and functionality across applications, which optimizes and accelerates the deployment of our solution throughout a financial institution.

The nCino Bank Operating System serves a large addressable market opportunity globally as financial institutions make significant investments in information technology (“IT”) applications and infrastructure, with demand for cloud-based solutions in banking continuing to grow. According to Gartner, banking had the highest global enterprise IT spending of all industries with approximately \$376 billion spent in 2018. Based on our internal analysis and experience, we estimate the current serviceable market for the nCino Bank Operating System to be greater than \$10 billion.

nCino has a diverse customer base ranging from global financial institutions, such as Bank of America, Barclays, Santander Bank and TD Bank, to enterprise banks, such as KeyBank, Allied Irish Bank, Truist Bank and US Bank, to regional and community banks, such as ConnectOne Bank, IBERIABANK, Pacific Western Bank and Coastal States Bank, to credit unions, such as Corning Credit Union, Navy Federal Credit Union, SAFE Credit Union and Wright-Patt Credit Union, to new market entrants, such as challenger banks like B-North, DBT Företagslån, Recognise Financial and Secure Trust Bank. These companies represent a cross-section of global financial institutions, enterprise banks, regional and community banks, credit unions and challenger banks, and each of these customers represents a substantial level of ACV in its respective category.

We ended fiscal 2020 with over 290 financial institutions that utilized the nCino Bank Operating System for client onboarding, loan origination and/or deposit account opening, of which 161 each generated more than \$100,000 in annual subscription revenues in fiscal 2020. In addition, we have over 890 financial institutions that use the portfolio analytics solution we acquired with the Visible Equity acquisition in fiscal 2020, which is now part of nIQ. In total, we had over 1,180 financial institution customers as of January 31, 2020. For fiscal 2020, we had a



subscription revenue retention rate of 147%. See “Management’s Discussion and Analysis of Financial Condition and Results of Operations—Factors Affecting Our Operating Results—Subscription Revenue Retention Rate” for additional information on subscription revenue retention rates.

Our business has achieved rapid growth since its inception. We plan to continue investing in expanding the breadth and depth of the nCino Bank Operating System and expanding internationally. We believe our product development and global expansion initiatives will continue to drive revenue and customer growth. Our total revenues were \$138.2 million, \$91.5 million and \$58.1 million for fiscal 2020, 2019 and 2018, respectively, representing a 54.2% compound annual growth rate. We also had recurring, subscription-based revenues of \$103.3 million, \$64.5 million and \$38.0 million for fiscal 2020, 2019 and 2018, respectively, representing a 64.7% compound annual growth rate. Net losses attributable to nCino for fiscal 2020, 2019 and 2018 were \$27.6 million, \$22.3 million and \$18.6 million, respectively. For the three months ended April 30, 2020 and 2019, our total revenues were \$44.7 million and \$29.8 million, respectively, representing a 49.9% annual growth rate, and our subscription revenues were \$34.8 million and \$21.0 million, respectively, representing a 65.6% annual growth rate. We had net losses attributable to nCino of \$4.8 million and \$3.4 million for the three months ended April 30, 2020 and 2019, respectively.

## **Industry Background**

With more than 28,000 financial institutions worldwide, banking is one of the largest and most complex industries in the global economy and is characterized by intense competition between incumbent financial institutions, as well as with new challenger banks and non-bank lenders. This competitive environment, combined with high levels of regulatory oversight and persistently low interest rates over the last several years, can make executing and delivering favorable financial results difficult for financial institutions. Furthermore, technologies like social media, mobile and online commerce are challenging financial institutions to engage with clients and employees more efficiently, intelligently and transparently through new channels. In response to these challenges, many financial institutions have embarked on digital transformations, investing in technology to make their operations more client focused, automated and agile. The most forward-thinking financial institutions are going a step further by adopting modern predictive analytics and AI/ML to become more truly data-driven organizations.

### ***Financial Institution Clients Increasingly Demand a Seamless, Modern and Transparent Experience***

Evolving client expectations are driving the need for change across financial services. Today, a typical client expects to interact with a financial institution in a myriad of ways, from visiting a branch to logging in remotely from a variety of devices. These clients increasingly value a consistent and seamless experience across these diverse channels. According to a 2019 PricewaterhouseCoopers (“PwC”) survey, there has been a 21% increase since 2015 in consumers who use financial institutions that place more importance on experiential factors than interest rates. Additionally, this survey notes that 35% of clients choose their financial institution based on ease of use and client service. Financial institutions, which have historically required clients to adapt to the institution’s operating structure, must increasingly adapt their operating structures to the needs of their clients. This transformation requires a flexible, scalable, agile and secure technology platform. According to a 2018 Accenture survey, 74% of bank operation leaders say that client experience is their top strategic priority, yet 69% believe they are not optimizing their data and capabilities to improve the client journey, with legacy environments most frequently cited as the greatest barrier to change.

### ***Digital Transformation is Driving Financial Institution Technology Spend Even Higher***

Financial institutions spend more on technology than any other industry and digital transformation is expected to accelerate this trend. According to a 2018 EY survey, 85% of banks are currently undertaking digital transformations to modernize their businesses and 60% of banks plan to increase their technology budgets by at

least 10% over the next 12 months. While cloud computing is a key enabler of digital transformation, financial institutions have historically been slow to adopt cloud computing out of concerns over stability, security and control. As a result, financial institutions are generally in the early stages of their transition to the cloud, and accessing a highly reliable and secure platform for 24/7/365 “anywhere” operations is becoming increasingly important. In the 2018 EY survey, 60% to 80% of global banks said they planned to increase investment in cloud technology over the next three years. Additionally, according to a 2018 Celent report, financial services firms are expected to progressively abandon private data centers and triple the amount of data they upload to the cloud over the next three years.

#### ***Financial Institutions Face Increased Regulatory Scrutiny***

Financial institutions are facing ever increasing regulatory requirements. The Dodd-Frank Wall Street Reform and Consumer Protection Act, the Basel capital requirement standards and the Current Expected Credit Loss (“CECL”) accounting standard have imposed stringent regulations pertaining to capital and leverage ratios and how financial institutions are required to estimate allowances for credit losses. Additionally, increased privacy regulations, such as the European Union’s General Data Protection Regulation (“GDPR”) and the California Consumer Privacy Act (“CCPA”), have imposed tougher data protection requirements. According to a Thomson Reuters report, compliance costs for financial institutions have increased 13% year over year since 2017 and the cost of non-compliance can be material. The overhang of this and other regulation is driving increased demand for technology solutions to help financial institutions standardize processes, enhance visibility, ease the burden of regulatory exams and ultimately reduce compliance costs.

#### ***The Shift to Automation and Data-Driven Banking***

To accelerate digital transformation, financial institutions are focusing their technology investments on automation, actionable intelligence, predictive analytics and AI/ML.

- ***Automation.*** Financial institutions are marrying digital technologies and data to modernize and automate what were traditionally manual processes. The automation opportunity is an institution-wide mandate where dynamic data models are increasingly being used to monitor business processes and automate tasks and decisions to drive organizational efficiency, scalability and speed.
- ***Actionable Intelligence.*** Actionable intelligence technology offers the ability to synthesize disparate data sets into unified reportable information and provides a recommended course of action to make more informed real-time decisions.
- ***Predictive Analytics.*** Predictive analytics use cases in financial services include predicting fraud, modeling risk, personalizing marketing, predicting client lifetime value, segmenting clients, enabling recommendation engines, predicting loan defaults and improving client support. The financial and operational benefits of these use cases can be substantial.
- ***AI/ML.*** AI/ML can be used to continually improve operating results by, for example, modeling credit exposure and estimating the impact of a downturn on a financial institution’s portfolios. Other AI/ML use cases in financial services include streamlining credit decisions, preventing fraud and providing personalized services. According to a 2018 Accenture report, AI/ML will allow banks to save 20% to 25% across IT operations, infrastructure, maintenance and operations.

#### ***Benefits of the nCino Bank Operating System***

The nCino Bank Operating System is a single, multi-tenant cloud platform that digitizes client onboarding, loan origination and deposit account opening across commercial, small business and retail lines of

business. Our solution streamlines employee, client and third-party interactions and drives increased profitability, efficiency, transparency and regulatory compliance across a financial institution. The nCino Bank Operating System was designed by bankers who understand how financial institutions operate and delivers a significant and measurable return on investment by enabling them to:

- **Digitally Serve Their Clients Across Commercial, Small Business and Retail Lines of Business.** The nCino Bank Operating System delivers a seamless experience across devices, channels and products, enabling a unified digital relationship between a financial institution, its employees, clients and third parties, such as appraisers, lawyers and regulators. This empowers financial institution employees to be more efficient and effective, and enhance relationships with their clients. Additionally, because nCino is cloud native, these employees are able to work from the office or remotely 24/7/365.
- **Improve Financial Results.** Our customers leverage nCino's capabilities to drive revenue growth by digitally expanding their brand presence and reach, increasing access and convenience for their employees and clients, delivering new products to grow client wallet share, and improving client satisfaction and retention. Our SaaS platform can reduce total cost of ownership by eliminating redundant legacy systems and simplifying our customers' internal information technology landscape. The nCino Bank Operating System increases transparency at all organizational levels across lines of business, enabling our customers to measure their operations and performance more effectively.
- **Operate More Efficiently.** Utilizing the nCino Bank Operating System's automation, workflow and digitization capabilities allows financial institutions and their employees to focus on value-add work, reduce time spent on clearing exceptions, reduce duplicative data entry and data rekeying, help eliminate manual processes, decrease the use of paper files and accelerate document collection.
- **Manage Risk and Compliance More Effectively.** The nCino Bank Operating System helps financial institutions reduce regulatory, credit and operational risk through workflow and automation, data reporting, standardized risk rating calculations and financial modeling. For example, the content management, automated workflow and digital audit trail and snapshot functionality within the nCino Bank Operating System helps our customers more effectively and efficiently prepare for regulatory examinations.
- **Establish a Data, Audit and Business Intelligence Hub.** With an open application program interface ("API") technology framework and integrations with third-party data sources, financial institutions can use the nCino Bank Operating System to augment their client and operational data and create a paperless centralized data hub that enhances data-driven decision-making. This centralized hub enables data to be more easily accessed, modeled and analyzed to help deliver greater operational, portfolio and financial intelligence, a more complete client view, improved compliance monitoring and metrics, as well as the opportunity to more successfully leverage AI/ML.

#### **Our Competitive Advantages**

We believe our position as a leading global provider of cloud banking software for financial institutions is built on a foundation of the following strengths:

- **Built by Bankers for Bankers.** Our company was started by banking professionals who recognized the need for a single cloud platform to address the endemic challenges faced by financial

institutions. This heritage is the foundation of our deep banking domain expertise, which differentiates us and continues to drive our strategy to design software that addresses the unique challenges of our financial institution customers globally.

- **Cloud Banking Technology Pioneer and Market Leader.** The nCino Bank Operating System was developed from inception as a native cloud application and we believe our over eight year track record of technology innovation in digitally transforming financial institutions distinguishes us in the market. As a first mover in this sector, we have developed trusted relationships and a reputation for successfully implementing our solution with financial institutions of all sizes in multiple geographies.
- **Single SaaS Platform.** We deliver a single SaaS platform that spans business lines and replaces point and other legacy technology solutions for client onboarding, loan origination and deposit account opening. This approach allows financial institutions to leverage common data sets and workflow across lines of business, providing a consistent and engaging digital experience for employees and clients and a more comprehensive view of client relationships.
- **Measurable Return on Investment.** The nCino Bank Operating System provides quantifiable results for our customers, including increased client growth and retention, loan volume and efficiency and reduced loan closing times, policy exceptions and operating costs. Our solution empowers our customers with data driven, real-time insights into their business performance, enabling them to better measure and manage their operations.
- **Empowering the Intelligent Enterprise.** Through our nIQ applications, we leverage analytics and AI/ML to help financial institutions become more predictive, personalized and proactive. nIQ automates data extraction and analysis, allowing our customers to focus on more value-add activities, and employs predictive analytics to, for example, assist in understanding risk and fair lending compliance. nIQ drives personalized experiences by embedding actionable information throughout the nCino Bank Operating System, which enables our customers to make more informed decisions in real time at the point of production.
- **Award-Winning Culture.** We are in the business of fundamentally changing the way financial institutions operate. To transform an industry, we believe it is essential to have a company culture that not only empowers its employees to challenge the status quo, but also emboldens them to drive change and have a passion for customer success. For these reasons, we have built nCino with a cultural foundation based on our six core values: Bring Your A-Game, Do the Right Thing, Respect Each Other, Make Someone's Day, Have Fun and Be a Winner! We believe our culture is the foundation for the successful execution of our strategy and, as a result, is a critical strength of our organization. In recognition of our continued focus on employee engagement, satisfaction and culture, we have received numerous awards, including being named the 2019 #1 Best Place to Work in Financial Technology by American Banker.

#### **How nCino Will Grow**

We intend to continue growing our business by executing on the following strategies:

- **Expand Within and Across our Existing Customers.** We believe there is a significant opportunity to further expand within our existing customer base both vertically within business lines and horizontally across business lines. As an example, we formally launched our solution in retail lending in May 2018 and we now have 33 customers contracted to use both our commercial and



retail loan origination applications. Our revenues from existing customers continue to grow as additional users are added, creating strong customer cohort dynamics.

- **Expand our Customer Base.** We believe the global market for cloud banking is large and underserved. With banks and credit unions needing to replace legacy point products with more efficient technology and banking services continuing to shift to digital, we believe there is a significant opportunity to deliver our solution and expand our customer base to financial institutions of all sizes and complexities around the world. Currently deployed in 10 countries, we have made significant investments to expand our presence in Europe, the Middle East and Africa (“EMEA”) and APAC, and our solution can currently support over 120 languages and over 140 currencies. We promote sales in North America out of our offices in the United States and Canada, in APAC out of our offices in Australia and Japan, and in EMEA out of our office in the United Kingdom (“UK”). For fiscal 2020, revenues generated in countries outside the United States were 8.0% of our total revenues.
- **Continue Strengthening and Extending our Product Functionality.** We plan to extend the depth and breadth of the nCino Bank Operating System’s client onboarding, loan origination and deposit account opening functionality across lines of business, while further enhancing its international capabilities. Additionally, we plan to continue to develop our portfolio analytics and credit modeling capabilities as well as our AI/ML capabilities through automation, predictive analytics, digital assistant services and data source integration. These innovations will further reduce the human resources required for routine but time-consuming tasks, allowing our customers’ employees the ability to spend more time on value creating activities. By continuing to expand the functionality of the nCino Bank Operating System, we can further help our customers improve financial results, operate more efficiently, manage risk and compliance more effectively, and establish a data, audit and business intelligence hub.
- **Foster and Grow our SI and Technology Ecosystem.** We have developed strong relationships with a number of leading SIs, including Accenture, Deloitte, PwC and West Monroe Partners, that increase our capacity to onboard new customers and implement the nCino Bank Operating System, extend our global reach and drive increased market awareness of our company and solution. To date, over 1,500 SI consultants have completed our training program to implement the nCino Bank Operating System. Through the open architecture of the nCino Bank Operating System, an increasing number of third-party technology partners, including DocuSign, Equifax, Experian, TransUnion, IDology, LexisNexis, OneSpan and The Risk Management Association, are integrated with our solution.
- **Selectively Pursue Strategic Transactions.** In addition to developing our solution organically, we may selectively pursue acquisitions, joint ventures or other strategic transactions. We expect these transactions to focus on innovation to help strengthen and expand the functionality and features of the nCino Bank Operating System and/or expand our global presence. For example, in fiscal 2020 we acquired Visible Equity and FinSuite as part of our strategy to build out our nIQ capabilities and we established our nCino K.K. joint venture to facilitate our entry into the Japanese market.

#### **Risks Factors Summary**

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

- We have a limited operating history, which makes it difficult to predict our future operating results, and we may not achieve our expected operating results in the future;

- We have a history of operating losses and may not achieve or sustain profitability in the future;
- If we are unable to attract new customers or continue to broaden our existing customers' use of our solution, our revenue growth will be adversely affected;
- If the market for cloud-based banking technology develops more slowly than we expect or changes in a way that we fail to anticipate, our sales would suffer and our results of operations would be adversely affected;
- We may not be able to sustain our revenue growth rate in the future;
- Our quarterly results may fluctuate significantly and may not fully reflect the underlying performance of our business;
- We may not accurately predict the long-term rate of customer subscription renewals or adoption of our solution, or any resulting impact on our revenues or operating results;
- A breach of our security measures or those we rely on could result in unauthorized access to customer or their clients' data, which may materially and adversely impact our reputation, business, financial condition and results of operations;
- Fundamental elements of the nCino Bank Operating System are built on the Salesforce Platform and we rely on our agreement with salesforce.com ("Salesforce") to provide our solution to our customers;
- Privacy and data security concerns, data collection and transfer restrictions and related domestic or foreign regulations may limit the use and adoption of the nCino Bank Operating System and adversely affect our business and results of operations;
- Uncertain or weakened economic conditions, including as a result of the recent novel coronavirus ("COVID-19") outbreak, may adversely affect our industry, business and results of operations;
- Because we recognize subscription revenues over the term of the contract, downturns or upturns in our business may not be reflected in our results of operations until future periods;
- Our corporate culture has contributed to our success, and if we cannot maintain it as we grow, we could lose the innovation, creativity and teamwork fostered by our culture, and our business may be adversely affected;
- We derive all of our revenues from customers in the financial services industry, and any downturn or decrease in technology spend in the financial services industry could adversely affect our business;
- The markets in which we participate are intensely competitive and highly fragmented, and pricing pressure, new technologies or other competitive dynamics could adversely affect our business and results of operations; and
- Based on the total number of shares of our common stock outstanding as of June 15, 2020, after this offering, our three largest stockholders, collectively, will hold 63.3% of our total outstanding common stock in the aggregate or an aggregate of 62.5% if the underwriters exercise their option to purchase additional shares in full and as such, the influence of public stockholders over significant corporate actions will be limited. In addition, we rely on Salesforce, our second largest stockholder, for the Salesforce Platform upon which the nCino Bank Operating System is built and for the operation of datacenters we use.

## **Corporate Information**

We were organized in the state of North Carolina in late 2011, and incorporated in Delaware in 2013. Our principal executive offices are located at 6770 Parker Farm Drive, Wilmington, North Carolina 28405, and our telephone number is (888) 676-2466. Our website address is [www.ncino.com](http://www.ncino.com). Information contained on, or that can be accessed through, our website is not incorporated by reference into this prospectus, and you should not consider information on our website to be part of this prospectus.

nCino and other trademarks or service marks of nCino, Inc. appearing in this prospectus are the property of nCino, Inc. This prospectus contains additional trade names, trademarks and service marks of others, which are the property of their respective owners. Solely for convenience, the trademarks, service marks, logos and trade names referred to in this prospectus are without the ® and ™ symbols, but such references are not intended to indicate that we will not assert our rights in these trademarks, service marks and trade names.

## **Emerging Growth Company**

We are an “emerging growth company” within the meaning of the Jumpstart Our Business Startups Act of 2012 (“JOBS Act”). We may take advantage of certain exemptions from various public reporting requirements, including that our internal control over financial reporting be audited by our independent registered public accounting firm pursuant to Section 404 of the Sarbanes-Oxley Act of 2002 (the “Sarbanes-Oxley Act”). We have elected to use the extended transition period to enable us to comply with new or revised accounting standards that have different effective dates for public and private companies until the earlier of the date we (1) are no longer an emerging growth company and (2) affirmatively and irrevocably opt out of the extended transition period provided in the JOBS Act. As a result, our financial statements may not be comparable to companies that comply with new or revised accounting pronouncements as of public company effective dates.

We intend to take advantage of the foregoing exemptions until we are no longer an emerging growth company. We will cease to be an emerging growth company upon the earliest of (1) the end of the fiscal year following the fifth anniversary of this offering; (2) the last day of the fiscal year during which our annual gross revenues are \$1.07 billion or more; (3) the date on which we have, during the previous three-year period, issued more than \$1.0 billion in non-convertible debt securities or (4) the end of any fiscal year in which the market value of our common stock held by non-affiliates exceeded \$700.0 million as of the end of the second quarter of that fiscal year.

See the section titled “Risk Factors—Risks Relating to Our Initial Public Offering and Ownership of Our Common Stock—We are an emerging growth company, and any decision on our part to comply only with certain reduced reporting and disclosure requirements applicable to emerging growth companies could make our common stock less attractive to investors” for additional information.

## THE OFFERING

Common stock offered	7,625,000 shares
Common stock outstanding after this offering	89,208,127 shares
Option to purchase additional shares	1,143,750 shares
Use of proceeds	<p>We estimate that the net proceeds to us from the sale of the shares of common stock offered by us will be approximately \$159.9 million, or approximately \$184.5 million if the underwriters' option to purchase additional shares is exercised in full, based on an assumed initial public offering price of \$23.00 per share, which is the midpoint of the price range set forth on the cover page of this prospectus, after deducting underwriting discounts and commissions and offering expenses payable by us.</p> <p>We intend to use the net proceeds from this offering for general corporate purposes, including working capital and capital expenditures such as additional office facilities. We may also use a portion of the net proceeds to acquire, invest in or obtain rights to complementary technologies, products, services or businesses. There are no such transactions (or agreements related to such transactions) at this time. See the section titled "Use of Proceeds" for additional information.</p>
Proposed Nasdaq Global Select Market trading symbol	"NCNO"
Risk factors	See the section titled "Risk Factors" and other information included in this prospectus for a discussion of factors you should carefully consider before deciding to invest in our common stock.
Reserved share program	At our request, an affiliate of BofA Securities, Inc., a participating underwriter, has reserved for sale, at the initial public offering price, up to 5% of the shares offered by this prospectus to some of our directors, officers, employees, business associates and related persons. Shares purchased by our directors and officers in the reserved share program will be subject to lock-up restrictions described in this prospectus. See the section titled "Underwriting—Reserved Share Program" for additional information.
The number of shares of common stock that will be outstanding after this offering is based on _____ shares of our common stock outstanding as of April 30, 2020 and excludes:	
<ul style="list-style-type: none"><li>• 7,744,722 shares of common stock issuable upon exercise of options outstanding as of April 30, 2020, at a weighted-average exercise price of \$5.39 per share under our existing equity plans;</li><li>• 972,494 shares of common stock issuable upon vesting of restricted stock unit ("RSU") awards as of April 30, 2020;</li><li>• 1,088,179 shares issuable upon vesting of RSU awards granted after April 30, 2020 under our 2019 Equity Incentive Plan, as amended and restated ("2019 Incentive Plan");</li></ul>	



- 13,475,424 shares of common stock reserved for future issuance under our 2019 Incentive Plan; and
- 1,800,000 shares of common stock reserved for issuance under our 2020 Employee Stock Purchase Plan (the “ESPP”), which will become effective on the business day immediately prior to the effectiveness of the registration statement of which this prospectus forms a part.

Unless otherwise indicated, all information in this prospectus assumes:

- no issuance or exercise of outstanding options after April 30, 2020;
- no issuance or settlement of outstanding RSUs after April 30, 2020;
- the filing and effectiveness of our amended and restated certificate of incorporation in Delaware and the effectiveness of our amended and restated bylaws, which will each occur immediately prior to the completion of this offering;
- no exercise of the underwriters of their option to purchase up to an additional 1,143,750 shares of our common stock; and
- the conversion of all of our outstanding non-voting common stock into voting common stock prior to the completion of this offering.

## SUMMARY CONSOLIDATED FINANCIAL AND OTHER DATA

The following tables set forth our summary consolidated financial data. The summary consolidated statement of operations data for the fiscal years ended January 31, 2018, 2019 and 2020 are each derived from our audited financial statements appearing elsewhere in this prospectus. The summary consolidated statement of operations data for the three months ended April 30, 2019 and 2020, and the summary consolidated balance sheet data as of April 30, 2020, are each derived from our unaudited financial statements appearing elsewhere in this prospectus. We have prepared the unaudited financial statements on the same basis as the audited financial statements and have included all adjustments, consisting only of normal recurring adjustments, that we consider necessary for a fair presentation of the financial information set forth in those statements. Our historical results are not necessarily indicative of the results to be expected in the future. You should read this summary consolidated financial and other data in conjunction with the sections titled “Selected Consolidated Financial and Other Data” and “Management’s Discussion and Analysis of Financial Condition and Results of Operations” and our consolidated financial statements, related notes and other financial information included elsewhere in this prospectus.

### Consolidated Statement of Operations Data

	Fiscal Year Ended January 31,			Three Months Ended April 30,	
	2018	2019	2020	2019	2020
(\$ In thousands, except share and per share amounts)					
<b>Revenues:</b>					
Subscription revenues	\$ 38,048	\$ 64,458	\$ 103,265	\$ 21,032	\$ 34,831
Professional services revenues	20,094	27,076	34,915	8,804	9,881
Total revenues	<u>58,142</u>	<u>91,534</u>	<u>138,180</u>	<u>29,836</u>	<u>44,712</u>
<b>Cost of revenues(1):</b>					
Cost of subscription revenue	12,581	19,995	31,062	6,502	10,099
Cost of professional services revenue	17,890	26,456	33,008	7,536	8,767
Total cost of revenue	<u>30,471</u>	<u>46,451</u>	<u>64,070</u>	<u>14,038</u>	<u>18,866</u>
Gross profit	27,671	45,083	74,110	15,798	25,846
<b>Operating expenses(1):</b>					
Sales and marketing	20,954	31,278	44,440	8,015	12,226
Research and development	16,559	22,230	35,304	7,366	10,965
General and administrative	8,933	14,791	22,536	3,909	6,926
Total operating expenses	<u>46,446</u>	<u>68,299</u>	<u>102,280</u>	<u>19,290</u>	<u>30,117</u>
Loss from operations	(18,775)	(23,216)	(28,170)	(3,492)	(4,271)
<b>Non-operating income (expense):</b>					
Interest income	260	1,193	988	318	156
Other	(24)	(89)	33	(109)	(520)
Loss before income tax expense	(18,539)	(22,112)	(27,149)	(3,283)	(4,635)
Income tax expense	50	194	586	136	197
Net loss	(18,589)	(22,306)	(27,735)	(3,419)	(4,832)
Net loss attributable to non-controlling interest	—	—	(141)	—	(176)
Adjustment attributable to non-controlling interest	—	—	—	—	113
Net loss attributable to nCino, Inc.	<u>\$ (18,589)</u>	<u>\$ (22,306)</u>	<u>\$ (27,594)</u>	<u>\$ (3,419)</u>	<u>\$ (4,769)</u>
<b>Net loss per share attributable to nCino, Inc.:</b>					
Basic and diluted	<u>\$ (0.27)</u>	<u>\$ (0.30)</u>	<u>\$ (0.35)</u>	<u>\$ (0.05)</u>	<u>\$ (0.06)</u>
<b>Weighted average number of common shares outstanding:</b>					
Basic and diluted	<u>68,290,570</u>	<u>74,593,709</u>	<u>78,316,794</u>	<u>75,986,517</u>	<u>81,560,762</u>

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

(\$ In thousands)	Fiscal Year Ended January 31,			Three Months Ended April 30,	
	2018	2019	2020	2019	2020
Cost of revenues	\$1,357	\$1,487	\$1,517	\$ 389	\$ 327
Sales and marketing	940	1,078	1,260	292	315
Research and development	1,070	1,056	1,245	306	309
General and administrative	459	474	1,723	122	100
Total stock-based compensation expense	<u>\$3,826</u>	<u>\$4,095</u>	<u>\$5,745</u>	<u>\$1,109</u>	<u>\$1,051</u>

**Consolidated Balance Sheet Data**

(In thousands)	As of April 30, 2020	
	Actual	As Adjusted(1)
Cash and cash equivalents	\$ 99,038	\$ 258,938
Total assets	261,089	420,989
Total liabilities	92,807	92,807
Accumulated deficit	(125,580)	(125,580)
Total stockholders' equity	163,898	323,798

(1) The as adjusted column in the balance sheet data table above gives effect to the sale and issuance by us of 7,625,000 shares of our common stock in this offering, based upon the assumed initial public offering price of \$23.00 per share, which is the midpoint of the offering price range on the cover page of this prospectus, and after deducting estimated underwriting discounts and commissions and offering expenses payable by us. Each \$1.00 increase or decrease in the assumed initial public offering price would increase or decrease the amount of our as adjusted cash and cash equivalents, total assets and total stockholders' equity by \$7.1 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 payable by us. An increase or decrease of 1.0 million shares in the number of shares offered by us would increase or decrease, as applicable, the amount of our as adjusted cash and cash equivalents, total assets and total stockholders' equity by \$21.5 million assuming the assumed initial public offering price remains the same, and after deducting estimated underwriting discounts and commissions payable by us.

The following table reconciles Non-GAAP Operating Loss to Loss from Operations, the most directly comparable financial measure, calculated and presented in accordance with GAAP (in thousands):

Non-GAAP financial measure (in thousands)	Fiscal Year Ended January 31,			Three Months Ended April 30,	
	2018	2019	2020	2019	2020
<b>GAAP Loss from Operations</b>	<u>\$(18,775)</u>	<u>\$(23,216)</u>	<u>\$(28,170)</u>	<u>\$(3,492)</u>	<u>\$(4,271)</u>
<b>Adjustments</b>					
Amortization of Intangible Assets	—	—	1,748	—	796
Stock-based Compensation Expense	3,826	4,095	5,745	1,109	1,051
Total Adjustments	<u>3,826</u>	<u>4,095</u>	<u>7,493</u>	<u>1,109</u>	<u>1,847</u>
<b>Non-GAAP Operating Loss(1)</b>	<u><u>\$(14,949)</u></u>	<u><u>\$(19,121)</u></u>	<u><u>\$(20,677)</u></u>	<u><u>\$(2,383)</u></u>	<u><u>\$(2,424)</u></u>

(1) See "Selected consolidated financial data—Non-GAAP financial measure" for additional information.

## RISK FACTORS

*Investing in our common stock involves a high degree of risk. You should consider and read carefully all of the risks and uncertainties described below, as well as other information included in this prospectus, including our consolidated financial statements and related notes appearing at the end of this prospectus, before making an investment decision. The risks described below are not the only ones facing us. The occurrence of any of the following risks or additional risks and uncertainties not presently known to us or that we currently believe to be immaterial could materially and adversely affect our business, financial condition or results of operations. In such case, the trading price of our common stock could decline, and you may lose all or part of your investment. This prospectus also contains forward-looking statements and estimates that involve risks and uncertainties. Our actual results could differ materially from those anticipated in the forward-looking statements as a result of specific factors, including the risks and uncertainties described below.*

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

***We have a limited operating history, which makes it difficult to predict our future operating results, and we may not achieve our expected operating results in the future.***

As a result of our limited operating history, our ability to forecast our future operating results, including revenues, cash flows and profitability, is limited and subject to a number of uncertainties. We have encountered and will encounter risks and uncertainties frequently experienced by growing companies in the technology industry, such as the risks and uncertainties described in this prospectus. If our assumptions regarding these risks and uncertainties are incorrect or change due to changes in our markets, or if we do not address these risks successfully, our operating and financial results may differ materially from our expectations and our business may suffer.

***We have a history of operating losses and may not achieve or sustain profitability in the future.***

We began operations in late 2011 and have experienced net losses since inception. We generated a net loss attributable to nCino of \$27.6 million and \$4.8 million in fiscal 2020 and the three months ended April 30, 2020, respectively, and as of April 30, 2020, we had an accumulated deficit of \$125.6 million. We will need to generate and sustain increased revenue levels in future periods in order to become profitable, and, even if we do, we may not be able to maintain or increase our level of profitability. We intend to continue to expend significant resources to support further growth and extend the functionality of the nCino Bank Operating System, expand our sales and product development headcount, increase our marketing activities and grow our international operations. We will also face increased costs associated with growth, the expansion of our customer base and the costs of being a public company. Our efforts to grow our business may be more costly than we expect, and we may not be able to increase our revenues enough to offset our increased operating expenses. We expect to incur losses for the foreseeable future as we continue to invest in product development, and we cannot predict whether or when we will achieve or sustain profitability. If we are unable to achieve and sustain profitability, the value of our business and common stock may significantly decrease.

***If we are unable to attract new customers or continue to broaden our existing customers' use of our solution, our revenue growth will be adversely affected.***

To increase our revenues, we will need to continue to attract new customers and succeed in having our current customers expand the use of our solution across their institution. For example, our revenue growth strategy includes increased penetration of markets outside the United States as well as selling our retail applications to existing and new customers, and failure in either respect would adversely affect our revenue growth. In addition, for us to maintain or improve our results of operations, it is important that our customers renew their subscriptions with us on the same or more favorable terms to us when their existing subscription term



expires. Our revenue growth rates may decline or fluctuate as a result of a number of factors, including customer spending levels, customer dissatisfaction with our solution, decreases in the number of users at our customers, changes in the type and size of our customers, pricing changes, competitive conditions, the loss of our customers to other companies and general economic conditions. Our customers may also require fewer subscriptions for our solution as its use may enable them to operate more efficiently over time. Therefore, we cannot assure you that our current customers will renew or expand their use of our solution. If we are unable to sign new customers or retain or attract new business from current customers, our business and results of operations may be materially and adversely affected.

***If the market for cloud-based banking technology develops more slowly than we expect or changes in a way that we fail to anticipate, our sales would suffer and our results of operations would be adversely affected.***

Use of, and reliance on, cloud-based banking technology is still at an early stage and we do not know whether financial institutions will continue to adopt cloud-based banking technology such as the nCino Bank Operating System in the future, or whether the market will change in ways we do not anticipate. Many financial institutions have invested substantial personnel and financial resources in legacy software, and these institutions may be reluctant, unwilling or unable to convert from their existing systems to our solution. Furthermore, these financial institutions may be reluctant, unwilling or unable to use cloud-based banking technology due to various concerns such as the security of their data and reliability of the delivery model. These concerns or other considerations may cause financial institutions to choose not to adopt cloud-based banking technology such as ours or to adopt them more slowly than we anticipate, either of which would adversely affect us. Our future success also depends on our ability to sell additional applications and functionality, such as nIQ, to our current and prospective customers. As we create new applications and enhance our existing solution, these applications and enhancements may not be attractive to customers. In addition, promoting and selling new and enhanced functionality may require increasingly costly sales and marketing efforts, and if customers choose not to adopt this functionality our business and results of operations could suffer. If financial institutions are unwilling or unable to transition from their legacy systems, or if the demand for our solution does not meet our expectations, our results of operations and financial condition will be adversely affected.

***We may not be able to sustain our revenue growth rate in the future.***

Our revenues increased from \$58.1 million for fiscal 2018 to \$91.5 million for fiscal 2019 to \$138.2 million for fiscal 2020, and from \$29.8 million for the three months ended April 30, 2019 to \$44.7 million for the three months ended April 30, 2020. We may not be able to sustain revenue growth consistent with our recent history, if at all. Our revenue growth in recent periods may not be indicative of our future performance. Furthermore, to the extent we grow in future periods, maintaining consistent rates of revenue growth may be difficult. Our revenue growth may also slow or even reverse in future periods due to a number of factors, which may include slowing demand for our solution, increasing competition, decreasing growth of our overall market, the impact of COVID-19, our inability to attract and retain a sufficient number of financial institution customers, concerns over data security, our failure, for any reason, to capitalize on growth opportunities or general economic conditions. If we are unable to maintain consistent revenue growth, the price of our common stock could be volatile and it may be difficult for us to achieve and maintain profitability.

***Our quarterly results may fluctuate significantly and may not fully reflect the underlying performance of our business.***

Our quarterly results of operations, including the levels of our revenues, gross margin, profitability, cash flow and deferred revenue, may vary significantly in the future and, accordingly, period-to-period comparisons of our results of operations may not be meaningful. Thus, the results of any one quarter should not be relied upon as an indication of future performance. Our quarterly financial results may fluctuate as a result of a variety of factors, many of which are outside of our control, and may not fully or accurately reflect the underlying performance of our business. For example, while subscriptions with our customers include multi-year non-cancellable terms, in a limited number of contracts, customers have an option to buy out of the contract for a specified termination fee.

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If such customers exercise this buy-out option, or if we negotiate an early termination of a contract at a customer's request, any termination fee would be recognized in full at the time of termination, which would favorably affect subscription revenues in that period and unfavorably affect subscription revenues in subsequent periods. Fluctuation in quarterly results may negatively impact the value of our common stock. Factors that may cause fluctuations in our quarterly financial results include, without limitation, those listed below:

- our ability to retain current customers or attract new customers;
- the activation, delay in activation or cancelation of large blocks of users by customers;
- the timing of recognition of professional services revenues;
- the amount and timing of operating expenses related to the maintenance and expansion of our business, operations and infrastructure;
- acquisitions of our customers, to the extent the acquirer elects not to continue using our solution or reduces subscriptions to it;
- customer renewal rates;
- increases or decreases in the number of users licensed or pricing changes upon renewals of customer contracts;
- network outages or security breaches;
- general economic, industry and market conditions (particularly those affecting financial institutions);
- changes in our pricing policies or those of our competitors;
- seasonal variations in sales of our solution, which have historically been highest in the fourth quarter of our fiscal year;
- the timing and success of new product introductions by us or our competitors or any other change in the competitive dynamics of our industry, including consolidation among competitors, customers or strategic partners; and
- the timing of expenses related to the development or acquisition of technologies or businesses and potential future charges for impairment of goodwill from acquired companies.

***We may not accurately predict the long-term rate of customer subscription renewals or adoption of our solution, or any resulting impact on our revenues or operating results.***

Our customers have no obligation to renew their subscriptions for our solution after the expiration of the initial or current subscription term, and our customers, if they choose to renew at all, may renew for fewer users or on less favorable pricing terms. Since the average initial term of our customer agreements is three to five years, and we only began selling our solution in 2012, we have limited historical data with respect to rates of customer subscription renewals and cannot be certain of anticipated renewal rates. Our renewal rates may decline or fluctuate as a result of a number of factors, including our customers' satisfaction with our pricing or our solution or their ability to continue their operations or spending levels. If our customers do not renew their subscriptions for our solution on similar pricing terms, our revenues may decline and our business could suffer.

Additionally, as the markets for the nCino Bank Operating System develop, we may be unable to attract new customers based on the same subscription model that we have used historically. Moreover, large or

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influential financial institution customers may demand more favorable pricing or other contract terms from us. As a result, we may in the future be required to change our pricing model, reduce our prices or accept other unfavorable contract terms, any of which could adversely affect our revenues, gross margin, profitability, financial position and/or cash flow.

***A breach of our security measures or those we rely on could result in unauthorized access to customer or their clients' data, which may materially and adversely impact our reputation, business and results of operations.***

Certain elements of our solution, particularly our analytics applications, process and store personally identifiable information (“PII”) such as banking and personal information of our customers’ clients, and we may also have access to PII during various stages of the implementation process or during the course of providing customer support. Furthermore, as we develop additional functionality, we may gain greater access to PII. We maintain policies, procedures and technological safeguards designed to protect the confidentiality, integrity and availability of this information and our information technology systems. However, we cannot entirely eliminate the risk of improper or unauthorized access to or disclosure of PII or other security events that impact the integrity or availability of PII or our systems and operations, or the related costs we may incur to mitigate the consequences from such events. Further, the nCino Bank Operating System is a flexible and complex software solution and there is a risk that configurations of, or defects in, the solution or errors in implementation could create vulnerabilities to security breaches. There may be unlawful attempts to disrupt or gain access to our information technology systems or the PII or other data of our customers or their clients that may disrupt our or our customers’ operations. In addition, because we leverage third-party providers, including cloud, software, data center and other critical technology vendors to deliver our solution to our customers and their clients, we rely heavily on the data security technology practices and policies adopted by these third-party providers. A vulnerability in a third-party provider’s software or systems, a failure of our third-party providers’ safeguards, policies or procedures, or a breach of a third-party provider’s software or systems could result in the compromise of the confidentiality, integrity or availability of our systems or the data housed in our solution.

Cyberattacks and other malicious internet-based activity continue to increase and evolve, and cloud-based providers of products and services have been and are expected to continue to be targeted. In addition to traditional computer “hackers,” malicious code (such as viruses and worms), phishing, employee theft or misuse and denial-of-service attacks, sophisticated criminal networks as well as nation-state and nation-state supported actors now engage in attacks, including advanced persistent threat intrusions. Current or future criminal capabilities, discovery of existing or new vulnerabilities, and attempts to exploit those vulnerabilities or other developments, may compromise or breach our systems or solution. In the event our or our third-party providers’ protection efforts are unsuccessful and our systems or solution are compromised, we could suffer substantial harm. A security breach could result in operational disruptions, loss, compromise or corruption of customer or client data or data we rely on to provide our solution, including our analytics initiatives and offerings that impair our ability to provide our solution and meet our customers’ requirements resulting in decreased revenues and otherwise materially negatively impacting our financial results. Also, our reputation could suffer irreparable harm, causing our current and prospective customers to decline to use our solution in the future. Further, we could be forced to expend significant financial and operational resources in response to a security breach, including repairing system damage, increasing security protection costs by deploying additional personnel and protection technologies, and defending against and resolving legal and regulatory claims, all of which could divert resources and the attention of our management and key personnel away from our business operations.

Federal and state regulations may require us or our customers to notify individuals of data security incidents involving certain types of personal data or information technology systems. Security compromises experienced by others in our industry, our customers or us may lead to public disclosures and widespread negative publicity. Any security compromise in our industry, whether actual or perceived, could erode customer confidence in the effectiveness of our security measures, negatively impact our ability to attract new customers, cause existing customers to elect not to renew or expand their use of our solution or subject us to third-party

lawsuits, regulatory fines or other actions or liabilities, which could materially and adversely affect our business and results of operations.

In addition, some of our customers contractually require notification of data security compromises and include representations and warranties in their contracts with us that our solution complies with certain legal and technical standards related to data security and privacy and meets certain service levels. In certain of our contracts, a data security compromise or operational disruption impacting us or one of our critical vendors, or system unavailability or damage due to other circumstances, may constitute a material breach and give rise to a customer's right to terminate their contract with us. In these circumstances, it may be difficult or impossible to cure such a breach in order to prevent customers from potentially terminating their contracts with us. Furthermore, although our customer contracts typically include limitations on our potential liability, there can be no assurance that such limitations of liability would be adequate. We also cannot be sure that our existing general liability insurance coverage and coverage for errors or omissions will be available on acceptable terms or will be available in sufficient amounts to cover one or more claims, or that our insurers will not deny or attempt to deny coverage as to any future claim. The successful assertion of one or more claims against us, the inadequacy or denial of coverage under our insurance policies, litigation to pursue claims under our policies or the occurrence of changes in our insurance policies, including premium increases or the imposition of large deductible or coinsurance requirements, could materially and adversely affect our business and results of operations.

***Fundamental elements of the nCino Bank Operating System are built on the Salesforce Platform and we rely on our agreement with Salesforce to provide our solution to our customers.***

Fundamental elements of the nCino Bank Operating System, including our client onboarding, loan origination and deposit account opening applications, are built on the Salesforce Platform and we rely on our agreement with Salesforce to use the Salesforce Platform in conjunction with our solution, including for hosting infrastructure and data center operations. Any termination of our relationship with Salesforce would result in a materially adverse impact on our business model.

Our agreement with Salesforce (the "Salesforce Agreement") expires on June 19, 2027, unless earlier terminated by either party in the event of the other party's material breach, bankruptcy, change in control in favor of a direct competitor, or intellectual property infringement, and automatically renews for additional one-year periods thereafter unless notice of non-renewal is provided. If we are unable to renew our agreement with Salesforce, there would be, absent a termination for cause, a wind-down period during which existing customers would be able to continue using the nCino Bank Operating System in conjunction with the Salesforce Platform, but we would be unable to provide our solution to new customers and could be limited in our ability to allow current customers to add additional users. In addition, if we are unable to renew our agreement with Salesforce, our customers would need to obtain a separate subscription from Salesforce in order to access the nCino Bank Operating System. This could cause a significant delay in the time required to enter into agreements with customers, place us and our customers at a disadvantage in negotiating with Salesforce, and lead customers not to renew or enter into agreements with us. We also cannot assure you that the pricing or other terms in any renewal with Salesforce would be favorable to us, and if not, our business and operating results may be materially and adversely affected.

In addition, Salesforce has the right to terminate its agreement with us in certain circumstances, including in the event of a material breach of the agreement by us. If Salesforce terminates our agreement for cause, it would not be required to provide the wind-down period described above. We are also required to indemnify Salesforce for claims made against Salesforce by a third party alleging that the nCino Bank Operating System infringes the intellectual property rights of such third party.

An expiration or termination of our agreement with Salesforce would cause us to incur significant time and expense to acquire rights to, or develop, a replacement solution and we may not be successful in these efforts, which could cause the nCino Bank Operating System to become obsolete. Even if we were to successfully acquire or develop a replacement solution, some customers may decide not to adopt the solution and



may, as a result, decide to use a different product. If we were unsuccessful in acquiring or developing a replacement solution or acquire or develop a replacement solution that our customers do not adopt, our business, results of operations and brand would be materially and adversely affected.

Furthermore, there are no exclusivity arrangements in place with Salesforce that would prevent them from developing their own offerings that compete directly with ours, acquiring a company with offerings similar to ours, or investing greater resources in our competitors. While we believe our relationship with Salesforce is strong, Salesforce competing with us could materially and adversely affect our business and results of operations.

***Privacy and data security concerns, data collection and transfer restrictions and related domestic or foreign regulations may limit the use and adoption of the nCino Bank Operating System and adversely affect our business and results of operations.***

Personal privacy, information security, and data protection are significant issues in the United States, the European Union (“EU”) and a number of other jurisdictions where we offer the nCino Bank Operating System. The regulatory framework governing the collection, processing, storage and use of certain information, particularly financial and other PII, is rapidly evolving. Any failure or perceived failure by us to comply with applicable privacy, security or data protection laws, regulations or industry standards may materially and adversely affect our business and results of operations.

We expect that there will continue to be new proposed and adopted laws, regulations and industry standards concerning privacy, data protection and information security in the United States, the EU and other jurisdictions in which we operate. For example, California enacted the CCPA which went into effect in January 2020 and, among other things, requires companies covered by the legislation to provide new disclosures to California consumers and afford such consumers new rights of access and deletion for personal information, as well as the right to opt-out of certain sales of personal information. The CCPA was enacted in June 2018, amended in September 2018 and amended again in September 2019. Draft regulations were issued in October 2019 and it is possible that another referendum will be on the California ballot in November 2020 to further change the law for 2021. It remains unclear what, if any, modifications will be made to the CCPA or how those modifications will be interpreted or enforced. The CCPA or similar legislation may require us to modify our practices and policies and incur substantial costs and expenses in an effort to comply or respond to further changes to laws or regulations. Similarly, the European Commission adopted the GDPR, which became fully effective on May 25, 2018, and imposes similarly complex and stringent data protection requirements with regard to the processing of EU PII. Violations of the GDPR carry penalties of up to 4% of gross annual turnover. Additional GDPR interpretations and guidance have been and may continue to be issued that may require us to modify our practices and policies and incur substantial costs and expenses in an effort to comply or to adjust to changes in the law or EU member state implementing legislation.

We cannot yet fully determine the impact these or future laws, rules and regulations may have on our business or operations. Any such laws, rules and regulations may be inconsistent among different jurisdictions, subject to differing interpretations or may conflict with our current or future practices. Additionally, we may be bound by contractual requirements applicable to our collection, use, processing and disclosure of various types of information including financial and PII, and may be bound by, or voluntarily comply with, self-regulatory or other industry standards relating to these matters that may further change as laws, rules and regulations evolve.

Any failure or perceived failure by us, or any third parties with which we do business, to comply with these laws, rules and regulations, or with other obligations to which we or such third parties are or may become subject, may result in actions or other claims against us by governmental entities or private actors, the expenditure of substantial costs, time and other resources or the incurrence of fines, penalties or other liabilities. In addition, any such action, particularly to the extent we were found to be guilty of violations or otherwise liable for damages, would damage our reputation and adversely affect our business and results of operations.

***Uncertain or weakened economic conditions, including as a result of COVID-19, may adversely affect our industry, business and results of operations.***

Our overall performance depends on economic conditions, which may be challenging at various times in the future. Financial developments seemingly unrelated to us or our industry may adversely affect us. Domestic and international economies have from time-to-time been impacted by falling demand for a variety of goods and services, tariffs and other trade issues, threatened sovereign defaults and ratings downgrades, restricted credit, threats to major multinational companies, poor liquidity, reduced corporate profitability, volatility in credit, equity and foreign exchange markets, bankruptcies and overall uncertainty. For example, COVID-19 has created and may continue to create significant uncertainty in global financial markets and the long-term economic impact of COVID-19 is highly uncertain. We cannot predict the timing, strength or duration of the current or any future potential economic slowdown in the United States or globally. These conditions affect the rate of technology spending generally and could adversely affect our customers' ability or willingness to purchase the nCino Bank Operating System, delay prospective customers' purchasing decisions, reduce the value or duration of their subscriptions or affect renewal rates, any of which could adversely affect our results of operations.

***Because we recognize subscription revenues over the term of the contract, downturns or upturns in our business may not be reflected in our results of operations until future periods.***

We generally recognize subscription revenues ratably over the terms of our customer contracts, which typically range from three to five years. Most of the subscription revenues we report each quarter are derived from the recognition of deferred revenue relating to subscriptions activated in previous quarters. Consequently, a reduction in activated subscriptions in any single quarter may only have a small impact on our revenues for that quarter. However, such a decline will negatively affect our revenues in future quarters. Accordingly, the effect of significant downturns in sales or market acceptance of our solution may not be reflected in our results of operations until future periods.

***Our corporate culture has contributed to our success, and if we cannot maintain it as we grow, we could lose the innovation, creativity and teamwork fostered by our culture, and our business may be adversely affected.***

We believe our corporate culture is one of our fundamental strengths, as we believe it enables us to attract and retain top talent and deliver superior results for our customers. As we grow and transition from a private company to a public company, we may find it difficult to preserve our corporate culture, which could reduce our ability to innovate and operate effectively. In turn, the failure to preserve our culture could negatively affect our ability to attract, recruit, integrate and retain employees, continue to perform at current levels and effectively execute our business strategy.

***We derive all of our revenues from customers in the financial services industry, and any downturn or consolidation or decrease in technology spend in the financial services industry could adversely affect our business.***

All of our revenues are derived from financial institutions whose industry has experienced significant pressure in recent years due to economic uncertainty, low interest rates, liquidity concerns and increased regulation. In the past, financial institutions have experienced consolidation, distress and failure. It is possible these conditions may reoccur. If any of our customers merge with or are acquired by other entities, such as financial institutions that have internally developed banking technology solutions or that are not our customers or use our solution less, we may lose business. Additionally, changes in management of our customers could result in delays or cancellations of the implementation of our solution. It is also possible that the larger financial institutions that result from business combinations could have greater leverage in negotiating price or other terms with us or could decide to replace some or all of the elements of our solution. Our business may also be materially and adversely affected by weak economic conditions in the financial services industry. Any downturn in the financial services industry may cause our customers to reduce their spending on technology or cloud-based

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banking technology or to seek to terminate or renegotiate their contracts with us. Moreover, even if the overall economy is robust, economic fluctuations caused by things such as the U.S. Federal Reserve lowering interest rates may cause potential new customers and existing customers to become less profitable and therefore forego or delay purchasing our solution or reduce the amount of spend with us, which would materially and adversely affect our business.

***The markets in which we participate are intensely competitive and highly fragmented, and pricing pressure, new technologies or other competitive dynamics could adversely affect our business and results of operations.***

We currently compete with providers of technology and services in the financial services industry, primarily point solution vendors that focus on building functionality that competes with specific components of the nCino Bank Operating System. From time to time, we also compete with systems internally developed by financial institutions. Many of our competitors have significantly more financial, technical, marketing and other resources than we have, may devote greater resources to the development, promotion, sale and support of their systems than we can, have more extensive customer bases and broader customer relationships than we have and have longer operating histories and greater name recognition than we do.

We may also face competition from new companies entering our markets, which may include large established businesses that decide to develop, market or resell cloud-based banking technology, acquire one of our competitors or form a strategic alliance with one of our competitors or with Salesforce. In addition, new companies entering our markets may choose to offer cloud-based banking applications at little or no additional cost to the customer by bundling them with their existing applications, including adjacent banking technologies. Competition from these new entrants may make attracting new customers and retaining our current customers more difficult, which may adversely affect our results of operations.

If we are unable to compete in this environment, sales and renewals of the nCino Bank Operating System could decline and adversely affect our business and results of operations. With the introduction of new technologies and potential new entrants into the cloud-based banking technology market, we expect competition to intensify in the future, which could harm our ability to increase sales and achieve profitability.

***We depend on data centers operated by or on behalf of Salesforce and other third parties, and any disruption in the operation of these facilities could adversely affect our business and subject us to liability.***

The nCino Bank Operating System is primarily hosted in data centers operated by or on behalf of Salesforce and other third parties and we do not control the operation of these data centers. Problems associated with these data centers could adversely affect the experience of our customers. Any disruptions or other operational performance problems with these data centers could result in material interruptions in our services, adversely affect our reputation and results of operations and subject us to liability.

***We may encounter implementation challenges, including in situations in which we rely on SIs, which would materially and adversely affect our business and results of operations.***

We may face unexpected challenges related to the complexity of our customers' implementation and configuration requirements. Implementation of our solution may be delayed or expenses may increase when customers have unexpected data, software or technology challenges, or unanticipated business requirements, which could adversely affect our relationship with customers and our operating results. In general, the revenues related to implementation and other professional services we provide are recognized on a proportional performance basis, and delays and difficulties in these engagements could result in losses on these contracts. In addition, our customers often require complex acceptance testing related to the implementation of our solution. We also leverage the services of SIs, including Accenture, Deloitte, PwC and West Monroe Partners, among others, to implement and configure the nCino Bank Operating System for our larger financial institution customers, and we are increasingly using other SIs for smaller engagements as we continue to scale our business.

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While SIs generally contract directly with our customers, any failure or delay by the SIs we work with in providing adequate service and support would likely adversely affect our brand and reputation. For implementations we conduct ourselves, project delays may result in recognizing revenues later than expected. Further, because we do not fully control our customers' implementation schedules, if our customers do not allocate the internal resources necessary to meet implementation timelines or if there are unanticipated implementation delays or difficulties, our ability to take customers live and the overall customer experience could be adversely affected. We rely on existing customers to act as references for prospective customers, and difficulties in implementation and configuration could therefore adversely affect our ability to attract new customers. Any difficulties or delays in implementation processes could cause customers to delay or forego future purchases of our solution.

***We have experienced rapid growth, and if we fail to manage our growth effectively, we may be unable to execute our business plan, maintain high levels of service and customer satisfaction or adequately address competitive challenges, any of which may materially and adversely affect our business and results of operations.***

Since our inception, our business has grown rapidly, which has resulted in a large increase in our employee headcount, expansion of our infrastructure, enhancement of our internal systems and other significant changes and additional complexities. Our revenues increased from \$58.1 million for fiscal 2018 to \$91.5 million for fiscal 2019 to \$138.2 million for fiscal 2020, and from \$29.8 million for the three months ended April 30, 2019 to \$44.7 million for the three months ended April 30, 2020. Our total number of employees increased from 436 as of January 31, 2018 to 934 as of April 30, 2020. Managing and sustaining a growing workforce and customer base geographically-dispersed in the United States and internationally will require substantial management effort, infrastructure and operational capabilities. To support our growth, we must continue to improve our management resources and our operational and financial controls and systems, and these improvements may increase our expenses more than anticipated and result in a more complex business. We will also have to expand and enhance the capabilities of our sales, relationship management, implementation, customer service, research and development, and other personnel to support our growth and continue to achieve high levels of customer service and satisfaction. Our success will depend on our ability to plan for and manage this growth effectively. If we fail to anticipate and manage our growth or are unable to continue to provide high levels of customer service, our reputation, as well as our business and results of operations, could be materially and adversely affected.

***Defects, errors or other performance problems in the nCino Bank Operating System could harm our reputation, result in significant costs to us, impair our ability to sell our solution and subject us to substantial liability.***

The nCino Bank Operating System is complex and may contain defects or errors when implemented or when new functionality is released. Despite extensive testing, from time to time we have discovered and may in the future discover defects or errors in our solution. Any performance problems or defects in our solution may materially and adversely affect our business and results of operations. Defects, errors or other performance problems or disruptions in service to provide bug fixes or upgrades, whether in connection with day-to-day operations or otherwise, could be costly for us, damage our customers' businesses and harm our reputation. In addition, if we have any such errors, defects or other performance problems, our customers could seek to terminate their contracts, elect not to renew their subscriptions, delay or withhold payment or make claims against us. Any of these actions could result in liability, lost business, increased insurance costs, difficulty in collecting accounts receivable, costly litigation or adverse publicity. Errors, defects or other problems could also result in reduced sales or a loss of, or delay in, the market acceptance of our solution.

***If we fail to accurately anticipate and respond to rapid changes in the industry in which we operate, our ability to attract and retain customers could be impaired and our competitive position could be harmed.***

The financial services industry is subject to rapid change and the introduction of new technologies to meet the needs of this industry will continue to have a significant effect on competitive conditions in our market. If we are unable to successfully expand our product offerings beyond our current solution, our customers could migrate to competitors who may offer a broader or more attractive range of products and services. For example, we recently launched our nIQ capabilities and we may fail to achieve market acceptance of this offering. Unexpected delays in releasing new or enhanced versions of our solution, or errors following their release, could result in loss of sales, delay in market acceptance, or customer claims against us, any of which could adversely affect our business. The success of any new solution depends on several factors, including timely completion, adequate quality testing and market acceptance. We may not be able to enhance aspects of our solution successfully or introduce and gain market acceptance of new applications or improvements in a timely manner, or at all. Additionally, we must continually modify and enhance our solution to keep pace with changes in software applications, database technology, and evolving technical standards and interfaces. Uncertainties related to our ability to introduce and improve functionality, announcements or introductions of a new or updated solution or modifications by our competitors could adversely affect our business and results of operations.

***We leverage third-party software, content and services for use with our solution. Performance issues, errors and defects, or failure to successfully integrate or license necessary third-party software, content or services, could cause delays, errors, or failures of our solution, increases in our expenses and reductions in our sales, which could materially and adversely affect our business and results of operations.***

We use software and content licensed from, and services provided by, a variety of third parties in connection with the operation of our solution. Any performance issues, errors, bugs, or defects in third-party software, content or services could result in errors or a failure of our solution, which could adversely affect our business and results of operations. In the future, we might need to license other software, content or services to enhance our solution and meet evolving customer demands and requirements. Any limitations in our ability to use third-party software, content or services could significantly increase our expenses and otherwise result in delays, a reduction in functionality, or errors or failures of our solution until equivalent technology or content is either developed by us or, if available, identified, obtained through purchase or license, and integrated into our solution. In addition, third-party licenses may expose us to increased risks, including risks associated with the integration of new technology, the diversion of resources from the development of our own proprietary technology, and our inability to generate revenues from new technology sufficient to offset associated acquisition and maintenance costs, all of which may increase our expenses and materially and adversely affect our business and results of operations.

***We may acquire or invest in companies, or pursue business partnerships, which may divert our management's attention or result in dilution to our stockholders, and we may be unable to integrate acquired businesses and technologies successfully or achieve the expected benefits of such acquisitions, investments or partnerships.***

From time to time, we consider potential strategic transactions, including acquisitions of, or investments in, businesses, technologies, services, solutions and other assets. For example, in fiscal 2020, we acquired Visible Equity and FinSuite. We also may enter into relationships with other businesses to expand our solution, which could involve preferred or exclusive licenses, additional channels of distribution, discount pricing or investments in other companies. Negotiating these transactions can be time-consuming, difficult and expensive, and our ability to close these transactions may be subject to approvals that are beyond our control. In addition, nCino has limited experience in acquiring other businesses. If an acquired business fails to meet our expectations, our operating results, business and financial position may suffer. We may not be able to find and identify desirable acquisition targets, we may incorrectly estimate the value of an acquisition target, and we may not be successful



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in entering into an agreement with any particular target. If we are successful in acquiring additional businesses, we may not achieve the anticipated benefits from the acquired business due to a number of factors, including:

- our inability to integrate or benefit from acquired technologies or services;
- unanticipated costs or liabilities associated with the acquisition;
- incurrence of acquisition-related costs;
- difficulty integrating the technology, accounting systems, operations, control environments and personnel of the acquired business and integrating the acquired business or its employees into our culture;
- difficulties and additional expenses associated with supporting legacy solutions and infrastructure of the acquired business;
- difficulty converting the customers of the acquired business to our solution and contract terms, including disparities in licensing terms;
- additional costs for the support or professional services model of the acquired company;
- diversion of management's attention and other resources;
- adverse effects to our existing business relationships with business partners and customers;
- the issuance of additional equity securities that could dilute the ownership interests of our stockholders;
- incurrence of debt on terms unfavorable to us or that we are unable to repay;
- incurrence of substantial liabilities;
- difficulties retaining key employees of the acquired business; and
- adverse tax consequences, substantial depreciation or deferred compensation charges.

In addition, a significant portion of the purchase price of companies we acquire may be allocated to acquired goodwill and other intangible assets, which must be assessed for impairment at least annually. In the future, if our acquisitions do not yield expected returns, we may be required to take charges to our operating results based on this impairment assessment process, which could adversely affect our results of operations.

***Because three of our stockholders collectively hold a substantial majority of our total outstanding common stock, the influence of our public stockholders over significant corporate actions will be limited.***

Based on the total number of shares of our common stock outstanding as of June 15, 2020, following this offering, entities affiliated with Insight Partners ("Insight Partners"), Salesforce and Wellington Management ("Wellington") will hold 42.6%, 12.1% and 8.6% of our total outstanding common stock respectively, or 42.1%, 11.9% and 8.5% respectively, if the underwriters exercise in full their option to purchase additional shares. As a result, Insight Partners by itself, and to a lesser degree, Salesforce and Wellington, will have the ability to influence the outcome of corporate actions requiring stockholder approval, including the election of directors, the approval of mergers or other changes of corporate control, any of which may be in opposition to the best interests of our other stockholders and may adversely impact our results of operations and the value of our common stock. Further, although we have what we consider to be a deep commercial relationship with Salesforce, it has the right

to, and has no duty to abstain from exercising its right to, engage or invest in the same or similar business as us, and do business with any of our customers and any other party with which we do business. Conflicts of interest could arise between us and Salesforce, and any conflict of interest may be resolved in a manner that does not favor us.

***Our customers are highly regulated and subject to a number of challenges and risks. Our failure to comply with laws and regulations applicable to us as a technology provider to financial institutions could adversely affect our business and results of operations, increase costs and impose constraints on the way we conduct our business.***

Our customers and prospective customers are highly regulated and are generally required to comply with stringent regulations in connection with performing business functions that the nCino Bank Operating System addresses. As a provider of technology to financial institutions, we may be examined on a periodic basis by various regulatory agencies and may be required to review certain of our suppliers and partners. In addition, while much of our operations are not directly subject to the same regulations applicable to financial institutions, we are generally obligated to our customers to provide software solutions and maintain internal systems and processes that comply with certain federal and state regulations applicable to them. For example, as a result of obligations under some of our customer contracts, we are required to comply with certain provisions of the Gramm-Leach-Bliley Act related to the privacy of consumer information and may be subject to other privacy and data security laws because of the solution we provide to financial institutions. Matters subject to review and examination by federal and state financial institution regulatory agencies and external auditors include our internal information technology controls in connection with our performance of data processing services, the agreements giving rise to those processing activities, and the design of our solution. Any inability to satisfy these examinations and maintain compliance with applicable regulations could adversely affect our ability to conduct our business, including attracting and maintaining customers. If we have to make changes to our internal processes and solution as result of these regulations, we could be required to invest substantial additional time and funds and divert time and resources from other corporate purposes to remedy any identified deficiency.

The evolving, complex and often unpredictable regulatory environment in which our customers operate could result in our failure to provide a compliant solution, which could result in customers not purchasing our solution or terminating their contracts with us or the imposition of fines or other liabilities for which we may be responsible. In addition, federal, state and/or foreign agencies may attempt to further regulate our activities in the future which could adversely affect our business and results of operations.

***We may fail to successfully expand internationally. In addition, sales to customers outside the United States or with international operations expose us to risks inherent in international sales, which may include a marked increase in expenses.***

In fiscal 2020, sales to customers outside the United States accounted for 8.0% of our total revenues. A key element of our growth strategy is to further expand our international operations and worldwide customer base. We have begun expending significant resources to build out our sales and professional services organizations outside of the United States and we may not realize a suitable return on this investment in the near future, if at all. We have limited operating experience in international markets, and we cannot assure you that our international expansion efforts will be successful. Our experience in the United States may not be relevant to our ability to expand in any international market.

Operating in international markets requires significant resources and management attention and subjects us to regulatory, economic and political risks that are different from those in the United States. Export control regulations in the United States may increasingly be implicated in our operations as we expand internationally. These regulations may limit the export of our solution and provision of our solution outside of the United States, or may require export authorizations, including by license, a license exception or other appropriate government authorizations, including annual or semi-annual reporting and the filing of an encryption registration. Changes in

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export or import laws, or corresponding sanctions, may delay the introduction and sale of our solution in international markets, or, in some cases, prevent the export or import of our solution to certain countries, regions, governments, persons or entities altogether, which could adversely affect our business, financial condition and results of operations.

We are also subject to various domestic and international anti-corruption laws, such as the U.S. Foreign Corrupt Practices Act and the U.K. Bribery Act, as well as other similar anti-bribery and anti-kickback laws and regulations. These laws and regulations generally prohibit companies and their employees and intermediaries from authorizing, offering or providing improper payments or benefits to officials and other recipients for improper purposes. Although we take precautions to prevent violations of these laws, our exposure for violating these laws increases as our international presence expands and as we increase sales and operations in foreign jurisdictions.

In addition, we face risks in doing business internationally that could adversely affect our business, including:

- unanticipated costs;
- the need to localize and adapt our solution for specific countries;
- complying with varying and sometimes conflicting data privacy laws and regulations;
- difficulties in staffing and managing foreign operations, including employment laws and regulations;
- unstable regional, economic or political conditions, including that arise from Brexit in the UK;
- different pricing environments, longer sales cycles and collections issues;
- new and different sources of competition;
- weaker protection for intellectual property and other legal rights than in the United States and practical difficulties in enforcing intellectual property and other rights outside of the United States;
- laws and business practices favoring local competitors;
- compliance challenges related to the complexity of multiple, conflicting and changing governmental laws and regulations, including employment, tax, and anti-bribery laws and regulations;
- increased financial accounting and reporting burdens and complexities;
- restrictions on the transfer of funds; and
- adverse tax consequences.

Our international contracts often provide for payment denominated in local currencies, and the majority of our local costs are denominated in local currencies. Therefore, fluctuations in the value of the U.S. dollar and foreign currencies may impact our results of operations when translated into U.S. dollars. We do not currently engage in currency hedging activities to limit the risk of exchange rate fluctuations.

***The failure to attract and retain additional qualified personnel could prevent us from executing our business strategy.***

We must attract and retain highly qualified personnel. In particular, we are dependent upon the services of our senior leadership team, and the loss of any member of this team could adversely affect our business. Competition for executive officers, software developers, sales personnel and other key employees in our industry is intense. In particular, we compete with many other companies for software developers with high levels of experience in designing, developing and managing cloud-based software, as well as for skilled sales and operations professionals. Our principal operations are in Wilmington, North Carolina, where the pool of potential employees with the skills we need is more limited than it may be in larger markets, and we are sometimes required to induce prospective employees to relocate. Many of the companies with which we compete for experienced personnel have greater resources than we do. If we fail to attract new personnel or fail to retain and motivate our current personnel, our growth prospects could be severely harmed. In addition, job candidates and existing employees often consider the actual and potential value of the equity awards they receive as part of their overall compensation. Thus, if the perceived value or future value of our stock declines, our ability to attract and retain highly skilled employees may be adversely affected.

***Failure to effectively expand our sales capabilities could harm our ability to increase our customer base.***

Increasing our customer base and expanding customer adoption within and across business lines will depend, to a significant extent, on our ability to effectively expand our sales and marketing operations and activities. From February 1, 2019 to April 30, 2020, our sales and marketing teams increased from 140 to 234 employees. We plan to continue to expand our direct sales force both domestically and internationally for the foreseeable future. We believe that there is significant competition for experienced sales professionals with the sales skills and technical knowledge that we require. Newly hired employees require significant training and time before they achieve full productivity and they may not become as productive as quickly as we expect, if at all. Further, we may be unable to hire or retain sufficient numbers of qualified individuals in the future in the markets where we do business. Our business will be adversely affected if our sales expansion efforts do not generate a significant increase in revenues.

***If we fail to provide effective customer training on the nCino Bank Operating System and high-quality customer support, our business and reputation would suffer.***

Effective customer training on the nCino Bank Operating System and high-quality, ongoing customer support are critical to the successful marketing, sale and adoption of our solution and for the renewal of existing customer contracts. As we grow our customer base, we will need to further invest in and expand our customer support and training organization, which could strain our team and infrastructure and reduce profit margins. If we do not help our customers adopt our solution, quickly resolve any post-implementation matters, and provide effective ongoing customer support and training, our ability to expand sales to existing and future customers and our reputation would be adversely affected.

***If we are unable to effectively integrate our solution with other systems used by our customers, or if there are performance issues with such third-party systems, our solution will not operate effectively and our business and reputation will be adversely affected.***

The nCino Bank Operating System integrates with other third-party systems used by our customers, including core processing systems. We do not have formal arrangements with many of these third-party providers regarding our access to their application program interfaces to enable these customer integrations. If we are unable to effectively integrate with third-party systems, our customers' operations may be disrupted, which may result in disputes with customers, negatively impact customer satisfaction and harm our business. If the software of such third-party providers has performance or other problems, such issues may reflect poorly on us and the adoption and renewal of our solution, and our business and reputation may be harmed.

***Our sales cycle can be unpredictable, time-consuming and costly.***

Our sales process involves educating prospective customers and existing customers about the benefits and technical capabilities of our solution. Prospective customers often undertake a prolonged evaluation process, which typically involves not only our solution, but also those of our competitors. Our sales cycles are typically lengthy, generally ranging from six to nine months for smaller financial institutions and twelve to eighteen months or more for larger financial institutions. We may spend substantial time, effort and money on our sales and marketing efforts without any assurance that our efforts will produce any sales. Events affecting our customers' businesses may occur during the sales cycle that could affect the size or timing of a purchase, contributing to more unpredictability in our business and results of operations. As a result of these factors, we may face greater costs, longer sales cycles and less predictability in the future.

***Failure to protect our proprietary technology and intellectual property rights could adversely affect our business and results of operations.***

Our future success and competitive position depend in part on our ability to protect our intellectual property and proprietary technologies. To safeguard these rights, we rely on a combination of patent, trademark, copyright and trade secret laws and contractual protections in the United States and other jurisdictions, all of which provide only limited protection and may not now or in the future provide us with a competitive advantage.

As of April 30, 2020, we had twelve issued patents and one patent application pending relating to the nCino Bank Operating System in the United States. We cannot assure you that any patents will issue from any patent applications, that patents that may be issued from such applications will give us the protection we seek or that any such patents will not be challenged, invalidated, or circumvented. Any patents that may issue in the future from our pending or future patent applications may not provide sufficiently broad protection and may not be enforceable in actions against alleged infringers. We have registered the "nCino" name and logo in the United States and certain other countries and we have registrations and/or pending applications for additional marks including the "Bank Operating System" and "nIQ" in the United States and certain other countries. However, we cannot assure you that any future trademark registrations will be issued for pending or future applications or that any registered trademarks will be enforceable or provide adequate protection of our proprietary rights. We also license software from third parties for integration into our solution, including open source software and other software available on commercially reasonable terms. We cannot assure you that such third parties will maintain such software or continue to make it available. We also rely on confidentiality agreements, consulting agreements, work-for-hire agreements and invention assignment agreements with our employees, consultants and others.

Despite our efforts to protect our proprietary technology and trade secrets, unauthorized parties may attempt to misappropriate, reverse engineer or otherwise obtain and use them. In addition, others may independently discover our trade secrets, in which case we would not be able to assert trade secret rights, or develop similar technologies and processes. Further, the contractual provisions that we enter into may not prevent unauthorized use or disclosure of our proprietary technology or intellectual property rights and may not provide an adequate remedy in the event of unauthorized use or disclosure of our proprietary technology or intellectual property rights. Moreover, policing unauthorized use of our technologies, trade secrets and intellectual property is difficult, expensive and time-consuming, particularly in foreign countries where the laws may not be as protective of intellectual property rights as those in the United States and where mechanisms for enforcement of intellectual property rights may be weak. We may be unable to determine the extent of any unauthorized use or infringement of our solution, technologies or intellectual property rights.



***We use “open source” software in our solution, which may restrict how we use or distribute our solutions, require that we release the source code of certain software subject to open source licenses or subject us to litigation or other actions that could adversely affect our business.***

We currently use in our solution, and may use in the future, software that is licensed under “open source,” “free” or other similar license, where the licensed software is made available to the general public on an “as-is” basis under the terms of a specific non-negotiable license. Some open source software licenses require that software subject to the license be made available to the public and that any modifications or derivative works based on the open source code be licensed in source code form under the same open source licenses. Although we monitor our use of open source software, we cannot assure you that all open source software is reviewed prior to use in our solution, that our programmers have not incorporated open source software into our solution, or that they will not do so in the future.

In addition, our solution may incorporate third-party software under commercial licenses. We cannot be certain whether such third-party software incorporates open source software without our knowledge. In the past, companies that incorporate open source software into their products have faced claims alleging noncompliance with open source license terms or infringement or misappropriation of proprietary software. Therefore, we could be subject to suits by parties claiming noncompliance with open source licensing terms or infringement or misappropriation of proprietary software. Because few courts have interpreted open source licenses, the manner in which these licenses may be interpreted and enforced is subject to some uncertainty. There is a risk that open source software licenses could be construed in a manner that imposes unanticipated conditions or restrictions on our ability to market or provide our solution. As a result of using open source software subject to such licenses, we could be required to release proprietary source code, pay damages, re-engineer our solution, limit or discontinue sales or take other remedial action, any of which could adversely affect our business.

***Assertions by third parties of infringement or other violations by us of their intellectual property rights, whether or not correct, could result in significant costs and adversely affect our business and results of operations.***

Patent and other intellectual property disputes are common in our industry. We may be subject to claims in the future alleging that we have misappropriated, misused, or infringed other parties’ intellectual property rights. Some companies, including certain of our competitors, own a larger number of patents, copyrights and trademarks than we do, which they may use to assert claims against us. This disparity may also increase the risk that third parties may sue us for patent infringement and may limit our ability to counterclaim for patent infringement or settle through patent cross-licenses. In addition, future assertions of patent rights by third parties, and any resulting litigation, may involve patent holding companies, non-practicing entities or other adverse patent owners who have no relevant product revenues and against whom our own patents may provide little or no deterrence or protection. Our solution utilizes third-party licensed software, and any failure to comply with the terms of one or more of these licenses could adversely affect our business. Third parties may also assert claims of intellectual property rights infringement against our customers, whom we are typically required to indemnify. As competition increases, claims of infringement, misappropriation and other violations of intellectual property rights may increase. Any claim of infringement, misappropriation or other violation of intellectual property rights by a third party, even those without merit, could cause us to incur substantial costs defending against the claim, could distract our management from our business and could deter customers or potential customers from purchasing our solution.

There can be no assurance that we will successfully defend third-party intellectual property claims. An adverse outcome of a dispute may require us to:

- pay substantial damages, including treble damages, if we are found to have willfully infringed a third party’s patents or copyrights;

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- cease developing or selling any elements of our solution that rely on technology that is alleged to infringe or misappropriate the intellectual property of others;
- enter into potentially unfavorable royalty or license agreements in order to obtain the right to use necessary technologies or intellectual property rights;
- expend additional development resources to attempt to redesign our solution or otherwise develop non-infringing technology, which may not be successful; and
- indemnify our customers and other third parties.

Any license we may enter into as a result of litigation may be non-exclusive, and therefore our competitors may have access to the same technology licensed to us. Any of the foregoing events could adversely affect our business and results of operations.

### ***Any future litigation against us could damage our reputation and be costly and time-consuming to defend.***

We may become subject, from time to time, to legal proceedings and claims that arise in the ordinary course of business, such as claims brought by our customers in connection with commercial disputes or employment claims made by current or former employees. Litigation might result in reputational damage and substantial costs and may divert management's attention and resources, which might adversely impact our business, overall financial condition and results of operations. Insurance might not cover such claims, might not provide sufficient payments to cover all the costs to resolve one or more such claims and might not continue to be available on terms acceptable to us. Moreover, any negative impact to our reputation will not be adequately covered by any insurance recovery. A claim brought against us that is uninsured or underinsured could result in unanticipated costs, thereby reducing our results of operations and leading analysts or potential investors to reduce their expectations of our performance, which could reduce the value of our common stock. While we currently are not aware of any material pending or threatened litigation against us, we can make no assurances the same will continue to be true in the future.

### ***Our ability to raise capital in a timely manner if needed in the future may be limited, or such capital may be unavailable on acceptable terms, if at all. Our failure to raise capital if needed could adversely affect our business and results of operations, and any debt or equity issued to raise additional capital may reduce the value of our common stock.***

We have funded our operations since inception primarily through equity financings and receipts generated from customers. We cannot be certain when or if our operations will generate sufficient cash to fund our ongoing operations or the growth of our business. We intend to continue to make investments to support our business and may require additional funds. Moreover, we do not expect to be profitable for the foreseeable future. Additional financing may not be available on favorable terms, if at all. If adequate funds are not available on acceptable terms, we may be unable to invest in future growth opportunities, which could adversely affect our business and results of operations. If we incur debt, the lenders would have rights senior to holders of common stock to make claims on our assets, the terms of any debt could restrict our operations and we may be unable to service or repay the debt. Furthermore, if we issue additional equity securities, stockholders may experience dilution, and the new equity securities could have rights senior to those of our common stock. Because our decision to issue securities in a future offering will depend on numerous considerations, including factors beyond our control, we cannot predict or estimate the impact any future incurrence of debt or issuance of equity securities will have on us. Any future incurrence of debt or issuance of equity securities could adversely affect the value of our common stock.

***The market data and forecasts included in this prospectus may prove to be inaccurate, and even if the markets in which we compete achieve the forecasted growth, we cannot assure you that our business will grow at similar rates, or at all.***

The third-party market data and forecasts included in this prospectus, as well as our internal estimates and research, are subject to significant uncertainty and are based on assumptions and estimates that may not prove to be accurate, although we have no reason to believe such information is not correct and we are in any case responsible for the contents of this prospectus. If the forecasts of market growth, anticipated spending or predictions regarding market size prove to be inaccurate, our business and growth prospects could be adversely affected. Even if all or some of the forecasted growth occurs, our business may not grow at a similar rate, or at all. Our future growth is subject to many factors, including our ability to successfully implement our business strategy, which itself is subject to many risks and uncertainties. The reports described in this prospectus speak as of their respective publication dates and the opinions expressed in such reports are subject to change. Accordingly, investors in our common stock are urged not to put undue reliance on such forecasts and market data.

***Our ability to use our net operating loss carryforwards and certain other tax attributes may be limited.***

We have incurred substantial net operating losses (“NOLs”), during our history. Unused NOLs may carry forward to offset future taxable income if we achieve profitability in the future, unless such NOLs expire under applicable tax laws. However, under the rules of Sections 382 and 383 of the Internal Revenue Code of 1986, as amended (the “Code”), if a corporation undergoes an “ownership change,” generally defined as a greater than 50% change (by value) in its equity ownership over a three-year period, the corporation’s ability to use its NOLs and other pre-change tax attributes to offset its post-change taxable income or taxes may be limited. The applicable rules generally operate by focusing on changes in ownership among stockholders considered by the rules as owning, directly or indirectly, 5% or more of the stock of a company, as well as changes in ownership arising from new issuances of stock by the company. The rules of Section 382 are regularly being evaluated to determine any potential limitations. If we experience one or more ownership changes as a result of this offering or future transactions in our stock, then we may be limited in our ability to use our NOL carryforwards to offset our future taxable income, if any. In addition, recently enacted tax legislation commonly referred to as the Tax Cuts and Jobs Act imposes certain limitations on the deduction of NOLs generated in tax years that began on or after January 1, 2018, including a limitation on use of NOLs to offset 80% of taxable income and the disallowance of NOL carryback. Although NOLs generated in tax years before 2018 may still be used to offset future income without regard to the 80% limitation, they have the potential to expire if we do not achieve profitability in the future.

***Amendments to existing tax laws, rules or regulations or enactment of new unfavorable tax laws, rules or regulations could have an adverse effect on our business and operating results.***

The Tax Cuts and Jobs Act made a number of significant changes to the current U.S. federal income tax rules, including reducing the generally applicable corporate tax rate from 35% to 21%, imposing additional limitations on the deductibility of interest, placing limits on the utilization of NOLs and making substantial changes to the international tax rules. Many of the provisions of the Tax Cuts and Jobs Act still require guidance through the issuance and/or finalization of regulations by the U.S. Treasury Department in order to fully assess their effect, and there may be substantial delays before such regulations are promulgated and/or finalized, increasing the uncertainty as to the ultimate effect of the Tax Cuts and Jobs Act on us and our stockholders. There also may be technical corrections legislation or other legislative changes proposed with respect to the Tax Cuts and Jobs Act, the effect of which cannot be predicted and may be adverse to us or our stockholders.

***Natural or man-made disasters and other similar events, including the COVID-19 pandemic, may significantly disrupt our business, and negatively impact our business, financial condition and results of operations.***

A significant portion of our employee base, operating facilities and infrastructure are centralized in Wilmington, North Carolina. Any of our facilities may be harmed or rendered inoperable by natural or man-made disasters, including hurricanes, tornadoes, wildfires, floods, earthquakes, nuclear disasters, acts of terrorism or other criminal activities, infectious disease outbreaks or pandemic events, including the COVID-19 pandemic, power outages and other infrastructure failures, which may render it difficult or impossible for us to operate our business for some period of time. Our facilities would likely be costly to repair or replace, and any such efforts would likely require substantial time. Any disruptions in our operations could adversely affect our business and results of operations and harm our reputation. Moreover, although we have disaster recovery plans, they may prove inadequate. We may not carry sufficient business insurance to compensate for losses that may occur. Any such losses or damages could have a material adverse effect on our business and results of operations. In addition, the facilities of our third-party providers, including Salesforce, may be harmed or rendered inoperable by such natural or man-made disasters, which may cause disruptions, difficulties or otherwise materially and adversely affect our business. Additionally, to the extent the COVID-19 pandemic adversely affects our business and financial results, it may also have the effect of heightening many of the other risks described in this “Risk Factors” section, such as our ability to achieve profitability in the future, our ability to attract new customers or continue to broaden our existing customers’ use of our solution and the impact of any decrease in technology spend by customers and potential customers in the financial services industry where we derive all of our revenues.

#### **Risks Relating to Our Initial Public Offering and Ownership of Our Common Stock**

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

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

- variations between our actual operating results and the expectations of securities analysts, investors and the financial community;
- any forward-looking financial or operating information we may provide to the public or securities analysts, any changes in this information or our failure to meet expectations based on this information;
- actions of securities analysts who initiate or maintain coverage of us, changes in financial estimates by any securities analysts who follow us or our failure to meet these estimates or the expectations of investors;
- additional shares of our common stock being sold into the market by us or our existing stockholders, or the anticipation of such sales, including if existing stockholders sell shares into the market when applicable “lock-up” periods end;
- hedging activities by market participants;

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- announcements by us or our competitors of significant products or features, technical innovations, acquisitions, strategic partnerships, joint ventures or capital commitments;
- changes in operating performance and stock market valuations of companies in our industry, including our competitors;
- price and volume fluctuations in the overall stock market, including as a result of trends in the economy as a whole;
- lawsuits threatened or filed against us;
- developments in new legislation and pending lawsuits or regulatory actions, including interim or final rulings by judicial or regulatory bodies; and
- other events or factors, including those resulting from COVID-19, political conditions, election cycles, war or incidents of terrorism, or responses to these events.

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

Moreover, because of these fluctuations, comparing our operating results on a period-to-period basis may not be meaningful. You should not rely on our past results as an indication of our future performance. This variability and unpredictability could also result in our failing to meet the expectations of industry or financial analysts or investors for any period. If our revenues or operating results fall below the expectations of analysts or investors or below any forecasts we may provide to the market, or if the forecasts we provide to the market are below the expectations of analysts or investors, the price of our common stock could decline substantially. Such a stock price decline could occur even when we have met any previously publicly stated revenue or earnings forecasts that we may provide.

### ***An active trading market for our common stock may never develop or be sustained.***

We have applied to list our common stock on The Nasdaq Global Select Market under the symbol "NCNO." However, we cannot assure you that an active trading market for our common stock will develop on that exchange or elsewhere or, if developed, that any market will be sustained. Accordingly, we cannot assure you of the likelihood that an active trading market for our common stock will develop or be maintained, the liquidity of any trading market, your ability to sell your shares of our common stock when desired or the prices that you may obtain for your shares.

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

If our existing stockholders, including employees who obtain equity, sell or indicate an intention to sell, substantial amounts of our common stock in the public market after the lock-up and legal restrictions on resale discussed in this prospectus lapse, the trading price of our common stock could decline. Based on 81,583,127 shares outstanding as of April 30, 2020, upon the completion of this offering, we will have 89,208,127 shares of common stock outstanding, assuming no exercise of the underwriters' option to purchase additional shares. Of these shares, only the shares of common stock sold in this offering will be freely tradable, without restriction, in the public market immediately after the offering. Each of our directors, executive officers and holders of substantially all of our outstanding equity securities are subject to lock-up agreements that restrict their ability to sell or transfer their shares for a period of 180 days after the date of this prospectus.

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subject to certain exceptions. However, BofA Securities, Inc. and Barclays Capital Inc. (collectively, the “Representatives”) may, in their sole discretion, waive the contractual lock-up before the lock-up agreements expire. After the lock-up agreements expire, all 81,583,127 shares outstanding as of April 30, 2020 will be eligible for sale in the public market, of which 55,726,842 shares are held by directors, executive officers and other affiliates and will be subject to volume limitations under Rule 144 of the Securities Act of 1933, as amended (the “Securities Act”), and various vesting agreements. Sales of a substantial number of such shares upon expiration or earlier release of the lock-up and market stand-off agreements or, the perception that such sales may occur, could cause our market price to fall or make it more difficult for you to sell your common stock at a time and price that you deem appropriate.

In addition, 7,744,722 shares of common stock were subject to outstanding stock options and 972,494 RSUs were outstanding as of April 30, 2020. No stock options and 1,088,179 RSUs were granted subsequent to April 30, 2020. These shares will become eligible for sale in the public market to the extent permitted by the provisions of various vesting agreements, lock-up agreements and Rules 144 and 701 of the Securities Act. We intend to file a registration statement on Form S-8 under the Securities Act covering all the shares of common stock subject to stock options and restricted stock units outstanding and reserved for issuance under our stock plans. That registration statement will become effective immediately on filing, and shares covered by that registration statement will be eligible for sale in the public markets, subject to Rule 144 limitations applicable to affiliates and the lock-up agreements described above. If these additional shares are sold, or if it is perceived that they will be sold in the public market, the trading price of our common stock could decline.

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

The assumed initial public offering price is substantially higher than the net tangible book value per share of our common stock of \$1.02 per share as of April 30, 2020. Investors purchasing common stock in this offering will pay a price per share that substantially exceeds the book value of our tangible assets after subtracting our liabilities, goodwill, intangible assets and redeemable non-controlling interest. As a result, investors purchasing common stock in this offering will incur immediate dilution of \$20.28 per share, based on the assumed initial public offering price of \$23.00 per share, which is the midpoint of the estimated price range set forth on the cover page of this prospectus. This dilution is due to the substantially lower price paid by our investors who purchased shares prior to this offering as compared to the price offered to the public in this offering.

***We do not intend to pay dividends for the foreseeable future and, as a result, your ability to achieve a return on your investment will depend on appreciation in the price of our common stock.***

We have never declared or paid any cash dividends on our common stock and do not intend to pay any cash dividends in the foreseeable future. We anticipate that we will retain all of our future earnings for use in the development of our business and for general corporate purposes. Any determination to pay dividends in the future will be at the discretion of our board of directors. Accordingly, investors must rely on sales of their common stock after price appreciation, which may never occur, as the only way to realize any future gains on their investments.

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

The principal purposes of this offering are to create a public market for our common stock, facilitate access to the public equity markets, increase our visibility in the marketplace and obtain additional capital to support further growth in our business. Our management will have broad discretion in applying the net proceeds we receive from this offering. We may use the net proceeds for general corporate purposes, including working capital, operating expenses and capital expenditures. We may use a portion of the net proceeds to acquire complementary businesses, products, services or technologies. However, we do not have agreements or



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commitments to enter into any acquisitions at this time. We may also spend or invest these proceeds in a way with which our stockholders disagree. If our management fails to use these funds effectively, our business could be seriously harmed.

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

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

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

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

- not being required to have our independent registered public accounting firm audit our internal control over financial reporting under Section 404 of the Sarbanes-Oxley Act;
- reduced disclosure obligations regarding executive compensation in our periodic reports and annual report on Form 10-K; and
- exemptions from the requirements of holding non-binding advisory votes on executive compensation and stockholder approval of any golden parachute payments not previously approved.

As a result, our stockholders may not have access to certain information they may deem important. We could be an emerging growth company for up to five years, although circumstances could cause us to lose that status earlier, including if our total annual gross revenues exceed \$1.07 billion, if we issue more than \$1.0 billion in non-convertible debt securities during any three-year period, or if we are a large accelerated filer and the market value of our common stock held by non-affiliates exceeds \$700 million as of the end of any second quarter before that time. We cannot predict if investors will find our common stock less attractive if we choose to rely on any of the exemptions afforded emerging growth companies. If some investors find our common stock less attractive because we rely on any of these exemptions, there may be a less active trading market for our common stock and the market price of our common stock may be more volatile.

Under the JOBS Act, “emerging growth companies” can also delay adopting new or revised accounting standards until such time as those standards apply to private companies. We elected to use the extended transition period for complying with new or revised accounting standards that have different effective dates for public and private companies until the earlier of the date that we (1) are no longer an emerging growth company or (2) affirmatively and irrevocably opt out of the extended transition period provided in the JOBS Act. As a result, these financial statements may not be comparable to companies that comply with the new or revised accounting pronouncements as of public company effective dates.

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***As a result of becoming a public company, we will be 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 common stock.***

We will be required, pursuant to Section 404 of the Sarbanes-Oxley Act, to furnish a report by management on, among other things, the effectiveness of our internal control over financial reporting on an annual basis, beginning with our 2022 fiscal year. This assessment will need to include disclosure of any material weaknesses identified by our management in our internal control over financial reporting. Our independent registered public accounting firm will not be required to attest to the effectiveness of our internal control over financial reporting until our first annual report required to be filed with the SEC following the date we are no longer an “emerging growth company,” as defined in the JOBS Act. We will be required to disclose significant changes made in our internal control procedures on a quarterly basis.

Our compliance with Section 404 will require that we incur substantial accounting expense and expend significant management efforts. We currently do not have an internal audit group, and we may 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 assert 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 and operating results. 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 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.

***Future securities issuances could result in significant dilution to our stockholders and impair the market price of our common stock.***

Future issuances of shares of our common stock, or the perception that these sales may occur, could depress the market price of our common stock and result in dilution to existing holders of our common stock. Also, to the extent outstanding options to purchase shares of our common stock are exercised or options, restricted stock units or other stock-based awards are issued or become vested, there will be further dilution. The amount of dilution could be substantial depending upon the size of the issuances or exercises. Furthermore, we may issue additional equity securities that could have rights senior to those of our common stock. As a result, purchasers of our common stock in this offering bear the risk that future issuances of debt or equity securities may reduce the value of our common stock and further dilute their ownership interest.

***Operating as a public company will require us to incur substantial costs and will require substantial management attention.***

As a public company, we will incur substantial legal, accounting and other expenses that we did not incur as a private company. For example, we will be subject to the reporting requirements of the Securities Exchange Act of 1934, as amended (the “Exchange Act”), the applicable requirements of the Sarbanes-Oxley Act and the Dodd-Frank Wall Street Reform and Consumer Protection Act and the rules and regulations of the SEC. The rules and regulations of The Nasdaq Global Select Market will also apply to us following this offering. As

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part of the new requirements, we will need to establish and maintain effective disclosure and financial controls and make changes to our corporate governance practices. We expect that compliance with these requirements will increase our legal and financial compliance costs and will make some activities more time-consuming.

We expect that our management and other personnel will need to divert attention from other business matters to devote substantial time to the reporting and other requirements of being a public company. In particular, we expect to incur significant expense and devote substantial management effort to complying with the requirements of Section 404 of the Sarbanes-Oxley Act. We will need to hire additional accounting and financial staff with appropriate public company experience and technical accounting knowledge.

We also expect that being a public company and complying with applicable rules and regulations will make it more expensive for us to obtain director and officer liability insurance. Given recent developments in the market for such coverage, we expect to incur substantially higher costs to obtain and maintain the same or similar coverage. These factors could also make it more difficult for us to attract and retain qualified executive officers and members of our board of directors.

***Delaware law and provisions in our amended and restated certificate of incorporation and bylaws that will be in effect on the completion of this offering could make a merger, tender offer or proxy contest difficult, thereby depressing the trading price of our common stock.***

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

- establish a classified board of directors so that not all members of our board of directors are elected at one time;
- permit the board of directors to establish the number of directors and fill any vacancies and newly-created directorships;
- provide that directors may only be removed for cause;
- require super-majority voting to amend some provisions in our amended and restated certificate of incorporation and bylaws;
- authorize the issuance of “blank check” preferred stock that our board of directors could use to implement a stockholder rights plan;
- prohibit stockholders from calling special meetings of stockholders;
- prohibit stockholder action by written consent, which requires all stockholder actions to be taken at a meeting of our stockholders;
- provide that the board of directors is expressly authorized to make, alter or repeal our bylaws;
- restrict the forum for certain litigation against us to Delaware; and
- establish advance notice requirements for nominations for election to our board of directors or for proposing matters that can be acted upon by stockholders at annual stockholder meetings.

Any provision of our amended and restated certificate of incorporation or bylaws that will be in effect on the completion of this offering or Delaware law that has the effect of delaying or deterring a change in control could

limit the opportunity for our stockholders to receive a premium for their shares of our common stock, and could also affect the price that some investors are willing to pay for our common stock. For information regarding these and other provisions, see section titled “Description of Capital Stock—Anti-Takeover Provisions.”

***Our amended and restated certificate of incorporation will designate a state or federal court located within the State of Delaware as the exclusive forum for substantially all disputes between us and our stockholders, which could limit our stockholders’ ability to choose the judicial forum for disputes with us or our directors, officers or employees.***

Our amended and restated certificate of incorporation, which will become effective immediately prior to the completion of this offering, will provide that, unless we consent in writing to the selection of an alternative forum, to the fullest extent permitted by law, the sole and exclusive forum for (1) any derivative action or proceeding brought on our behalf under Delaware law, (2) any action asserting a claim of breach of a fiduciary duty owed by any of our directors, officers or other employees to us or our stockholders, (3) any action arising pursuant to any provision of the Delaware General Corporation Law (“DGCL”), our amended and restated certificate of incorporation or bylaws, (4) any other action asserting a claim that is governed by the internal affairs doctrine, or (5) any other action asserting an “internal corporate claim,” as defined in Section 115 of the DGCL, shall be the Court of Chancery of the State of Delaware (or, if the Court of Chancery does not have jurisdiction, the federal district court for the District of Delaware) in all cases subject to the court having jurisdiction over indispensable parties named as defendants. These exclusive-forum provisions do not apply to claims under the Securities Act or the Exchange Act.

To the extent that any such claims may be based upon federal law claims, Section 27 of the Exchange Act creates exclusive federal jurisdiction over all suits brought to enforce any duty or liability created by the Exchange Act or the rules and regulations thereunder.

Section 22 of the Securities Act creates concurrent jurisdiction for federal and state courts over all suits brought to enforce any duty or liability created by the Securities Act or the rules and regulations thereunder. However, our amended and restated certificate of incorporation, which will become effective immediately prior to the completion of this offering, contains a federal forum provision which provides that unless the Company consents in writing to the selection of an alternative forum, the federal district courts of the United States of America will be the exclusive forum for the resolution of any complaint asserting a cause of action arising under the Securities Act.

Any person or entity purchasing or otherwise acquiring any interest in any of our securities shall be deemed to have notice of and consented to this provision. This exclusive-forum provision may limit a stockholder’s ability to bring a claim in a judicial forum of its choosing for disputes with us or our directors, officers or other employees, which may discourage lawsuits against us and our directors, officers and other employees. If a court were to find the exclusive-forum provision in our amended and restated certificate of incorporation to be inapplicable or unenforceable in an action, we may incur additional costs associated with resolving the dispute in other jurisdictions, which could harm our results of operations.

## CAUTIONARY NOTE REGARDING FORWARD-LOOKING STATEMENTS

This prospectus contains forward-looking statements within the meaning of the U.S. federal securities laws. All statements other than statements of historical fact contained in this prospectus, including statements regarding our future results of operations and financial condition, business strategy and plans and objectives of management for future operations, are forward-looking statements. These statements involve known and unknown risks, uncertainties and other important factors that may cause our actual results, performance or achievements to be materially different from any future results, performance or achievements expressed or implied by the forward-looking statements.

In some cases, you can identify forward-looking statements by terms such as “may,” “should,” “expects,” “plans,” “anticipates,” “could,” “intends,” “target,” “projects,” “contemplates,” “believes,” “estimates,” “predicts,” “potential” or “continue” or the negative of these terms or other similar expressions. The forward-looking statements in this prospectus are only predictions. We have based these forward-looking statements largely on our current expectations and projections about future events and financial trends that we believe may affect our business, financial condition and results of operations. These forward-looking statements speak only as of the date of this prospectus and are subject to a number of risks, uncertainties and assumptions described in the section titled “Risk Factors” and elsewhere in this prospectus. Because forward-looking statements are inherently subject to risks and uncertainties, some of which cannot be predicted or quantified, you should not rely on these forward-looking statements as predictions of future events. The events and circumstances reflected in our forward-looking statements may not be achieved or occur and actual results could differ materially from those projected in the forward-looking statements. Some of the key factors that could cause actual results to differ from our expectations include:

- our future financial performance, including our expectations regarding our revenues, cost of revenues, operating expenses, and our ability to achieve and maintain future profitability;
- our ability to execute strategies, plans, objectives and goals;
- our ability to compete with existing and new competitors in existing and new markets and offerings;
- our ability to develop and protect our brand;
- our ability to effectively manage privacy, information and data security;
- costs associated with research and development and building out our sales team;
- increases in spending by financial institutions in cloud-based technology;
- our ability to add customers;
- our ability to expand internationally and associated costs;
- our ability to comply with laws and regulations;
- our expectations and management of future growth based on subscription revenues over terms of contracts;
- our expectations concerning relationships with our customers, partners and other third parties;
- the impact of COVID-19 on our industry, business and results of operations;

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- economic and industry trends; projected growth or trend analysis;
- our relationship with Salesforce and our SIs;
- seasonal sales fluctuations;
- our ability to add capacity and automation to our operations;
- the increased expenses associated with being a public company; and
- our anticipated uses of net proceeds from this offering.

In addition, statements such as “we believe” and similar statements reflect our beliefs and opinions on the relevant subject. These statements are based upon information available to us as of the date of this prospectus and, although we believe such information forms a reasonable basis for such statements, such information may be limited or incomplete, and our statements should not be read to indicate that we have conducted a thorough inquiry into, or review of, all potentially available relevant information. These statements are inherently uncertain and investors are cautioned not to unduly rely upon these statements. Furthermore, if our forward-looking statements prove to be inaccurate, the inaccuracy may be material. In light of the significant uncertainties in these forward-looking statements, you should not regard these statements as a representation or warranty by us or any other person that we will achieve our objectives and plans in any specified time frame, or at all. Except as required by applicable law, we do not plan to publicly update or revise any forward-looking statements contained herein until after we distribute this prospectus, whether as a result of any new information, future events or otherwise.



## MARKET, INDUSTRY AND OTHER DATA

This prospectus contains estimates, projections and other information concerning our industry, including market size and growth rates of the markets in which we participate, and discussion of our general expectations, market position and market opportunity. Although we are responsible for the disclosure contained in this prospectus, this information is based on various sources, including reports and publications from Accenture, Ernst & Young, Gartner, IDC, McKinsey & Company, PricewaterhouseCoopers and other industry publications, surveys and forecasts, and assumptions we have made that are based on such data and other similar sources and on our knowledge of the markets for our solution. This information involves a number of assumptions and limitations, and you are cautioned not to give undue weight to these estimates.

The reports and publications appearing in this prospectus include:

- Accenture, 2018 North America Banking Operations Survey, March 2018.
- Accenture, Redefine Banking with Artificial Intelligence, January 2018.
- Celent and NEX, Cloud in Capital Markets: Getting Ahead of Tomorrow, March 2018.
- Ernst & Young LLC, Global Banking Outlook 2018: Pivoting Toward an Innovation-Led Strategy, May 2018.
- Gartner, Forecast: Enterprise IT Spending by Vertical Industry Market, Worldwide, 2017-2023, 3Q19 Update, Neha Gupta, et al., October 2019.
- Grata Inc., nCino Global Banking Market Study Summary Report, October 2019.
- IDC, Worldwide Semi Annual Public Cloud Services Spending Guide, 2018H2, June 2019.
- McKinsey & Company, Inc., Bots, Algorithms, and the Future of the Finance Function, January 2018.
- McKinsey & Company, Inc., McKinsey on Payments—Special Edition on Advanced Analytics in Banking, August 2018.
- PricewaterhouseCoopers, Consumer Digital Banking Survey, June 2019.
- Thomson Reuters, Cost of Compliance 2019: 10 Years of Regulatory Change, June 2019.

Industry data and other third-party information have been obtained from sources believed to be reliable, but we have not independently verified any third-party information. In addition, projections, assumptions and estimates of our future performance and the future performance of the industry in which we operate is necessarily subject to a high degree of uncertainty and risk due to a variety of factors, including those described in the section titled “Risk Factors” and elsewhere in this prospectus. These and other factors could cause results to differ materially from those expressed in the estimates made by third parties and by us.

The Gartner Report(s) described herein, (the “Gartner Report(s)”) represent(s) research opinion or viewpoints published, as part of a syndicated subscription service, by Gartner, Inc. (“Gartner”), and are not representations of fact. Each Gartner Report speaks as of its original publication date (and not as of the date of this prospectus) and the opinions expressed in the Gartner Report(s) are subject to change without notice. The banking market falls within the banking and securities market in Gartner’s industry data set. Calculations on Gartner industry data were performed by nCino.

## USE OF PROCEEDS

We estimate that the net proceeds from the sale of the 7,625,000 shares of common stock that we are selling in this offering will be approximately \$159.9 million, based on an assumed initial public offering price of \$23.00 per share, the midpoint of the range on the front cover of this prospectus, after deducting estimated underwriting discounts and commissions and offering expenses payable by us. If the underwriters fully exercise their option to purchase additional common stock in this offering, we estimate that our net proceeds will be approximately \$184.5 million, based on an assumed initial public offering price of \$23.00 per share, the midpoint of the range on the front cover of this prospectus, after deducting estimated underwriting discounts and commissions and offering expenses payable by us.

Each \$1.00 increase (decrease) in the assumed initial public offering price of our common stock would increase (decrease) the net proceeds from this offering by \$7.1 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 underwriting discounts and commissions and offering expenses payable by us. Similarly, each 1.0 million share increase (decrease) in the number of shares offered by us would increase (decrease) the net proceeds from this offering by \$21.5 million, assuming no change in the assumed initial public offering price per share and after deducting underwriting discounts and commissions and offering expenses payable by us. We do not expect that a change in the initial public offering price or the number of shares by these amounts would have a material effect on our uses of the proceeds from this offering, although a decrease in proceeds may accelerate the time when we need to seek additional capital.

The principal purposes of this offering are to create a public market for our common stock, facilitate access to the public equity markets, increase our visibility in the marketplace and obtain additional capital to support further growth in our business. We intend to use the net proceeds we receive from this offering for general corporate purposes, including working capital and capital expenditures such as additional office facilities. We may also use a portion of the net proceeds to acquire, invest in or obtain rights to complementary technologies, products, services or businesses. There are no such transactions or agreements at this time.

Because we expect to use the net proceeds from this offering for working capital and other general corporate purposes, our management will have broad discretion over the use of the net proceeds from this offering. As of the date of this prospectus, we intend to invest the net proceeds that are not used as described above in capital-preservation investments, including short-term interest-bearing investment-grade securities, certificates of deposit or U.S. government backed 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. Any future determination regarding the declaration and payment of dividends, if any, will be at the discretion of our board of directors and will depend on then-existing conditions, including our financial condition, operating results, contractual restrictions, capital requirements, business prospects and other factors our board of directors may deem relevant. Our ability to pay cash dividends on our capital stock may be limited by any future debt instruments or preferred securities.

## CAPITALIZATION

The following table sets forth our cash and cash equivalents and capitalization as of April 30, 2020:

- on an actual basis;
- on a pro forma basis giving effect to the conversion of all of the outstanding shares of our non-voting common stock into 5,931,319 shares of our voting common stock upon the filing and effectiveness of an amendment to our certificate of incorporation; and
- on a pro forma as adjusted basis giving effect to the pro forma adjustment noted above and the filing and effectiveness of our amended and restated certificate of incorporation, which will be effective immediately prior to the completion of this offering and our issuance, and the sale of 7,625,000 shares of our common stock in this offering at the assumed initial offering price of \$23.00 per share, which is the midpoint of the offering price range on the cover page of this prospectus, after deducting estimated underwriting discounts and commissions and estimated offering expenses payable by us.

You should read this table together with the sections titled “Selected Consolidated Financial and Other Data,” “Use of Proceeds,” “Management’s Discussion and Analysis of Financial Condition and Results of Operations” and our consolidated financial statements and related notes included elsewhere in this prospectus.

(In thousands)	As of April 30, 2020		
	Actual	Pro Forma	Pro Forma As Adjusted <sup>(1)</sup>
Cash and cash equivalents	\$ 99,038	\$ 99,038	\$ 258,938
Stockholders’ equity:			
Voting common stock, \$0.0005 par value; 99,708,247 shares authorized; 75,651,808 shares issued and outstanding, actual; 81,583,127 shares issued and outstanding, pro forma; 89,208,127 shares issued and outstanding, pro forma as adjusted	38	41	45
Non-voting common stock, \$0.0005 par value; 10,291,753 shares authorized; 5,931,319 shares issued and outstanding, actual; no shares issued and outstanding, pro forma and pro forma as adjusted	3	—	—
Additional paid-in capital	289,624	289,624	449,520
Other comprehensive loss	(187)	(187)	(187)
Accumulated deficit	(125,580)	(125,580)	(125,580)
Total stockholders’ equity	163,898	163,898	323,798
Total capitalization	\$ 163,898	\$ 163,898	\$ 323,798

- (1) Each \$1.00 increase or decrease in the assumed initial public offering price per share of our common stock would increase or decrease the amount of our pro forma as adjusted cash and cash equivalents, total assets and total stockholders’ equity by \$7.1 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 payable by us. An increase or decrease of 1.0 million shares in the number of shares offered by us would increase or decrease, as applicable, the amount of our pro forma as adjusted cash and cash equivalents, total assets and total stockholders’ equity by \$21.5 million assuming the assumed initial public offering price remains the same, and after deducting underwriting discounts and commissions payable by us.

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The number of shares of common stock that will be outstanding after this offering is based on \_\_\_\_\_ shares of our common stock outstanding as of April 30, 2020 and excludes:

- 7,744,722 shares of common stock issuable upon exercise of options outstanding as of April 30, 2020, at a weighted-average exercise price of \$5.39 per share under our existing equity plans;
- 972,494 shares of common stock issuable upon vesting of RSU awards as of April 30, 2020;
- 1,088,179 shares issuable upon vesting of RSU awards granted after April 30, 2020 under our 2019 Incentive Plan;
- 13,475,424 shares of common stock reserved for future issuance under our 2019 Incentive Plan; and
- 1,800,000 shares of common stock reserved for issuance under our ESPP, which will become effective on the business day immediately prior to the effectiveness of the registration statement of which this prospectus forms a part.

## DILUTION

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

Our net tangible book value as of April 30, 2020 was \$83.0 million, or \$1.02 per share. After giving effect to the sale by us of 7,625,000 shares of common stock in this offering at an assumed initial public offering price of \$23.00 per share, the midpoint of the offering price range on the cover page of this prospectus, and after deducting underwriting discounts and commissions, offering expenses payable by us, our as adjusted net tangible book value as of April 30, 2020 would have been \$242.9 million, or \$2.72 per share. This amount represents an immediate increase in as adjusted net tangible book value of \$1.70 per share to our existing stockholders and an immediate dilution in as adjusted net tangible book value of \$20.28 per share to new investors purchasing common stock in this offering. We determine dilution by subtracting the as adjusted net tangible book value per share after this offering from the amount of cash that a new investor paid for a share of common stock. The following table illustrates this dilution on a per share basis:

Assumed initial public offering price per share	\$23.00
Net tangible book value per share as of April 30, 2020	\$1.02
Increase in net tangible book value per share attributable to our existing stockholders	1.70
As adjusted net tangible book value per share after this offering	2.72
Dilution per share to new investors purchasing shares in this offering	\$20.28

The dilution information discussed above is illustrative only and may change based on the actual initial public offering price and other terms of this offering. A \$1.00 increase (decrease) in the assumed initial public offering price of our common stock would increase (decrease) our as adjusted net tangible book value per share after this offering by \$0.08 per share and increase (decrease) the dilution to new investors by \$0.92 per share, in each case assuming the number of shares of common stock offered by us, as set forth on the cover page of this prospectus, remains the same, and after deducting underwriting discounts and commissions and offering expenses payable by us. Similarly, each increase or decrease of 1.0 million shares in the number of shares of common stock offered by us would increase (decrease) our as adjusted net tangible book value by approximately \$0.21 per share and decrease (increase) the dilution to new investors by approximately \$0.21 per share, in each case assuming the assumed initial public offering price of \$23.00 per share of common stock remains the same, and after deducting underwriting discounts and commissions and offering expenses payable by us.

If the underwriters exercise their option to purchase additional shares of common stock in full, the net tangible book value per share, as adjusted to give effect to this offering, would be \$2.96 per share, and the dilution in net tangible book value per share to new investors in this offering would be \$20.04 per share.

The following table summarizes, as of April 30, 2020, on an as adjusted basis as described above, the number of shares of our common stock, the total consideration and the average price per share (1) paid to us by existing stockholders and (2) to be paid by new investors acquiring our common stock in this offering at an assumed initial public offering price of \$23.00 per share, the midpoint of the offering price range on the cover page of this prospectus, before deducting underwriting discounts and commissions and offering expenses payable by us.

	<u>Shares Purchased</u>		<u>Total Consideration</u>		<u>Average Price Per Share</u>
	<u>Number</u>	<u>Percent</u>	<u>Amount</u>	<u>Percent</u>	
Existing investors	81,583,127	91.5%	\$240,421,487	57.8%	\$ 2.95
New investors	7,625,000	8.5	175,375,000	42.2	23.00
Total	89,208,127	100%	\$415,796,487	100%	

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The table above assumed no exercise of the underwriters' option to purchase 1,143,750 additional shares in this offering. If the underwriters exercise in full their option to purchase additional shares from us, the number of shares held by new investors will increase to 8,768,750 shares, or 9.7% of the total number of shares outstanding following the completion of this offering.

Each \$1.00 increase (decrease) in the assumed initial public offering price of our common stock would increase (decrease) the total consideration paid by new investors and total consideration paid by all stockholders by approximately \$7.6 million, assuming that the number of shares of common stock offered by us, as set forth on the cover page of this prospectus, remains the same and after deducting underwriting discounts and commissions.

The number of shares of common stock that will be outstanding after this offering is based on \_\_\_\_\_ shares of our common stock outstanding as of April 30, 2020 and excludes:

- 7,744,722 shares of common stock issuable upon exercise of options outstanding as of April 30, 2020, at a weighted-average exercise price of \$5.39 per share under our existing equity plans;
- 972,494 shares of common stock issuable upon vesting of RSU awards as of April 30, 2020;
- 1,088,179 shares issuable upon vesting of RSU awards granted after April 30, 2020 under our 2019 Incentive Plan;
- 13,475,424 shares of common stock reserved for future issuance under our 2019 Incentive Plan; and
- 1,800,000 shares of common stock reserved for issuance under our ESPP, which will become effective on the business day immediately prior to the effectiveness of the registration statement of which this prospectus forms a part.

To the extent that any outstanding options are exercised, restricted stock units vest, or new equity grants are issued under our stock-based compensation plans, or we issue additional shares of common stock in the future, there will be further dilution to investors participating in this offering.



## SELECTED CONSOLIDATED FINANCIAL AND OTHER DATA

The following tables set forth our selected consolidated financial data. The selected consolidated statement of operations data for the fiscal years ended January 31, 2018, 2019 and 2020 and the selected consolidated balance sheet data as of January 31, 2018, 2019 and 2020 are each derived from our audited consolidated financial statements appearing elsewhere in this prospectus. The selected consolidated statement of operations data for the three months ended April 30, 2019 and 2020, and the selected consolidated balance sheet data as of April 30, 2020, are each derived from our unaudited financial statements appearing elsewhere in this prospectus. The selected consolidated balance sheet data as of April 30, 2019 is derived from our unaudited financial statements not included in this prospectus. We have prepared the unaudited interim financial statements on the same basis as the audited annual financial statements and have included all adjustments, consisting only of normal recurring adjustments, that we consider necessary for a fair presentation of the financial information set forth in those statements. Our historical results are not necessarily indicative of the results to be expected in the future. You should read this selected consolidated financial and other data in conjunction with the section titled “Management’s Discussion and Analysis of Financial Condition and Results of Operations” and our consolidated financial statements, related notes and other financial information included elsewhere in this prospectus.

### Consolidated Statement of Operations Data

	Fiscal Year Ended January 31,			Three Months Ended April 30,	
	2018	2019	2020	2019	2020
(\$ In thousands, except share and per share amounts)					
<b>Revenues:</b>					
Subscription revenues	\$ 38,048	\$ 64,458	\$ 103,265	\$ 21,032	\$ 34,831
Professional services revenues	20,094	27,076	34,915	8,804	9,881
Total revenues	<u>58,142</u>	<u>91,534</u>	<u>138,180</u>	<u>29,836</u>	<u>44,712</u>
<b>Cost of revenues(1):</b>					
Cost of subscription revenue	12,581	19,995	31,062	6,502	10,099
Cost of professional services revenue	17,890	26,456	33,008	7,536	8,767
Total cost of revenue	<u>30,471</u>	<u>46,451</u>	<u>64,070</u>	<u>14,038</u>	<u>18,866</u>
Gross profit	27,671	45,083	74,110	15,798	25,846
<b>Operating expenses(1):</b>					
Sales and marketing	20,954	31,278	44,440	8,015	12,226
Research and development	16,559	22,230	35,304	7,366	10,965
General and administrative	8,933	14,791	22,536	3,909	6,926
Total operating expenses	<u>46,446</u>	<u>68,299</u>	<u>102,280</u>	<u>19,290</u>	<u>30,117</u>
Loss from operations	<u>(18,775)</u>	<u>(23,216)</u>	<u>(28,170)</u>	<u>(3,492)</u>	<u>(4,271)</u>
<b>Non-operating income (expense):</b>					
Interest income	260	1,193	988	318	156
Other	(24)	(89)	33	(109)	(520)
Loss before income tax expense	<u>(18,539)</u>	<u>(22,112)</u>	<u>(27,149)</u>	<u>(3,283)</u>	<u>(4,635)</u>
Income tax expense	50	194	586	136	197
Net loss	<u>(18,589)</u>	<u>(22,306)</u>	<u>(27,735)</u>	<u>(3,419)</u>	<u>(4,832)</u>
Net loss attributable to non-controlling interest	—	—	(141)	—	(176)
Adjustment attributable to non-controlling interest	—	—	—	—	113
Net loss attributable to nCino, Inc.	<u>\$ (18,589)</u>	<u>\$ (22,306)</u>	<u>\$ (27,594)</u>	<u>\$ (3,419)</u>	<u>\$ (4,769)</u>
<b>Net loss per share attributable to nCino, Inc.:</b>					
Basic and diluted	<u>\$ (0.27)</u>	<u>\$ (0.30)</u>	<u>\$ (0.35)</u>	<u>\$ (0.05)</u>	<u>\$ (0.06)</u>
<b>Weighted average number of common shares outstanding:</b>					
Basic and diluted	<u>68,290,570</u>	<u>74,593,709</u>	<u>78,316,794</u>	<u>75,986,517</u>	<u>81,560,762</u>

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

(In thousands)	Fiscal Year Ended January 31,			Three Months Ended April 30,	
	2018	2019	2020	2019	2020
Cost of revenues	\$1,357	\$1,487	\$1,517	\$ 389	\$ 327
Sales and marketing	940	1,078	1,260	292	315
Research and development	1,070	1,056	1,245	306	309
General and administrative	459	474	1,723	122	100
Total stock-based compensation expense	<u>\$3,826</u>	<u>\$4,095</u>	<u>\$5,745</u>	<u>\$1,109</u>	<u>\$1,051</u>

### Consolidated Balance Sheet Data

(In thousands)	As of January 31,			Three Months Ended April 30,	
	2018	2019	2020	2019	2020
Cash and cash equivalents	\$ 80,676	\$ 74,347	\$ 91,184	\$ 78,991	\$ 99,038
Total assets	112,967	119,966	250,151	131,410	261,089
Total liabilities	34,953	53,930	78,522	55,932	92,807
Accumulated deficit	(82,446)	(104,752)	(120,924)	(96,749)	(125,580)
Total liabilities, redeemable non-controlling interest and stockholders' equity	112,967	119,966	250,151	131,410	261,089

### Non-GAAP Financial Measure

In addition to providing financial measurements based on generally accepted accounting principles in the United States (GAAP), we provide an additional financial metric that is not prepared in accordance with GAAP (non-GAAP). Management uses this non-GAAP financial measure, in addition to GAAP financial measures, to understand and compare operating results across accounting periods, for financial and operational decision making, for planning and forecasting purposes, and to evaluate our financial performance. We believe that this non-GAAP financial measure helps us to identify underlying trends in our business that could otherwise be masked by the effect of the expenses that we exclude in the calculations of the non-GAAP financial measure.

Accordingly, we believe that this financial measure reflects our ongoing business in a manner that allows for meaningful comparisons and analysis of trends in the business and provides useful information to investors and others in understanding and evaluating our operating results, enhancing the overall understanding of our past performance and future prospects. Although the calculation of non-GAAP financial measures may vary from company to company, our detailed presentation may facilitate analysis and comparison of our operating results by management and investors with other peer companies, many of which use a similar non-GAAP financial measure to supplement their GAAP results in their public disclosures. This non-GAAP financial measure is Non-GAAP Operating Loss, as discussed below.

*Non-GAAP Operating Loss.* Non-GAAP Operating Loss is defined as loss from operations as reported in our consolidated statements of operations excluding the impact of amortization of intangible assets and stock-based compensation expense. Non-GAAP Operating Loss is widely used by securities analysts, investors and other interested parties to evaluate the profitability of companies. Non-GAAP Operating Loss eliminates potential differences in performance caused by variations in the extent to which intangible assets are identifiable (affecting relative amortization expense).

This non-GAAP financial measure does not replace the presentation of our GAAP financial results and should only be used as a supplement to, not as a substitute for, our financial results presented in accordance with

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GAAP. There are limitations in the use of non-GAAP measures because they do not include all the expenses that must be included under GAAP and because they involve the exercise of judgment concerning exclusions of items from the comparable non-GAAP financial measure. In addition, other companies may use other measures to evaluate their performance, or may calculate non-GAAP measures differently, all of which could reduce the usefulness of our non-GAAP financial measures as tools for comparison.

The following table reconciles Non-GAAP Operating Loss to Loss from Operations, the most directly comparable financial measure, calculated and presented in accordance with GAAP (in thousands):

(in thousands)	Fiscal Year Ended January 31,			Three Months Ended April 30,	
	2018	2019	2020	2019	2020
<b>GAAP Loss from Operations</b>	<u>\$ (18,775)</u>	<u>\$ (23,216)</u>	<u>\$ (28,170)</u>	<u>\$(3,492)</u>	<u>\$(4,271)</u>
<b>Adjustments</b>					
Amortization of Intangible Assets	—	—	1,748	—	796
Stock-based Compensation Expense	3,826	4,095	5,745	1,109	1,051
Total Adjustments	<u>3,826</u>	<u>4,095</u>	<u>7,493</u>	<u>1,109</u>	<u>1,847</u>
<b>Non-GAAP Operating Loss</b>	<u>\$ (14,949)</u>	<u>\$ (19,121)</u>	<u>\$ (20,677)</u>	<u>\$(2,383)</u>	<u>\$(2,424)</u>

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

*The following discussion of our financial condition and results of operations should be read together with our consolidated financial statements and related notes and other financial information included in this prospectus. The following discussion contains forward-looking statements that reflect our plans, estimates and beliefs. Our actual results could differ materially from those discussed in the forward-looking statements. Factors that could cause or contribute to these differences include those discussed below and elsewhere in this prospectus, particularly in the section titled "Risk Factors." Our historical results are not necessarily indicative of the results that may be expected for any period in the future. Our fiscal year ends on January 31 of each year and references in this prospectus to a fiscal year mean the year in which that fiscal year ends. References in this prospectus to "fiscal 2018," "fiscal 2019," and "fiscal 2020" refer to the fiscal year ended January 31, 2018, January 31, 2019 and January 31, 2020, respectively.*

### Overview

nCino is a leading global provider of cloud-based software for financial institutions. We empower banks and credit unions with the technology they need to meet ever-changing client expectations and regulatory requirements, gain increased visibility into their operations and performance, replace legacy systems, and operate digitally and more competitively. Our solution, the nCino Bank Operating System, digitizes, automates and streamlines inefficient and complex processes and workflow, and utilizes data analytics and AI/ML to enable financial institutions to more effectively onboard new clients, make loans and manage the entire loan life cycle, open deposit and other accounts and manage regulatory compliance. We serve financial institution customers of all sizes and complexities, including global financial institutions, enterprise banks, regional banks, community banks, credit unions and new market entrants, such as challenger banks. Our customers deploy and utilize our digital platform, which can be accessed anytime, anywhere and from any internet-enabled device, for mission critical functions across their organizations.

Built as a single, multi-tenant SaaS platform, the nCino Bank Operating System transforms the way financial institutions operate, go to market and interact with their clients, while delivering measurable return on investment by enabling them to:

- digitally serve their clients across commercial, small business and retail lines of business,
- improve financial results,
- operate more efficiently,
- manage risk and compliance more effectively, and
- establish a data, audit and business intelligence hub.

We were founded in a bank with the goal of improving that institution's operations and client service. Realizing the problems we were addressing were endemic to virtually all banks and credit unions, we were spun out as a separate company in late 2011 with the vision of providing a comprehensive solution to onboard clients, originate any type of loan and open any type of account on a single cloud-based platform. We initially focused the nCino Bank Operating System on transforming commercial and small business lending for community and regional banks. We introduced our solution to enterprise banks in the United States in 2014, and then internationally in 2017, and have subsequently expanded across North America, Europe and APAC. In fiscal 2020, we acquired Visible Equity and FinSuite and combined the acquired technology with certain of our internally-developed technology to launch nIQ. nIQ helps our customers improve operational and financial performance by using AI/ML to increase efficiency through automation and analytics to gain greater insights into their operations and client interactions.

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We offer our solution on a SaaS basis under multi-year contracts and recognize subscription revenues ratably over the term of the contract. Our customers may initially purchase our solution for client onboarding, loan origination and/or deposit account opening for a single line of business or geography. Once this initial solution is in production, we seek to deploy additional applications and expand within and across additional lines of business or geographies. The expansion from our original focus on commercial and small business loan origination to retail loan origination, client onboarding, deposit account opening and, most recently, analytics and AI/ML applications, has enhanced our ability to increase adoption of our solution by our customers. For fiscal 2020, we had a subscription revenue retention rate of 147%. See “—Factors Affecting Our Operating Results—Subscription Revenue Retention Rate” for additional information on subscription revenue retention rates.

We sell our solution directly through our business development managers, account executives, field sales engineers and customer success managers. Our sales efforts in the United States are organized around financial institutions based on size, whereas internationally we focus our sales efforts by geography. To drive growth and serve customers in the EMEA region, we continue to expand headcount in our UK office. In fiscal 2020, we opened an office in Tokyo through our joint venture, nCino K.K., giving us another base of operations in APAC in addition to our Australian offices. As of April 30, 2020, we had 140 sales and sales support personnel in the United States, and 54 sales and support personnel in offices outside the United States.

To help customers go live with our solution and achieve success, we offer professional services including configuration and implementation, training and advisory services. For larger financial institutions, we generally work with SIs such as Accenture, Deloitte, PwC and West Monroe Partners for the delivery of professional services, while we have historically performed professional services for smaller financial institutions ourselves. We expect larger financial institutions to make up a greater proportion of our sales and to increasingly outsource professional services for smaller banks and credit unions to SIs. As a result, we expect the mix of our total revenues to be more heavily weighted toward subscription revenues.

To support our growth and capitalize on what we believe is a compelling market opportunity, we have significantly increased our operating expenses across all aspects of our business. In research and development, we have focused on product improvements and the development of new functionality, while simultaneously leveraging the Salesforce Platform such that our development is heavily focused on vertical-specific solutions for financial institutions. Similarly, to grow our customer base, we have invested heavily in sales and marketing both in the United States and internationally. We are also in the process of increasing our general and administrative spending to support our growing operations and prepare for operating as a public company.

Our total revenues were \$138.2 million, \$91.5 million, and \$58.1 million for fiscal 2020, 2019, and 2018, respectively, representing a 54.2% compound annual growth rate. Our subscription revenues in fiscal 2020 were \$103.3 million or 74.7% of total revenues, up from \$64.5 million or 70.4% of total revenues in fiscal 2019 and \$38.0 million or 65.4% of total revenues in fiscal 2018, representing a 64.7% compound annual growth rate. Due to our continuing investment in growth, we recorded net losses attributable to nCino in fiscal 2020, 2019 and 2018 of \$27.6 million, \$22.3 million and \$18.6 million, respectively. For the three months ended April 30, 2020 and 2019, our total revenues were \$44.7 million and \$29.8 million, respectively, representing a 49.9% annual growth rate, and our subscription revenues were \$34.8 million and \$21.0 million, respectively, representing a 65.6% annual growth rate. We had net losses attributable to nCino of \$4.8 million and \$3.4 million for the three months ended April 30, 2020 and 2019, respectively.

### **Factors Affecting Our Operating Results**

**Market Adoption of Our Solution.** Our future growth depends on our ability to expand our reach to new financial institution customers and increase adoption with existing customers as they broaden their use of the nCino Bank Operating System within and across lines of business. Our success in growing our customer base and expanding adoption of our solution by existing customers requires a focused direct sales engagement and the ability to convince key decision makers at financial institutions to replace legacy third-party point solutions or

internally developed software with the nCino Bank Operating System. In addition, growing our customer base will require us to increasingly penetrate markets outside the United States, which accounted for 9.5% of our total revenues for the three months ended April 30, 2020. For new customers, our sales cycles are typically lengthy, generally ranging from six to nine months for smaller financial institutions to 12 to 18 months or more for larger financial institutions. Reaching and converting potential customers requires that we continue to invest in the growth and success of our sales force both in the United States and internationally. In addition, key to landing new customers is our ability to successfully take our existing customers live and help them achieve measurable returns on their investment, thereby turning them into referenceable accounts. If we are unable to successfully address the foregoing challenges, our ability to grow our business and achieve profitability will be adversely affected, which may in turn reduce the value of your investment.

**Mix of Subscription and Professional Services Revenues.** The initial deployment of the nCino Bank Operating System by our customers requires a period of implementation and configuration services that can range from as little as three months for community banks to over 18 months for global financial institutions. As a result, during the initial go-live period for a customer, professional services revenues make up a substantial portion of our revenues from that customer, whereas over time revenues from established customers are more heavily weighted to subscriptions. While professional services revenues will fluctuate as a percentage of total revenues in the future and tend to be higher in periods of faster growth, over time we expect to see subscription revenues make up an increasing proportion of our total revenues as our overall business grows.

**Subscription Revenue Retention Rate.** We believe that our ability to retain and grow subscription revenues from our existing customers over time strengthens the stability and predictability of our revenue base and is reflective of both the adoption curve of customers and the value we deliver to them. We assess our performance in this area using a metric we refer to as subscription revenue retention rate. We calculate our subscription revenue retention rate as total subscription revenues in a fiscal year from customers who purchased any of our solutions as of January 31 of the prior fiscal year, expressed as a percentage of total subscription revenues for the prior fiscal year. Our subscription revenue retention rate provides insight into the impact on current year subscription revenues of:

- the number and timing of new customers and phased activation of seats purchased by them in prior years, which activation schedules can span several fiscal years for larger contracts;
- expanding adoption of our solutions by our existing customers during the current year, excluding any revenues derived from businesses acquired during such year; and
- customer attrition.

For fiscal 2020, 2019 and 2018, we had subscription revenue retention rates of 147%, 163% and 188%, respectively. The most significant driver of changes in our subscription revenue retention rate each year has historically been the number of new customers in prior years and the associated phased activation schedules for such customers. As our installed base and associated subscription revenues have expanded in recent years, we have seen moderation of our subscription revenue retention rate, and we expect further moderation to the extent we continue to experience rapid growth. In addition, because larger financial institutions tend to make more sizable purchases with longer activation schedules, we expect variability in our subscription revenue retention rates based on the timing and extent of our continued penetration of this portion of our market. Our use of subscription revenue retention rate has limitations as an analytical tool, and investors should not consider it in isolation. Other companies in our or adjacent markets may calculate subscription revenue retention rates or similar metrics differently, which reduces its usefulness as a comparative measure.

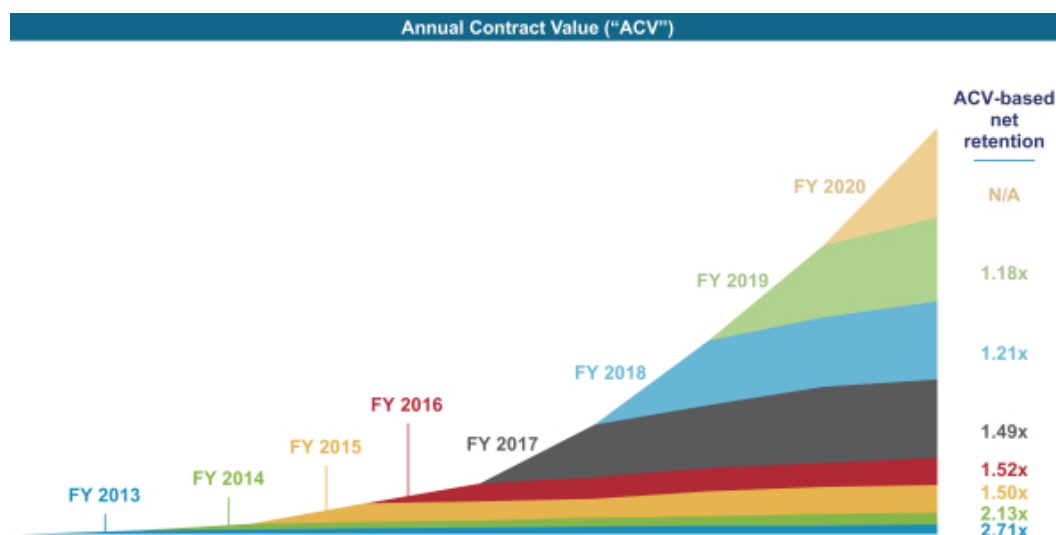
**Long-term ACV Expansion.** A key element of our growth strategy is to expand our deployed footprint with a customer after initial adoption. Our customers typically purchase our solution for a defined line of business or to support a specific use case and, once deployed, we seek to convince the customer to adopt our solution within and across additional lines of business. To date, we have been successful in executing our land

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and expand strategy as a result of our solution's ability to streamline workflow, generate meaningful insights for operational improvement and help drive improved bottom line results. Due to our rapid growth, many of our customers have not yet come up for renewal, so our historical net retention rates may not be predictive of future results. If our customers do not continue to see the ability of our solution to generate return on investment relative to other available solutions or at all, net retention rates will suffer and our operating results will be adversely affected.

We believe our ACV-based net retention of customers over the long term illustrates our success in executing our land and expand strategy, as it demonstrates growing adoption by existing customers, including price increases but net of attrition. To measure net retention, we categorize customers by the year in which they first contracted for our solution, which we call an annual cohort. For each annual cohort, we measure the total ACV for our most recently completed fiscal year and divide it by the total ACV for such cohort at the end of the initial cohort year. We refer to the resulting quotient as "ACV-based net retention." In any given period, ACV for a customer represents the annualized subscription fees from the fully activated subscription contracts in effect for such customers at the end of the applicable period.

The graphic below illustrates our ACV-based net retention for customers initially signed since fiscal 2013. Each individual cohort is not necessarily predictive of other or future cohorts.



**COVID-19 Effects on Demand for Our Solution.** To help our customers service demand for Paycheck Protection Program (PPP) loans under the CARES Act beginning in April 2020, we adapted our Small Business Administration loan solution to the requirements of the PPP and rapidly introduced it to the market. Using our PPP solution, since the inception of PPP funding, our financial institution customers have processed hundreds of thousands of applications and have provided more than \$50 billion in funding for their small business clients.

In light of the extraordinary nature of this market demand, we offered our PPP solution on one- or two-year terms as well as on a multi-year basis co-terminus with existing contracts. Seats for our PPP solution were activated immediately, which caused subscription revenues from these seats to be recognized sooner than is typical with the phased seat activations usually offered to customers. We believe that the emergency purchases of our PPP solution may have had the effect of pulling forward demand that might have otherwise materialized as new business later in the fiscal year and that, coupled with the disruptive effect of COVID-19 on the economy more generally, may have the effect of reducing new business later in fiscal 2021 and moderating revenue growth.



rates in fiscal 2022. In addition, our subscription revenue retention rates may be adversely affected upon the expiration of access and use rights to our PPP solution to the extent such rights are not re-purposed for other applications.

**Continued Investment in Innovation and Growth.** We have made substantial investments in product development, sales and marketing and strategic acquisitions since our inception to achieve a leadership position in our market and grow our revenues and customer base. We intend to continue to increase our investment in product development in the coming years to maintain and build on this advantage. We also intend to invest heavily in sales and marketing both in the United States and internationally to further grow our business, and we are in the process of increasing our general and administrative spending to support our growing operations and prepare for operating as a public company. As such, to capitalize on the market opportunity we see ahead of us, we expect to continue to optimize our operating plans for revenue growth, and as a result continue experiencing operating losses, for the foreseeable future.

## Components of Results of Operations

### Revenues

We derive our revenues from subscription and professional services fees.

**Subscription Revenues.** Our subscription revenues consist principally of fees from customers for accessing the nCino Bank Operating System and maintenance and support services that we offer under non-cancellable multi-year contracts, which typically range from three to five years. Specifically, we offer:

- Client onboarding, loan origination and deposit account opening applications targeted at a financial institution's commercial, small business and retail lines of business, for which we generally charge on a per seat basis.
- nIQ, first introduced in fiscal 2020, for which we generally charge based on the asset size of the customer or on a usage basis. Prior to our acquisitions of Visible Equity and FinSuite, they generally licensed their products under annual contracts that could be cancelled on 30-days' notice. We will continue to support these customers under their legacy contracts until such contracts are renewed, cancelled or expire.
- Maintenance and support services as well as internal-use or "sandbox" development licenses, for which we charge as a percentage of the related subscription fees.

Our subscription revenues are generally recognized ratably over the term of the contract beginning upon activation. For new customers, we may activate a portion of seats at inception of the agreement, with the balance activated at contractually specified points in time thereafter, to pattern our invoicing after the customer's expected rate of implementation and adoption. Subscription fees are generally charged annually in advance. Where seats are activated in stages, we charge subscription fees from the date of activation through the anniversary of the initial activation date, and annually thereafter. Maintenance and support fees, as well as development licenses, are provided over the same periods as the related subscriptions, so fees are invoiced and revenues are recognized over the same periods. Subscription fees invoiced are recorded as deferred revenue pending recognition as revenues. In certain cases, we are authorized to resell access to Salesforce's CRM solution along with the nCino Bank Operating System. When we resell such access, we charge a higher subscription price and remit a higher subscription fee to Salesforce for these subscriptions.

**Professional Services Revenues.** Professional services revenues consist of fees for implementation and configuration assistance, training and advisory services. For enterprise and larger regional financial institutions, we generally work with SIs to provide the majority of implementation services, for which these SIs bill our

customers directly. We have historically delivered professional services ourselves for community banks and smaller credit unions. Revenues for implementation, training and advisory services are recognized on a proportional performance basis, based on labor hours incurred relative to total budgeted hours. To date, our losses on professional services contracts have not been material. During the initial go-live period for a customer, professional services revenues make up a substantial portion of our revenues from that customer, whereas over time, revenues from established customers are more heavily weighted to subscriptions. While professional services revenues will fluctuate as a percentage of total revenues in the future and tend to be higher in periods of faster growth, over time we expect to see subscription revenues make up an increasing proportion of our total revenues.

### ***Cost of Revenues and Gross Margin***

***Cost of Subscription Revenues.*** Cost of subscription revenues primarily consists of fees paid to Salesforce for access to the Salesforce Platform, including Salesforce's hosting infrastructure and data center operations. When we resell access to Salesforce's CRM solution, cost of subscription revenues also includes the subscription fees we remit to Salesforce for providing such access. In addition, cost of subscription revenues includes personnel-related costs associated with delivering maintenance and support services, including salaries, benefits and stock-based compensation expense, travel and related costs and allocated overhead. Our subscription gross margin will vary from period to period as a function of the utilization of support personnel and the extent to which we recognize subscription revenues from the resale of Salesforce's CRM solution.

***Cost of Professional Services Revenues.*** Cost of professional services revenues consists primarily of personnel-related costs associated with delivery of these services, including salaries, benefits and stock-based compensation expense, travel and related costs and allocated overhead. The cost of providing professional services is significantly higher as a percentage of the related revenues than for our subscription services due to direct labor costs. The cost of professional services revenues has increased in absolute dollars as we have added new customer subscriptions that require professional services and built-out our international professional services capabilities. Realized, effective billing and utilization rates drive fluctuations in our professional services gross margin on a period-to-period basis.

### ***Operating Expenses***

***Sales and Marketing.*** Sales and marketing expenses consist primarily of personnel costs of our sales and marketing employees, including salaries, sales commissions and incentives, benefits and stock-based compensation expense, travel and related costs. Beginning with fiscal 2020 and the adoption of Accounting Standards Update (ASU) No. 2014-09, we capitalize incremental costs incurred to obtain contracts, primarily consisting of sales commissions, and subsequently amortize these costs over the expected period of benefit, which we have determined to be approximately 4 years. Prior to fiscal 2020, these costs were expensed as incurred. Because of this change in accounting, sales and marketing expenses beginning in fiscal 2020 are not directly comparable to prior periods. Sales and marketing expenses also include outside consulting fees, marketing programs, including lead generation, costs of our annual user conference, advertising, trade shows, other event expenses and allocated overhead. We expect sales and marketing expenses will continue to increase as we expand our direct sales teams in the United States and internationally to address our market opportunity.

***Research and Development.*** Research and development expenses consist primarily of salaries, benefits and stock-based compensation associated with our engineering, product and quality assurance personnel, as well as allocated overhead. Research and development expenses also include the cost of third-party contractors. Research and development costs are expensed as incurred. We expect research and development costs to continue to increase as we develop new functionality and make improvements to the nCino Bank Operating System.

**General and Administrative.** General and administrative expenses consist primarily of salaries, benefits and stock-based compensation associated with our executive, finance, legal, human resources, information technology, compliance and other administrative personnel. General and administrative expenses also include accounting, auditing and legal professional services fees, travel and other corporate-related expenses and allocated overhead. We expect that general and administrative expenses will continue to increase as we scale our business and as we incur costs associated with being a publicly-traded company, including legal, audit and consulting fees.

***Stock-Based Compensation***

In addition to stock-based compensation associated with stock options, which is recorded in our historical cost of revenues and operating expenses, we have unrecorded stock-based compensation expenses associated with RSUs that we expect to begin recognizing as cost of revenues and operating expenses beginning in the period in which we complete this offering. Our RSUs generally require both a time-based and liquidity-based vesting condition to be satisfied before these units settle. The liquidity-based condition is satisfied upon a sale of the company or completion of an initial public offering. As of April 30, 2020, all stock-based compensation expenses related to RSUs remained unrecognized because the liquidity vesting condition was not probable of being satisfied. In the quarter in which we complete this offering, the liquidity condition will have been satisfied and we will recognize stock-based compensation in connection with RSUs for which we would have accrued expense ratably in the current and prior quarters but for the failure of the liquidity vesting condition to have been met. As of April 30, 2020, 972,494 RSUs were outstanding. If the liquidity-based vesting condition had been satisfied on April 30, 2020, we would have recorded \$7.4 million of stock-based compensation expenses related to the RSUs, and we would recognize additional unamortized stock-based compensation expenses of \$12.7 million over a weighted-average remaining requisite service period of 1.65 years thereafter as the time-based condition for outstanding RSUs is met.

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**Results of Operations**

The results of operations presented below should be reviewed in conjunction with the financial statements and notes included elsewhere in this prospectus. The following table presents our selected consolidated statement of operations data for fiscal 2018, 2019 and 2020 and three months ended April 30, 2019 and 2020 in both dollars and as a percentage of total revenues, except as noted.

(\$ In thousands, except share and per share amounts)	Fiscal Year Ended January 31,			Three Months Ended April 30,	
	2018	2019	2020	2019	2020
<b>Revenues:</b>					
Subscription revenues	\$ 38,048	\$ 64,458	\$ 103,265	\$ 21,032	\$ 34,831
Professional services revenues	20,094	27,076	34,915	8,804	9,881
Total revenues	58,142	91,534	138,180	29,836	44,712
<b>Cost of revenues<sup>(1)</sup>:</b>					
Cost of subscription revenue	12,581	19,995	31,062	6,502	10,099
Cost of professional services revenue	17,890	26,456	33,008	7,536	8,767
Total cost of revenue	30,471	46,451	64,070	14,038	18,866
Gross profit	27,671	45,083	74,110	15,798	25,846
<b>Operating expenses<sup>(1)</sup>:</b>					
Sales and marketing	20,954	31,278	44,440	8,015	12,226
Research and development	16,559	22,230	35,304	7,366	10,965
General and administrative	8,933	14,791	22,536	3,909	6,926
Total operating expenses	46,446	68,299	102,280	19,290	30,117
Loss from operations	(18,775)	(23,216)	(28,170)	(3,492)	(4,271)
<b>Non-operating income (expense):</b>					
Interest income	260	1,193	988	318	156
Other	(24)	(89)	33	(109)	(520)
Loss before income tax expense	(18,539)	(22,112)	(27,149)	(3,283)	(4,635)
Income tax expense	50	194	586	136	197
Net loss	(18,589)	(22,306)	(27,735)	(3,419)	(4,832)
Net loss attributable to non-controlling interest	—	—	(141)	—	(176)
Adjustment attributable to non-controlling interest	—	—	—	—	113
Net loss attributable to nCino, Inc.	\$ (18,589)	\$ (22,306)	\$ (27,594)	\$ (3,419)	\$ (4,769)
<b>Net loss per share attributable to nCino, Inc.:</b>					
Basic and diluted	\$ (0.27)	\$ (0.30)	\$ (0.35)	\$ (0.05)	\$ (0.06)
<b>Weighted average number of common shares outstanding:</b>					
Basic and diluted	68,290,570	74,593,709	78,316,794	75,986,517	81,560,762

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	Fiscal Year Ended January 31,			Three Months Ended April 30,	
	2018	2019	2020	2019	2020
				(unaudited)	
<b>Revenues:</b>					
Subscription revenues	65.4%	70.4%	74.7%	70.5%	77.9%
Professional services revenues	34.6	29.6	25.3	29.5	22.1
Total revenues	100.0	100.0	100.0	100%	100%
<b>Cost of Revenues (percentage shown in comparison to related revenues):</b>					
Cost of subscription revenues	33.1	31.0	30.1	30.9	29.0
Cost of professional services revenues	89.0	97.7	94.5	85.6	88.7
Total cost of revenues	52.4	50.7	46.4	47.1	42.2
Gross profit	47.6	49.3	53.6	52.9	57.8
<b>Operating Expenses:</b>					
Sales and marketing	36.0	34.2	32.2	26.9	27.3
Research and development	28.5	24.3	25.5	24.7	24.5
General and administrative	15.4	16.2	16.3	13.1	15.5
Total operating expenses	79.9	74.7	74.0	64.7	67.3
Loss from operations	(32.3)	(25.4)	(20.4)	(11.8)	(9.5)
<b>Non-operating Income (Expense)</b>					
Interest income	0.4	1.3	0.7	1.1	0.3
Other	—	(0.1)	—	(0.4)	(1.2)
Loss before income tax expense	(31.9)	(24.2)	(19.7)	(11.1)	(10.4)
Income tax expense	0.1	0.2	0.4	0.5	0.4
Net loss	(32.0)%	(24.4)%	(20.1)%	(11.6)%	(10.8)%

**Comparison of the Three Months ended April 30, 2020 and 2019**
**Revenues**

(\$ in thousands)	Three Months Ended April 30,			
	2019		2020	
<b>Revenues:</b>				
Subscription revenues	\$21,032	70.5%	\$34,831	77.9%
Professional services revenues	8,804	29.5	9,881	22.1
Total revenues	\$29,836	100.0%	\$44,712	100.0%

**Subscription Revenues**

Subscription revenues increased \$13.8 million for the three months ended April 30, 2020 compared to the three months ended April 30, 2019, primarily due to new customer additions, including customers added as a result of our acquisitions of Visible Equity and FinSuite, as well as expansion from existing customers within and across lines of business and price increases. Of the increase, 63.7% was attributable to increased revenues from existing customers as additional seats were activated in accordance with contractual terms and customers expanded their adoption of our solution, 18.7% was attributable to revenues from Visible Equity and FinSuite and 17.6% was attributable to revenues from new nCino Bank Operating System customers. Subscription revenues were 77.9% of total revenues for the three months ended April 30, 2020 compared to 70.5% of total revenues for the three months ended April 30, 2019, reflecting the growth in our installed base.

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### *Professional Services Revenues*

Professional services revenues increased \$1.1 million for the three months ended April 30, 2020 compared to the three months ended April 30, 2019, primarily due to the addition of new customers as well as expanded adoption by existing customers within and across lines of business where implementation, configuration and training services were required.

### *Cost of Revenues and Gross Margin*

(\$ in thousands)	Three Months Ended April 30,			
	2019		2020	
Cost of Revenues (percentage shown in comparison to related revenues):				
Cost of subscription revenues	\$ 6,502	30.9%	\$10,099	29.0%
Cost of professional services revenues	7,536	85.6	8,767	88.7
Total cost of revenues	<u>\$14,038</u>	47.1	<u>\$18,866</u>	42.2
Gross profit	<u>\$15,798</u>	52.9	<u>\$25,846</u>	57.8

### *Cost of Subscription Revenues*

Cost of subscription revenues increased \$3.6 million for the three months ended April 30, 2020 compared to the three months ended April 30, 2019, generating a gross margin for subscription revenues of 71.0% compared to a gross margin of 69.1% for the three months ended April 30, 2019. Costs related to Salesforce user fees increased \$2.5 million as we continued to add new customers and sold additional functionality to existing customers, and personnel costs increased \$0.5 million as we added new employees. Allocated overhead costs for the three months ended April 30, 2020 increased \$0.4 million compared to the three months ended April 30, 2019 due to headcount growth in our global customer support organization. Other costs of subscription revenues increased \$0.2 million due to data services purchased for resale. We expect the cost of subscription revenues will continue to increase in absolute dollars as the number of users of the nCino Bank Operating System grows.

### *Cost of Professional Services Revenues*

Cost of professional services revenues increased \$1.2 million for the three months ended April 30, 2020 compared to the three months ended April 30, 2019, generating a gross margin for professional services of 11.3% compared to a gross margin of 14.4% for the three months ended April 30, 2019. For the 2020 period, personnel costs increased \$1.6 million for the professional services team compared to the prior year period due to increased headcount and allocated overhead costs increased \$0.1 million compared to the prior year period due to growth supporting our continued business expansion. These increases were partially offset by a \$0.4 million decrease in reimbursable, and a \$0.1 million decrease in non-reimbursable, travel and related expenses for the professional service organization due to COVID-19-related travel restrictions. The decrease in our professional services gross margin for the three months ended April 30, 2020 was due to the mix of solutions being implemented. We expect the cost of professional services revenues to increase in absolute dollars in the near term as we add new customer subscriptions that require professional services. For the balance of fiscal 2021, we expect reduced professional services gross margins as utilization is adversely affected by travel restrictions and work-from-home restrictions resulting from COVID-19.

## Operating Expenses

(\$ in thousands)	Three Months Ended April 30,			
	2019		2020	
Operating Expenses:				
Sales and marketing	\$ 8,015	26.9%	\$12,226	27.3%
Research and development	7,366	24.7	10,965	24.5
General and administrative	3,909	13.1	6,926	15.5
Total operating expenses	19,290	64.7	30,117	67.3
Loss from operations	\$ (3,492)	(11.8)%	\$ (4,271)	(9.5)%

### Sales and Marketing

Sales and marketing expenses increased \$4.2 million for the three months ended April 30, 2020 compared to the three months ended April 30, 2019, primarily due to an increase of \$3.0 million in personnel costs resulting from an increase in headcount on the sales and marketing teams and a \$0.4 million increase in marketing costs, including direct costs of conference attendance and sponsorships. Our sales and marketing headcount grew from 149 at April 30, 2019 to 234 at April 30, 2020. The increase in sales and marketing expenses also included a \$0.9 million increase in allocated overhead costs and a \$0.3 million increase in outside consulting fees due to growth supporting our continued business expansion. The increase in sales and marketing expenses for the three months ended April 30, 2020 was partially offset by a decrease of \$0.4 million in sales-related travel costs due to COVID-19-related travel restrictions. We expect sales and marketing expenses to increase in absolute dollars as we invest in expanding our customer base and user adoption.

### Research and Development

Research and development expenses increased \$3.6 million for the three months ended April 30, 2020 compared to the three months ended April 30, 2019, primarily due to an increase of \$3.5 million in personnel costs resulting from continued growth in headcount and a \$0.4 million increase in allocated overhead costs due to growth supporting our continued business expansion, partially offset by a \$0.3 million decrease in the use of third-party contractors. Our research and development headcount grew from 180 at April 30, 2019 to 295 at April 30, 2020. We expect research and development expenses to increase in absolute dollars due to higher headcount as we develop new applications and further enhance the nCino Bank Operating System.

### General and Administrative

General and administrative expenses increased \$3.0 million for the three months ended April 30, 2020 compared to the three months ended April 30, 2019, primarily due to an increase of \$1.6 million in personnel costs resulting from continued growth in headcount as we continue to scale our business. Our general and administrative headcount grew from 69 at April 30, 2019 to 109 at April 30, 2020. Third party professional fees increased \$0.8 million for the three months ended April 30, 2020 compared to the three months ended April 30, 2019, including \$0.4 million of transaction-related costs incurred related to this offering. Allocated overhead and other general and administrative costs increased \$0.7 million, which consisted primarily of charitable contributions and bad debt expense. The increase in general and administrative expenses for the three months ended April 30, 2020 was partially offset by a decrease of \$0.1 million in travel costs due to COVID-19-related travel restrictions. We expect general and administrative expenses to increase in absolute dollars in the near term, primarily due to higher headcount to support our continued growth and additional expenses for our transition to, and continuing costs of, being a public company.



*Effects of COVID-19*

COVID-19 began affecting our business in the three months ended April 30, 2020. To date, we have not experienced a material increase in customers' delaying purchase decisions or cancellations nor have we had a material impact from vendors and third-party service providers we rely on. Beginning in mid-March 2020, we implemented a company-wide work-from-home requirement for all of our employees and suspended all work-related travel. In addition, we shifted our conferences and other marketing events to virtual-only for the foreseeable future. To the extent COVID-19 has measurably affected our historical financial results, we have noted such effects in the discussion above. We are aware that there are effects of the COVID-19 pandemic in terms of efficiency, productivity, workforce retention and other matters that are not directly measurable. The extent of the impact of the COVID-19 pandemic on our operational and financial performance will depend on future developments unknown and unpredictable at this time, including the duration, severity and spread of the pandemic, the effects of the pandemic on financial institutions generally as well as on our customers, their clients and on our business partners in particular, restrictions on travel and other actions that may be taken by governmental authorities and other factors. For further information, please see, "—Factors Affecting Our Operating Results—COVID-19 Effects on Demand for Our Solutions" and "Risk Factors—Uncertain or weakened economic conditions, including as a result of the recent coronavirus outbreak, may adversely affect our industry, business and results of operations."

**Comparison of the Fiscal Years ended January 31, 2020 and 2019****Revenues**

(\$ in thousands)	Fiscal Year Ended January 31,			
	2019		2020	
Revenues:				
Subscription revenues	\$64,458	70.4%	\$103,265	74.7%
Professional services revenues	27,076	29.6	34,915	25.3
Total revenues	<u>\$91,534</u>	<u>100.0%</u>	<u>\$138,180</u>	<u>100.0%</u>

*Subscription Revenues*

Subscription revenues increased \$38.8 million for fiscal 2020 compared to fiscal 2019, primarily due to new customer additions, including customers added as a result of our acquisitions of Visible Equity and FinSuite, as well as expansion from existing customers within and across lines of business and price increases. Of the increase, 61.7% was attributable to increased revenues from existing customers as additional seats were activated in accordance with contractual terms and customers expanded their adoption of our solution, 15.4% was attributable to revenues from Visible Equity and FinSuite, and 22.9% was attributable to revenues from new nCino Bank Operating System customers. Subscription revenues were 74.7% of total revenues for fiscal 2020, compared to 70.4% of total revenues for fiscal 2019, reflecting the growth in our installed base.

*Professional Services Revenues*

Professional services revenues increased \$7.8 million for fiscal 2020 compared to fiscal 2019, primarily due to the addition of new customers, as well as expanded adoption by existing customers within and across lines of business where implementation, configuration and training services were required. For fiscal 2020, \$2.9 million of professional services revenues was reimbursable travel and expense related to professional services projects at customer locations compared to \$2.5 million for fiscal 2019.

### Cost of Revenues and Gross Margin

(\$ in thousands)	Fiscal Year Ended January 31,			
	2019		2020	
Cost of Revenues (percentage shown in comparison to related revenues):				
Cost of subscription revenues	\$19,995	31.0%	\$31,062	30.1%
Cost of professional services revenues	26,456	97.7	33,008	94.5
Total cost of revenues	<u>\$46,451</u>	50.7	<u>\$64,070</u>	46.4
Gross profit	<u>\$45,083</u>	49.3%	<u>\$74,110</u>	53.6%

#### Cost of Subscription Revenues

Cost of subscription revenues increased \$11.1 million for fiscal 2020 compared to fiscal 2019, generating a gross margin for subscription revenues of 69.9% compared to a gross margin of 69.0% for fiscal 2019. Costs related to Salesforce user fees increased \$7.5 million as we continued to add new customers and sold additional functionality to existing customers, and personnel costs increased \$1.9 million as we added new employees. Allocated overhead costs for fiscal 2020 increased \$1.0 million compared to fiscal 2019 due to headcount growth in our global customer support organization. Other costs of subscription revenues increased \$0.7 million due to third-party data integration and nIQ hosting expenses.

#### Cost of Professional Services Revenues

Cost of professional services revenues increased \$6.6 million for fiscal 2020 compared to fiscal 2019, generating a gross margin for professional services of 5.5% compared to a gross margin of 2.3% for fiscal 2019. Personnel costs for fiscal 2020 increased \$5.1 million for the professional services team compared to fiscal 2019 primarily due to increased headcount. Reimbursable travel and expenses related to professional services projects at customer locations for fiscal 2020 increased \$0.4 million compared to fiscal 2019. Allocated overhead costs for fiscal 2020 increased \$0.9 million and travel related expenses increased \$0.3 million compared to fiscal 2019 due to growth supporting our continued business expansion. The increase in cost of professional services revenues was partially offset by a \$0.1 million decrease in other services. The increase in our professional services gross margin in fiscal 2020 was primarily due to higher utilization and effective billing rates in our maturing international professional services practice.

### Operating Expenses

(\$ in thousands)	Fiscal Year Ended January 31,			
	2019		2020	
Operating Expenses:				
Sales and marketing	\$ 31,278	34.2%	\$ 44,440	32.2%
Research and development	22,230	24.3	35,304	25.5
General and administrative	14,791	16.2	22,536	16.3
Total operating expenses	<u>68,299</u>	74.7	<u>102,280</u>	74.0
Loss from operations	<u>\$(23,216)</u>	<u>(25.4)%</u>	<u>\$(28,170)</u>	<u>(20.4)%</u>

#### Sales and Marketing

Sales and marketing expenses increased \$13.2 million for fiscal 2020 compared to fiscal 2019, primarily due to an increase of \$8.4 million in personnel costs resulting from an increase in headcount on the sales and marketing teams and a \$1.7 million increase in marketing costs, including direct costs of conference attendance

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and sponsorships, and a \$1.0 million increase in sales-related travel costs. Our sales and marketing headcount grew from 140 at January 31, 2019 to 221 at January 31, 2020. The increase in sales and marketing expenses also included a \$2.4 million increase in allocated overhead costs due to growth supporting our continued business expansion. The increase in sales and marketing expenses in fiscal 2020 was partially offset by a net reduction of \$2.4 million in incremental costs incurred to obtain contracts, primarily consisting of sales commissions, as we began capitalizing and amortizing such expenses in fiscal 2020, and by a \$0.3 million reduction in the use of third-party consultants.

### *Research and Development*

Research and development expenses increased \$13.1 million for fiscal 2020 compared to fiscal 2019, primarily due to an increase of \$10.5 million in personnel costs, resulting from continued increases in headcount, both organically and from acquisitions, a \$0.6 million increase in the use of third-party contractors as we continued to invest in the nCino Bank Operating System, a \$0.2 million increase in travel and meeting expenses, and a \$1.8 million increase in allocated overhead costs due to growth supporting our continued business expansion. Our research and development headcount grew from 153 at January 31, 2019 to 265 at January 31, 2020.

### *General and Administrative*

General and administrative expenses increased \$7.7 million for fiscal 2020 compared to fiscal 2019, primarily due to an increase of \$4.4 million in personnel costs, due to increases in headcount as we continue to scale our business. Our general and administrative headcount grew from 63 at January 31, 2019 to 102 at January 31, 2020. Third party professional fees increased \$3.7 million from fiscal 2019 to fiscal 2020, including \$2.4 million of transaction-related costs incurred related to acquisitions and this offering. Travel and meeting expenses increased \$0.4 million due to headcount growth and strategic initiatives. Allocated overhead and other general and administrative costs decreased \$0.8 million, which consisted primarily of a \$1.5 million decrease in tax related fees and assessments primarily due to revisions in prior year sales and use tax estimates, partially offset by higher insurance and occupancy costs.

## **Comparison of the Fiscal Years Ended January 31, 2019 and 2018**

### **Revenues**

(\$ in thousands)	Fiscal Year Ended January 31,			
	2018		2019	
Revenues:				
Subscription revenues	\$38,048	65.4%	\$64,458	70.4%
Professional services revenues	20,094	34.6	27,076	29.6
Total revenues	<u>\$58,142</u>	<u>100.0%</u>	<u>\$91,534</u>	<u>100.0%</u>

### *Subscription Revenues*

Subscription revenues increased \$26.4 million for fiscal 2019 compared to fiscal 2018, primarily due to new customer additions, as well as expansion from existing customers within and across lines of business and price increases. Of the increase, 78.1% was attributable to increased revenues from existing customers as additional seats were activated in accordance with contractual terms and customers expanded their adoption of our solution, and 21.9% was attributable to revenues from new nCino Bank Operating System customers. Subscription revenues were 70.4% of total revenues for fiscal 2019, compared to 65.4% of total revenues for fiscal 2018, reflecting the growth in our installed base and increasing sales to larger financial institutions where SIs provide a substantial portion of professional services.

*Professional Services Revenues*

Professional services revenues increased \$7.0 million for fiscal 2019 compared to fiscal 2018, primarily due to the addition of new customers, as well as expanded adoption by existing customers within and across lines of business where implementation, configuration and training services were required. For fiscal 2019, \$2.5 million of professional services revenues was reimbursable travel and expense related to professional services projects at our customer locations compared to \$1.8 million for fiscal 2018.

*Cost of Revenues and Gross Margin*

(\$ in thousands)	Fiscal Year Ended January 31,			
	2018		2019	
Cost of revenues:				
Cost of subscription revenues	\$12,581	33.1%	\$19,995	31.0%
Cost of professional services revenues	17,890	89.0	26,456	97.7
Total cost of revenues	<u>\$30,471</u>	52.4	<u>\$46,451</u>	50.7
Gross profit	<u>\$27,671</u>	47.6	<u>\$45,083</u>	49.3

*Cost of Subscription Revenues*

Cost of subscription revenues increased \$7.4 million for fiscal 2019 compared to fiscal 2018, generating a gross margin for subscription revenues of 69.0% compared to a gross margin of 66.9% for fiscal 2018. Costs related to Salesforce user fees increased \$5.8 million as we continued to add new customers and sold additional functionality to existing customers, and personnel costs increased \$1.2 million as we added new employees. Allocated overhead costs for fiscal 2019 increased \$0.2 million and travel related expenses increased \$0.1 million due to growth supporting our continued business expansion compared to fiscal 2018.

*Cost of Professional Services Revenues*

Cost of professional services revenues increased \$8.6 million for fiscal 2019 compared to fiscal 2018, generating a gross margin for professional services of 2.3% compared to a gross margin of 11.0% for fiscal 2018. Personnel costs for fiscal 2019 increased \$6.9 million for the professional services team compared to fiscal 2018 primarily due to increased headcount. Reimbursable travel and expenses related to professional services projects at customer locations for fiscal 2019 increased \$0.7 million compared to fiscal 2018. Allocated overhead costs for fiscal 2019 increased \$1.0 million compared to fiscal 2018 due to growth supporting our continued business expansion. The decrease in our professional services gross margin in fiscal 2019 was primarily driven by investments in our international professional services operations as we expanded our international presence.

*Operating Expenses*

(\$ in thousands)	Fiscal Year Ended January 31,			
	2018		2019	
Operating expenses (as a percentage of total revenues):				
Sales and marketing	\$20,954	36.0%	\$31,278	34.2%
Research and development	16,559	28.5	22,230	24.3
General and administrative	8,933	15.4	14,791	16.2
Total operating expenses	<u>\$46,446</u>	<u>79.9%</u>	<u>\$68,299</u>	<u>74.7%</u>

*Sales and Marketing*

Sales and marketing expenses increased \$10.3 million for fiscal 2019 compared to fiscal 2018, primarily due to an increase of \$6.3 million in personnel costs resulting from an increase in headcount on the sales and marketing teams, a \$1.7 million increase in sales-related travel costs, a \$0.8 million increase in the use of third-party service providers to support our expanding sales and a \$0.7 million increase in marketing costs, including direct costs of conference attendance and sponsorships. Our sales and marketing headcount grew from 110 at January 31, 2018 to 140 at January 31, 2019. The increase in sales and marketing expenses also included a \$0.8 million increase in allocated overhead costs due to growth supporting our continued business expansion.

*Research and Development*

Research and development expenses increased \$5.7 million for fiscal 2019 compared to fiscal 2018, primarily due to an increase of \$4.3 million in personnel costs, resulting from continued increases in headcount, a \$0.5 million increase in the use of third-party contractors as we continued to invest in the nCino Bank Operating System, and a \$0.9 million increase in allocated overhead costs due to growth supporting our continued business expansion. Our research and development headcount grew from 111 at January 31, 2018 to 153 at January 31, 2019.

*General and Administrative*

General and administrative expenses increased \$5.9 million for fiscal 2019 compared to fiscal 2018, primarily due to an increase of \$3.2 million in personnel costs, due to increases in headcount as we continue to scale our business, a \$0.4 million increase in fees for professional services and a \$0.1 million increase in travel and meeting expenses. Our general and administrative headcount grew from 45 at January 31, 2018 to 63 at January 31, 2019. Allocated overhead and other general and administrative costs increased \$2.2 million, which consisted primarily of a \$1.1 million increase in tax related fees and assessments, primarily due to an increase in estimated sales tax liability and an increase in insurance and occupancy costs.

**Liquidity and Capital Resources**

As of April 30, 2020, we had \$99.0 million in cash and cash equivalents, and an accumulated deficit of \$125.6 million. Our net losses have been driven by our investments in developing the nCino Bank Operating System, expanding our sales and marketing organization and scaling our finance and administrative functions to support our rapid growth. We expect to continue to incur operating losses for the foreseeable future.

To date, we have funded our capital needs through issuances of common stock and collections from our customers. Through April 30, 2020, we have raised \$240.4 million in capital from common stock issuances. We generally bill and collect from our customers annually in advance. Our billings are subject to seasonality, with billings in the first and fourth quarters of our fiscal year substantially higher than in the second and third quarters. Because we recognize revenue ratably, our deferred revenue balance mirrors the seasonality of our billing. In addition, our advanced billing and collection coupled with our recent growth has resulted in our cash used in operating activities generally being less than our net operating losses in recent periods.

We believe that current cash and cash equivalents (not including the net proceeds from this offering) will be sufficient to fund our operations and capital requirements for at least the next 12 months. Our future capital requirements will depend on many factors, including our growth rate, the timing and extent of spending to support research and development efforts to enhance the nCino Bank Operating System and introduce new applications, market acceptance of our solution, the continued expansion of our sales and marketing activities, investments in office facilities and other capital expenditure requirements and any potential future acquisitions. We may from time-to-time seek to raise additional capital to support our growth. Any equity financing we may

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undertake could be dilutive to our existing stockholders, and any debt financing we may undertake could require debt service and financial and operational covenants that could adversely affect our business. There is no assurance we would be able to obtain future financing on acceptable terms or at all.

### **nCino K.K.**

In fiscal 2020, we established nCino K.K., a Japanese company in which we own a controlling interest, for purposes of facilitating our entry into the Japanese market. We have consolidated the results of operations and financial condition of nCino K.K. since its inception. Pursuant to an agreement with the holders of the non-controlling interest in nCino K.K., beginning in 2027 we may redeem the non-controlling interest, or be required to redeem such interest by the holders thereof, based on a prescribed formula derived from the relative revenues of nCino K.K. and the Company. The balance of the redeemable non-controlling interest is reported on our balance sheet below total liabilities but above stockholders' equity at the greater of the initial carrying amount adjusted for the redeemable non-controlling interest's share of earnings or losses and other comprehensive income or loss, or its estimated redemption value. As of January 31, 2020 and April 30, 2020, the redeemable non-controlling interest of non-controlling interests in nCino K.K. was \$4.4 million.

### **Cash Flows**

Summary Cash Flow information for fiscal 2018, 2019 and 2020 are set forth below.

(In thousands)	January 31,			Three Months Ended April 30,	
	2018	2019	2020	2019	2020
Net cash (used in) provided by operating activities	\$ (15,958)	\$ (4,589)	\$ (8,998)	\$ 4,869	\$ 8,429
Net cash used in investing activities	(2,837)	(7,965)	(58,027)	(552)	(1,075)
Net cash (used in) provided by financing activities	70,137	6,260	84,091	272	(111)

#### *Net Cash Used in Operating Activities*

The \$8.4 million provided by operating activities in the three months ended April 30, 2020 reflects our net loss of \$4.8 million, offset by \$4.3 million in non-cash charges and \$8.9 million generated by changes in working capital accounts. Cash generated by working capital accounts was principally a function of a \$18.6 million increase in our deferred revenue, as we expanded our customer base and renewed existing customers, and a \$0.2 million decrease in prepaid expenses and other assets. The cash generated by working capital accounts was partially offset by a \$4.4 million decrease in accounts payable and accrued expenses and other liabilities, an increase of \$3.1 million in accounts receivable due to the timing of collections from customers, and payments of \$2.4 million of capitalized costs to obtain revenue contracts, which consisted primarily of sales commissions.

The \$4.9 million provided by operating activities in the three months ended April 30, 2019 reflects our net loss of \$3.4 million, offset by \$2.4 million in non-cash charges and \$5.9 million generated by changes in working capital accounts. Cash generated by working capital accounts was principally a function of a \$9.6 million increase in our deferred revenue, as we expanded our customer base and renewed existing customers, and a \$0.7 million decrease in prepaid expenses and other assets. The cash generated by working capital accounts was partially offset by a \$3.9 million decrease in accounts payable and accrued expenses and an increase of \$1.1 million in accounts receivable due to the timing of collections from our customers.

The \$9.0 million we used in operating activities in fiscal 2020 was driven by our net loss of \$27.7 million, partially offset by \$13.7 million in non-cash charges and \$5.1 million generated by changes in working capital accounts. Cash generated by working capital accounts was principally a function of a \$22.0 million increase in our deferred revenue, as we expanded our customer base and renewed existing customers, and a \$3.5 million increase in accounts payable and accrued expenses and other liabilities. The cash

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generated by working capital accounts was partially offset by an increase of \$14.2 million in accounts receivable due to the timing of collections from customers, payments of \$5.6 million of capitalized costs to obtain revenue contracts, which consist primarily of sales commissions, and a \$1.6 million increase in prepaid expenses and other assets.

The \$4.6 million we used in operating activities in fiscal 2019 was driven by our net loss of \$22.3 million, partially offset by \$5.7 million in non-cash charges and \$12.1 million generated by changes in working capital accounts. Cash generated by working capital accounts was principally a function of a \$13.5 million increase in our deferred revenue, as we expanded our customer base and renewed existing customers, and a \$4.7 million increase in accounts payable and accrued expenses. The cash generated by working capital accounts was partially offset by an increase of \$5.7 million in accounts receivable due to the timing of collections from customers and a \$1.2 million increase in prepaid expenses and other assets.

The \$16.0 million we used in operating activities in fiscal 2018 was driven by our net loss of \$18.6 million and \$1.8 million used in working capital accounts, partially offset by \$4.5 million in non-cash charges. Cash used in working capital was principally a function of a \$12.4 million increase in accounts receivable due to the timing of collections from customers, partially offset by a \$10.8 million increase in deferred revenue, as we expanded our customer base and renewed existing customers.

### *Net Cash Used in Investing Activities*

In fiscal 2020, we used \$52.3 million in investing activities to acquire Visible Equity and FinSuite for their product offerings, domain expertise, analytics and data recognition capabilities.

We used \$5.8 million, \$8.0 million and \$2.8 million in investing activities in fiscal 2020, 2019 and fiscal 2018, respectively, and \$1.1 million and \$0.6 million in investing activities in the three months ended April 30, 2020 and 2019, respectively, for the purchase of property and equipment and leasehold improvements to support the expansion of our business.

### *Net Cash Provided by Financing Activities*

The \$0.1 million used in financing activities in the three months ended April 30, 2020 was comprised of payments of \$0.2 million in deferred costs associated with this offering partially offset by payments of \$0.1 million of proceeds from the exercise of stock options. The \$0.3 million provided by financing activities in the three months ended April 30, 2019 was comprised of proceeds from the exercise of stock options.

The \$84.1 million provided by financing activities in fiscal 2020 was comprised principally of \$79.9 million in proceeds from equity financings, net of issuance costs, as well as \$4.5 million in proceeds from the non-controlling interest for our Japan joint venture and \$1.0 million of proceeds from the exercise of stock options. The cash provided by financing activities was partially offset by payments of \$1.4 million in deferred costs associated with this offering. The \$6.3 million provided by financing activities in fiscal 2019 was comprised of proceeds from the exercise of stock options. The \$70.1 million provided by financing activities in fiscal 2018 was comprised principally of \$69.2 million in proceeds from equity financings, net of issuance costs, as well as \$0.9 million of proceeds from the exercise of stock options.



**Contractual Obligations and Commitments**

Our principal commitments consist of future minimum lease payments under non-cancelable operating leases related to our facilities and equipment and a minimum purchase commitment to a related party. The following table summarizes our contractual obligations and commitments as of January 31, 2020.

(In thousands)	Payment due by period (in thousands)				Total
	Less than 1 year	1 to 3 years	3 to 5 years	More than 5 years	
Operating lease obligations	\$ 6,068	\$8,338	\$4,521	\$ 3,798	\$22,725
Purchase commitments	200	—	—	—	200
Total	<u>\$ 6,268</u>	<u>\$8,338</u>	<u>\$4,521</u>	<u>\$ 3,798</u>	<u>\$22,925</u>

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

**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.

**Qualitative and Quantitative Disclosures about Market Risk**

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

**Interest Rate Risk**

At April 30, 2020, we had cash and cash equivalents of \$99.0 million, which consisted primarily of bank deposits and money market funds. Interest-earning instruments carry a degree of interest rate risk. However, our historical interest income has not fluctuated significantly. A hypothetical 10% change in interest rates would not have had a material impact on our financial results included in this prospectus. 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.

**Foreign Currency Exchange Risk**

Our reporting currency is the U.S. dollar and the functional currency of each of our subsidiaries is its local currency. The assets and liabilities of each of our subsidiaries are translated into U.S. dollars at exchange rates in effect at each balance sheet date. Revenues and expenses are translated using the average exchange rate for the relevant period. Equity transactions are translated using historical exchange rates. Decreases in the relative value of the U.S. dollar to other currencies may negatively affect revenues and other operating results as expressed in U.S. dollars. Foreign currency translation adjustments are accounted for as a component of accumulated other comprehensive income (loss) within stockholders' equity. Gains or losses due to transactions in foreign currencies are included in "Non-operating income (expense), Other" in our consolidated statements of operations. Furthermore, our customers outside of the United States typically pay us in local currency. We have not engaged in hedging of foreign currency transactions to date, although we may choose to do so in the future. We do not believe that an immediate 10% increase or decrease in the relative value of the U.S. dollar to other currencies would have a material effect on operating results or financial condition.

## **Critical Accounting Policies and Estimates**

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 consolidated financial condition and results of our operations. See Note 2 to our consolidated financial statements appearing elsewhere in this prospectus for a description of our other significant accounting policies. The preparation of our consolidated financial statements in conformity with accounting principles generally accepted in the U.S. requires us to make estimates and judgments that affect the amounts reported in those financial statements and accompanying notes. Although we believe that the estimates we use are reasonable, due to the inherent uncertainty involved in making those estimates, actual results reported in future periods could differ from those estimates.

### ***Revenue Recognition***

Effective February 1, 2019, we adopted the requirement of Accounting Standards Update, or ASU No. 2014-09 “Revenue from Contracts with Customers (Topic 606)” (“ASU 2014-09”) utilizing the modified retrospective method of transition. Prior period information has not been restated and continues to be reported under the accounting standards in effect for those periods. The new revenue standard was applied to contracts that were not completed as of the adoption date, consistent with transition guidance. For further information regarding the effects of the adoption of Topic 606 on revenue recognition, please refer to Note 2 to our Consolidated Financial Statements appearing elsewhere in this prospectus.

We derive our revenues from subscriptions and professional services. We recognize revenues when a contract exists between the Company and a customer and upon transfer of control of promised products or services to such customer in an amount that reflects the consideration we expect to receive in exchange for those products or services. We enter into contracts that can include various combinations of subscriptions and professional services, which may be capable of being distinct and accounted for as separate performance obligations, or in the case of offerings such as subscriptions, services and support, accounted for as a single performance obligation. Revenues are recognized net of allowances and any taxes collected from customers, which are subsequently remitted to governmental authorities.

We determine revenue recognition through the following steps:

- Identification of the contract, or contracts, with a customer;
- Identification of the performance obligations in the contract;
- Determination of the transaction price;
- Allocation of the transaction price to the performance obligations in the contract; and
- Recognition of revenues when, or as, the Company satisfies a performance obligation

### ***Subscription Revenues***

Subscription revenues primarily consist of fees for providing customers access to our cloud applications, with routine customer support and maintenance related to email and phone support, bug fixes, and unspecified software updates and upgrades released when and if available during the maintenance term. Revenues are generally recognized on a ratable basis over the contract term beginning on the date that our service is made available to the customer, which we believe best reflects the manner in which our customers utilize our subscription offerings. Arrangements with customers do not provide the customer with the right to take possession of the software supporting the cloud-based application service at any time and, as a result, are

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accounted for as a service contract. Generally, our subscription contracts are three years or longer in length, billed annually in advance, are non-cancelable and do not contain refund-type provisions. Any subscription arrangements that are cancelable generally have penalty clauses.

### *Professional Services Revenues*

Professional services revenues primarily consist of fees for deployment, configuration and optimization services, as well as training. The majority of our professional services contracts are billed on a fixed price basis, and revenues are recognized over time based on a proportional performance methodology which utilizes input methods. A portion of our professional services contracts are billed on a time and materials basis and revenues are recognized over time as the services are performed.

### *Contracts with Multiple Performance Obligations*

Most of our contracts with customers contain multiple performance obligations. For these contracts, we account for individual performance obligations separately if they are distinct. The transaction price is allocated to the separate performance obligations on a relative standalone selling price (“SSP”) basis. We determine SSP by considering its overall pricing objectives and market conditions. Significant pricing practices taken into consideration include our discounting practices, the size and volume of our transactions, the customer demographic, the geographic area where services are sold, price lists, our go-to-market strategy, historical sales and contract prices. As our go-to-market strategies evolve, we may modify its pricing practices in the future, which could result in changes to SSP.

Given the variability of pricing, we use a range of SSP. We determine the SSP range using information that may include market conditions or other observable inputs. We typically have more than one SSP for individual products and services due to the stratification of products and services by customer size.

In accordance with ASU 2014-09, each quarter we disclose remaining performance obligations (RPOs) in the footnotes to our financial statements. RPOs represent contracted revenues that have not yet been recognized, including deferred revenue and unbilled amounts that we expect will be recognized as revenues in future periods. Our reported RPO balance is influenced by several factors, including the timing of renewals, average contract terms and foreign currency exchange rates. Because we often enter into large, multi-year contracts and the timing of renewal of these contracts varies by customer, our reported RPOs may fluctuate significantly from period to period, and we do not believe this measure is a useful gauge of our future performance. For these reasons, we do not use RPOs as a tool for managing our business.

## **Income Taxes**

Accrued income taxes are reported as a component of either other current assets or other accrued liabilities, as appropriate, in our consolidated balance sheets and reflect our estimate of income taxes to be paid or received.

Deferred income taxes represent the amount of future income taxes to be paid or refunded and are accounted for using the asset and liability method. Temporary differences are the differences between the reported amounts of assets and liabilities and their tax bases. We recognize deferred tax assets for temporary deductible differences and deferred tax liabilities for temporary taxable differences.

A valuation allowance is provided against a deferred tax asset when we determine that it is more likely than not that all, or a portion of, the balance will not be realized. This requires management to utilize significant judgement and the use of estimates. Any realization of the Company’s deferred tax assets is based upon the evaluation of four sources of taxable income, the future reversals of taxable temporary differences, future taxable income exclusive of reversing temporary differences and carryforwards, taxable income in prior carryback years

and tax-planning strategies. At January 31, 2020, we determined that it is more likely than not that the majority of our deferred tax assets will not be realized and as such, recorded a valuation allowance of \$36.4 million against our deferred tax assets of \$39.7 million as of that date.

The Company is subject to income tax in the United States, multiple state and local jurisdictions and various foreign countries. The tax laws and regulations in each jurisdiction may be interpreted differently in certain situations, which could result in differing financial results. The Company is required to exercise judgement regarding the application of these tax laws and regulations. Through this judgement process, the Company will evaluate and recognize any tax liabilities related to any income tax uncertainties. Due to the complexity of any uncertainty, the ultimate resolution may result in a remittance that is different from the current estimate of any tax liabilities.

## **Stock-Based Compensation**

### *Stock Options*

Stock-based compensation expense related to employees is measured based on the grant-date fair value of the awards. We establish fair value as the measurement objective in accounting for share-based payment transactions and recognize expense on a straight-line basis over the requisite service period, which is generally the vesting term of four years. Stock-based compensation is recognized net of estimated forfeiture activity. The estimated forfeiture rate applied is based on historical forfeiture rates. The fair value of each award is estimated on the grant date using the Black-Scholes option-pricing model.

Determining the fair value of stock-based awards at the grant date requires significant judgement. The determination of the grant date fair value of stock-based awards using the Black-Scholes option-pricing model is affected by our estimated common stock fair value as well as other subjective assumptions including the expected term of the awards, the expected volatility over the expected term of the awards, expected dividend yield and risk-free interest rates. The assumptions used in our option-pricing model represent management's best estimates. These assumptions and estimates are as follows:

- *Fair Value of Common Stock.* As our stock is not publicly traded, we estimate the fair value of common stock based on contemporaneous valuations and other factors deemed relevant by management.
- *Expected Term.* The expected term of employee stock options reflects the period for which the Company believes the option will remain outstanding. To determine the expected term, we generally apply the simplified approach in which the expected term of an award is presumed to be the mid-point between the vesting date and the expiration date of the award.
- *Expected Volatility.* As we do not have trading history for our common stock, the selected volatility used is representative of expected future volatility. We base expected future volatility on the historical and implied volatility of comparable publicly traded companies over a similar expected term.
- *Expected Dividend Yield.* We have never declared or paid any cash dividends and do not presently intend to pay cash dividends in the foreseeable future. As a result, we used an expected dividend yield of zero.
- *Risk-Free Interest Rates.* We base the risk-free interest rate on the rate for a U.S. Treasury zero-coupon issue with a term that closely approximates the expected life of the option grant at the date nearest the option grant date.

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The following table reflects the weighted average assumptions used to estimate the fair value of options granted during fiscal 2018, 2019 and 2020:

	Fiscal Year Ended January 31,		
	2018	2019	2020
Expected life (in years from vesting)	6.08 — 6.25	6.25	6.10 — 6.25
Expected volatility	42% — 44%	40% — 41%	40%
Expected dividends	0.00%	0.00%	0.00%
Risk-free rate	2.07% — 2.27%	2.71% — 3.06%	1.63% — 2.59%

In addition to assumptions used in the Black-Scholes option-pricing model, we must also estimate a forfeiture rate to calculate the stock-based compensation expense for our option awards. Our forfeiture rate is based on an analysis of our actual forfeitures. We will continue to evaluate the appropriateness of the forfeiture rate based on actual forfeiture experience, analysis of employee turnover and other factors. Changes in the estimated forfeiture rate can have a significant impact on our stock-based compensation expense as the cumulative effect of adjusting the rate is recognized in the period the forfeiture rate is revised. If a revised forfeiture rate is higher than the previously estimated forfeiture rate, an adjustment is made that will result in a decrease to the stock-based compensation expense recognized in the financial statements. If a revised forfeiture rate is lower than the previously estimated forfeiture rate, an adjustment is made that will result in an increase to the stock-based compensation expense recognized in the financial statements.

We will continue to use judgment in evaluating the assumptions related to our stock-based compensation expense on a prospective basis. If any assumptions used in the Black-Scholes option-pricing model change significantly, stock-based compensation for future awards may differ materially compared with the awards granted previously. As we continue to accumulate additional data related to our common stock, we may have refinements to our estimates, which could materially impact our future stock-based compensation expense.

### *Restricted Stock Units*

RSUs are subject to time-based and performance-based vesting conditions. RSUs are generally earned over a service period of four years, expire seven years from the grant date and will only vest upon an initial public offering or change in control. The compensation expense related to these awards is based on the grant date fair value of the RSUs and is recognized on a ratable basis over the applicable service period.

### **Recent Accounting Pronouncements**

See Note 2 to our consolidated financial statements included elsewhere in this prospectus for recently adopted accounting pronouncements and recently issued accounting pronouncements not yet adopted as of the date of this prospectus.

### **Emerging Growth Company Status**

We are an “emerging growth company,” as defined in the JOBS Act. Under the JOBS Act, emerging growth companies can delay adopting new or revised accounting standards issued subsequent to the enactment of the JOBS Act until such time as those standards apply to private companies. We have elected to use this extended transition period to enable us to comply with new or revised accounting standards that have different effective dates for public and private companies until the earlier of the date we (1) are no longer an emerging growth company or (2) affirmatively and irrevocably opt out of the extended transition period provided in the JOBS Act. As a result, our financial statements may not be comparable to companies that comply with new or revised accounting pronouncements as of public company effective dates.

## Letter from Pierre Naudé

Dear Members of the nCino Community and Potential Investors,

Thank you for your interest in nCino. As we embark upon our IPO, I wanted to share my thoughts to give you additional insight into who we are, how we got here, and why we are so excited for the future.

### ***Our Roots***

As a young man growing up in South Africa, I started out as a software developer and business analyst, helping to program and connect some of the earliest ATMs. When I was 29 years old, I left South Africa with my wife and our 8-month-old daughter to pursue the American dream and my passion for financial technology. Decades later, I became introduced to the cloud through a group of like-minded people from Live Oak Bank. Together, we recognized the cloud as the future of the financial services industry, which was largely still operating in the same way it had been for decades – with stacks of paper, endless spreadsheets, disconnected point solutions and manual processes. In late 2011, we started nCino (a play on the Spanish word for “Live Oak”) in Wilmington, North Carolina – our beloved city at the beach – with the mission of transforming the entire financial services industry. At that time, many people dismissed us as a small, unknown company (I believe the term heard most often was “garage operation”) from a small, unknown southern city. But we had big dreams, a bold vision and a laser-like focus on achieving our goals. At nCino, we always say, “‘We can, IF’ but we *never* say, ‘We cannot because.’”

### ***Supporting Our Customers & Communities through COVID***

I have never been more proud of the nCino team than this year as we have worked to support our customers through the COVID-19 pandemic. These institutions are the financial lifeblood to their local communities and through COVID-19, have been a critical part of keeping funding flowing to small businesses and individuals at a time when many physical locations were shuttered. From the moment companies moved to work from home, nCino was there. Our cloud-based platform empowered our customers to quickly and safely move their employees to work from home with no disruption to their operations. We further enabled our customers’ most critical business processes during this time by enabling them to underwrite government stimulus loans to their clients that had been impacted by the pandemic helping sustain these businesses during this challenging time.

When the U.S. government passed the CARES Act in late March, we were able to rapidly enhance and deploy our Small Business Administration Solution to address the requirements of the Paycheck Protection Program (PPP), from application to funding to forgiveness. As a result, by using this solution, our financial institution customers were able to process hundreds of thousands of PPP applications and provide more than \$50 billion in funding for their small business clients at a time when they needed it most.

### ***Our Culture, Our People, Our Passion***

nCino was built on a foundation of culture – a culture where every single employee is valued, empowered and respected. These are the foundational principles on which we started nCino over eight-and-a-half years ago, and they have fostered a culture that is a differentiator for us in the market.

Today, we employ over 900 talented and passionate professionals from a diverse range of backgrounds around the globe. This team embraces our company culture, our core values, and our “We can, IF” attitude, which is evidenced through the many accolades we have received, including being named to The Forbes Cloud 100 in 2018 and 2019; being named the No. 1 “Best Place to Work in Financial Technology” by American Banker in 2019; and being named one of the UK’s Best Workplaces in 2020 according to Great Place to Work. But to me, these awards pale in comparison to the sense of pride I feel when I see our employees at nCino accomplish amazing things.

***Our Future***

I am extremely proud of our company, our people, our culture, our innovative platform and solutions, and how we are helping over 1,100 financial institutions transform the way they work, operate, and serve their clients.

But our story is just beginning. At nCino, we are proud of what we have achieved, excited about what lies ahead, and strongly believe the best is yet to come.

I invite you to join us.

Regards,

A handwritten signature in black ink, appearing to read "Pierre Naudé". The signature is fluid and cursive, with a prominent flourish at the end.

Pierre Naudé

Co-Founder, President and CEO

## BUSINESS

### Our Mission

Our mission is to transform financial services through innovation, reputation and speed.

### Overview

nCino is a leading global provider of cloud-based software for financial institutions. We empower banks and credit unions with the technology they need to meet ever-changing client expectations and regulatory requirements, gain increased visibility into their operations and performance, replace legacy systems, and operate digitally and more competitively. Our solution, the nCino Bank Operating System, digitizes, automates and streamlines inefficient and complex processes and workflow and utilizes data analytics and AI/ML to enable financial institutions to more effectively onboard new clients, make loans and manage the entire loan life cycle, open deposit and other accounts and manage regulatory compliance. We serve financial institution customers of all sizes and complexities, including global financial institutions, enterprise banks, regional banks, community banks, credit unions and new market entrants, such as challenger banks. Our customers deploy and utilize our digital platform, which can be accessed anytime, anywhere and from any internet-enabled device, for mission critical functions across their organizations.

Built as a single, multi-tenant SaaS platform, the nCino Bank Operating System transforms the way financial institutions operate, go to market and interact with their clients, while delivering measurable return on investment by enabling them to:

- digitally serve their clients across commercial, small business and retail lines of business,
- improve financial results,
- operate more efficiently,
- manage risk and compliance more effectively, and
- establish a data, audit and business intelligence hub.

We were founded in a bank with the goal of improving that institution's operations and client service. Realizing the problems we were addressing were endemic to virtually all banks and credit unions, we were spun out as a separate company in late 2011 with the vision of providing a comprehensive solution to onboard clients, originate any type of loan and open any type of account on a single cloud-based platform. We initially focused the nCino Bank Operating System on transforming commercial and small business lending for community and regional banks. We introduced our solution to enterprise banks in the United States in 2014, and then internationally in 2017, and have subsequently expanded across North America, Europe and APAC. Throughout this market expansion, we broadened our solution by adding functionality for retail lending, client onboarding, deposit account opening, analytics and AI/ML. Our holistic solution enables us to provide a single digital banking platform for financial institutions of all sizes on a global basis. We work with some of the world's leading SIs to help implement our solution, which has increased our capacity to deliver and deploy the nCino Bank Operating System and enabled us to scale more quickly.

As a native cloud platform that utilizes a single code base regardless of the size and complexity of the financial institution, the nCino Bank Operating System is highly scalable and configurable for the specific needs of each of our customers. Once implemented, our solution becomes deeply embedded in our customers' business processes, enabling mission critical workflow across the financial institution on a single platform and allowing our customers to serve their clients without locality or access constraints. The nCino Bank Operating System



connects the front, middle and back office employees of a financial institution with clients and third parties across lines of business. We deliver data analytics and AI/ML capabilities through our nIQ application suite to provide our customers with automation and insights into their operations, such as tools for analyzing, measuring and managing credit risk, as well as to improve their ability to comply with regulatory requirements. Fundamental elements of the nCino Bank Operating System are built on the Salesforce platform, which allows us to focus our product development efforts on building deep vertical functionality specifically for banks and credit unions while leveraging the Salesforce Platform's global infrastructure, reliability and scalability.

We offer the nCino Bank Operating System on a subscription basis pursuant to non-cancellable multi-year contracts that typically range from three to five years, and we employ a "land and expand" business model. Our initial deployment with a customer generally focuses on implementing a client onboarding, loan origination and/or deposit account opening application in a specific line of business within the financial institution, such as commercial, small business or retail. The nCino Bank Operating System is designed to scale with our customers and once our solution is deployed, we seek to have our customers expand adoption within and across lines of business. The nCino Bank Operating System leverages common data sets and functionality across applications, which optimizes and accelerates the deployment of our solution throughout a financial institution.

The nCino Bank Operating System serves a large addressable market opportunity globally as financial institutions make significant investments in IT applications and infrastructure, with demand for cloud-based solutions in banking continuing to grow. According to Gartner, banking had the highest global enterprise IT spending of all industries with approximately \$376 billion spent in 2018. Based on our internal analysis and experience, we estimate the current serviceable market for the nCino Bank Operating System to be greater than \$10 billion.

Our business has achieved rapid growth since its inception. We plan to continue investing in expanding the breadth and depth of the nCino Bank Operating System and expanding internationally. We believe our product development and global expansion initiatives will continue to drive revenue and customer growth. Our total revenues were \$138.2 million, \$91.5 million and \$58.1 million for fiscal 2020, 2019 and 2018, respectively, representing a 54.2% compound annual growth rate. We also had recurring, subscription-based revenues of \$103.3 million, \$64.5 million and \$38.0 million for fiscal 2020, 2019 and 2018, respectively, representing a 64.7% compound annual growth rate. For fiscal 2020, we had a subscription revenue retention rate of 147%. Net losses attributable to nCino for fiscal 2020, 2019 and 2018 were \$27.6 million, \$22.3 million and \$18.6 million, respectively. For the three months ended April 30, 2020 and 2019, our total revenues were \$44.7 million and \$29.8 million, respectively, representing a 49.9% annual growth rate, and our subscription revenues were \$34.8 million and \$21.0 million, respectively, representing a 65.6% annual growth rate, and we had net losses attributable to nCino of \$4.8 million and \$3.4 million for the three months ended April 30, 2020 and 2019, respectively.

## **Industry Background**

With more than 28,000 financial institutions worldwide, banking is one of the largest and most complex industries in the global economy and is characterized by intense competition between incumbent financial institutions, as well as with new challenger banks and non-bank lenders. This competitive environment, combined with high levels of regulatory oversight and persistently low interest rates over the last several years, can make executing and delivering favorable financial results difficult for financial institutions. Furthermore, technologies like social media, mobile and online commerce are challenging financial institutions to engage with clients and employees more efficiently, intelligently and transparently through new channels. In response to these challenges, many financial institutions have embarked on digital transformations, investing in technology to make their operations more client focused, automated and agile. The most forward-thinking financial institutions are going a step further by adopting modern predictive analytics and AI/ML to become more truly data-driven organizations.

### ***Financial Institution Clients Increasingly Demand a Seamless, Modern and Transparent Experience***

Evolving client expectations are driving the need for change across financial services. Today, a typical client expects to interact with a financial institution in a myriad of ways, from visiting a branch to logging in remotely from a variety of devices. These clients increasingly value a consistent and seamless experience across these diverse channels. According to a 2019 PwC survey, there has been a 21% increase since 2015 in consumers who use financial institutions that place more importance on experiential factors than interest rates. Additionally, this survey notes that 35% of clients choose their financial institution based on ease of use and client service. Financial institutions, which have historically required clients to adapt to the institution's operating structure, must increasingly adapt their operating structures to the needs of their clients. This transformation requires a flexible, scalable, agile and secure technology platform. According to a 2018 Accenture survey, 74% of bank operation leaders say that client experience is their top strategic priority, yet 69% believe they are not optimizing their data and capabilities to improve the client journey, with legacy environments most frequently cited as the greatest barrier to change.

### ***Digital Transformation is Driving Financial Institution Technology Spend Even Higher***

Financial institutions spend more on technology than any other industry and digital transformation is expected to accelerate this trend. According to a 2018 EY survey, 85% of banks are currently undertaking digital transformations to modernize their businesses and 60% of banks plan to increase their technology budgets by at least 10% over the next 12 months. While cloud computing is a key enabler of digital transformation, financial institutions have historically been slow to adopt cloud computing out of concerns over stability, security and control. As a result, financial institutions are generally in the early stages of their transition to the cloud, and accessing a highly reliable and secure platform for 24/7/365 "anywhere" operations is becoming increasingly important. In the 2018 EY survey, 60% to 80% of global banks said they planned to increase investment in cloud technology over the next three years. Additionally, according to a 2018 Celent report, financial services firms are expected to progressively abandon private data centers and triple the amount of data they upload to the cloud over the next three years.

### ***Financial Institutions Face Increased Regulatory Scrutiny***

Financial institutions are facing ever increasing regulatory requirements. The Dodd-Frank Wall Street Reform and Consumer Protection Act, the Basel capital requirement standards and the CECL accounting standard have imposed stringent regulations pertaining to capital and leverage ratios and how financial institutions are required to estimate allowances for credit losses. Additionally, increased privacy regulations, such as the European Union's GDPR and California's CCPA, have imposed tougher data protection requirements. According to a Thomson Reuters report, compliance costs for financial institutions have increased 13% year-over-year since 2017 and the cost of non-compliance can be material. The overhang of this and other regulation is driving increased demand for technology solutions to help financial institutions standardize processes, enhance visibility, ease the burden of regulatory exams and ultimately reduce compliance costs.

### ***The Shift to Automation and Data-Driven Banking***

To accelerate digital transformation, financial institutions are focusing their technology investments on automation, actionable intelligence, predictive analytics and AI/ML.

- **Automation.** Financial institutions are marrying digital technologies and data to modernize and automate what were traditionally manual processes. The automation opportunity is an institution-wide mandate where dynamic data models are increasingly being used to monitor business processes and automate tasks and decisions to drive organizational efficiency, scalability and speed.
- **Actionable Intelligence.** Actionable intelligence technology offers the ability to synthesize disparate data sets into unified reportable information and provides a recommended course of action to make more informed real-time decisions.

- **Predictive Analytics.** Predictive analytics use cases in financial services include predicting fraud, modeling risk, personalizing marketing, predicting client lifetime value, segmenting clients, enabling recommendation engines, predicting loan defaults and improving client support. The financial and operational benefits of these use cases can be substantial. For example, a 2018 McKinsey report estimated that successful implementations of “next-product-to-buy” recommendation engines within the financial services industry have resulted in an increase of more than 50% in the number of leads offered per client and as many as 6 out of 10 clients purchasing a new product in response to a sales call.
- **AI/ML.** Artificial intelligence makes it possible for machines to perform human-like tasks and analyses. Machine learning is an application of artificial intelligence that allows systems to automatically learn and improve their algorithms without being explicitly programmed. AI/ML can be used to continually improve operating results by, for example, modeling credit exposure and estimating the impact of a downturn on a financial institution’s portfolios. Other AI/ML use cases in financial services include streamlining credit decisions, preventing fraud and providing personalized services. According to a 2018 Accenture report, AI/ML will allow banks to save 20% to 25% across IT operations, infrastructure, maintenance and operations.

### **Market Opportunity**

The digital transformation imperative for financial institutions creates a compelling opportunity for nCino. Financial institutions have been investing significantly in IT applications and infrastructure. Gartner estimates that software global enterprise IT spending within the banking market was approximately \$63 billion in 2018, of which approximately \$18 billion, or 29%, was for vertical specific software. In addition, demand for cloud-based solutions in banking continues to grow. According to IDC, SaaS revenues from banking is projected to grow from \$13 billion in 2018 to \$29 billion in 2023, representing a compound annual growth rate of 17%.

We currently estimate the serviceable market for the nCino Bank Operating System to be greater than \$10 billion. This analysis is based on a 2019 study conducted on our behalf by Grata Inc., a third-party market research firm that employed metrics regarding the number of full time employees at financial institutions across banking functions in positions for which the solution we offer is applicable and in geographical markets where we either had a current presence or may enter in the future. The number of such full time employees as estimated by Grata were then multiplied by the “fully-loaded annual price per user” we offered, which itself was determined by using our historical actual ACV for the applicable contracted solutions, divided by the quantities of users sold under such contracts.

### **Benefits of the nCino Bank Operating System**

The nCino Bank Operating System is a single, multi-tenant cloud platform that digitizes client onboarding, loan origination and deposit account opening across commercial, small business and retail lines of business. Our solution streamlines employee, client and third-party interactions and drives increased profitability, efficiency, transparency and regulatory compliance across a financial institution. The nCino Bank Operating System was designed by bankers who understand how financial institutions operate and delivers a significant and measurable return on investment by enabling them to:

- **Digitally Serve Their Clients Across Commercial, Small Business and Retail Lines of Business.** The nCino Bank Operating System delivers a seamless experience across devices, channels and products, enabling a unified digital relationship between a financial institution, its employees, clients and third parties, such as appraisers, lawyers and regulators. This empowers financial institution employees to be more efficient and effective, and enhance relationships with their clients. Additionally, because nCino is cloud native, these employees are able to work from the office or remotely 24/7/365.

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- **Improve Financial Results.** Our customers leverage nCino's capabilities to drive revenue growth by digitally expanding their brand presence and reach, increasing access and convenience for their employees and clients, delivering new products to grow client wallet share, and improving client satisfaction and retention. Our SaaS platform can reduce total cost of ownership by eliminating redundant legacy systems and simplifying our customers' internal information technology landscape. The nCino Bank Operating System increases transparency at all organizational levels across lines of business, enabling our customers to measure their operations and performance more effectively.
- **Operate More Efficiently.** Utilizing the nCino Bank Operating System's automation, workflow and digitization capabilities allows financial institutions and their employees to focus on value-add work, reduce time spent on clearing exceptions, reduce duplicative data entry and data rekeying, help eliminate manual processes, decrease the use of paper files and accelerate document collection.
- **Manage Risk and Compliance More Effectively.** The nCino Bank Operating System helps financial institutions reduce regulatory, credit and operational risk through workflow and automation, data reporting, standardized risk rating calculations and financial modeling. For example, the content management, automated workflow and digital audit trail and snapshot functionality within the nCino Bank Operating System helps our customers more effectively and efficiently prepare for regulatory examinations.
- **Establish a Data, Audit and Business Intelligence Hub.** With an open API technology framework and integrations with third-party data sources, financial institutions can use the nCino Bank Operating System to augment their client and operational data and create a paperless centralized data hub that enhances data-driven decision-making. This centralized hub enables data to be more easily accessed, modeled and analyzed to help deliver greater operational, portfolio and financial intelligence, a more complete client view, improved compliance monitoring and metrics, as well as the opportunity to more successfully leverage AI/ML.

## How Our Solution Works

The nCino Bank Operating System connects financial institution employees, clients and third parties on a single, cloud-based platform, eliminating silos and bringing new levels of coordination and transparency to the institution. By utilizing a single platform across business lines, processes and channels, banks and credit unions are able to leverage the same data and information across their entire organization. This unified platform provides all of the functionality necessary to complete mission-critical workflow, enabling client onboarding, loan origination, deposit account opening, analytics and compliance.



## nCino Applications

**Client Onboarding.** Built into the nCino Bank Operating System is client onboarding functionality that supports the front, middle and back office onboarding process, allowing financial institutions to effectively evaluate the risk of doing business with a client while providing clients an efficient and personalized user experience. Clients are able to upload documents directly into the nCino Bank Operating System, complete identity verification and provide information about themselves and their business, providing transparency to the financial institution that enables regulatory compliance, such as Know-Your-Customer (“KYC”). With enhanced onboarding reporting tools, banks and credit unions can generate customized reports and use real-time analytics and data from government watchlists and other third-party systems to achieve a holistic client view, enabling our customers to provide more value-added services and custom-tailored offerings.

**Loan Origination.** The loan origination functionality embedded within the nCino Bank Operating System combines an innovative and intuitive framework with automated workflow, checklists, document management, analytics and real-time reporting to provide a complete, end-to-end loan origination system from application, to underwriting, to adjudication, to document preparation, to closing. In one view, all stakeholders have visibility into where the loan process stands and what data is needed to complete the process. Post-closing, the nCino Bank Operating System provides a view into loan performance and tools for portfolio management, providing financial institution employees the ability to utilize information to maximize efficiency. Each stakeholder in the loan process works from a single digital loan file allowing clients to apply for loans and upload documents, third parties, such as appraisers, lawyers and regulators, to access and review loan files, and employees to seamlessly manage the entire loan process efficiently and compliantly.

Our loan origination functionality supports a wide range of lending products across commercial, small business and retail lines of business. The nCino Bank Operating System can facilitate the origination of an institution’s most complex commercial lending products, including syndicated loans, commercial and industrial loans, commercial real estate loans and construction loans, while also supporting the depth required for specific products such as agriculture lending, asset based lending, SBA loans and leasing. Our solution also supports the speed and convenience required for small business and consumer loans across products, such as home equity lines of credit, home equity term loans, uncollateralized lines of credit, automobile loans and credit cards, while providing the tools needed to address regulatory compliance, including fair lending and the Home Mortgage Disclosure Act.

**Deposit Account Opening.** The nCino Bank Operating System’s deposit account opening application optimizes the process for opening checking, savings, debit/ATM cards, money market, certificates of deposit and retirement accounts. Financial institutions can utilize the intuitive, scalable and flexible workflow to open retail, commercial or small business accounts efficiently while maintaining individual account processes and requirements. Seamlessly embedded within the account opening experience, the nCino Bank Operating System provides the new client onboarding capability to collect KYC related information to meet compliance standards. The deposit account opening application allows clients to open a deposit account digitally, across any device, in a branch, or through a call center, with speed and flexibility.

## nCino Platform

The client onboarding, loan origination and deposit account opening applications are built on the nCino platform, which contains common data sets and functionality including:

- Business process automation that provides workflow to define, streamline and connect the business processes associated with a financial institution’s front, middle and back office operations. Within the nCino platform, framework components use workflow to initiate and complete tasks in an efficient, reliable and effective manner which includes the ability to support complex processes and calculations across client onboarding, loan origination and deposit account opening, such as underwriting and automated decisioning.

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- Compliance and risk management tools that provide financial institutions with audit, analytics and snapshot capabilities to more effectively manage internal regulation and risk, the examination process and overall compliance standards. The nCino Bank Operating System helps establish baseline performance metrics and sets standards and goals to achieve regulatory requirements and institution specific risk thresholds including with respect to CECL, Allowance for Loan and Lease Losses (“ALLL”) and fair lending. Because the nCino platform is highly configurable, it can adjust as regulations and the institution risk requirements evolve.
- An intelligent enterprise content management system that includes a standardized filing system across applications, providing instant and ongoing access to digital documentation and checklists to help ensure that compliance and credit requirements are met. For example, client documents are associated with a unique identifier eliminating the need for repeat document collection and duplicative data input.
- A 360-degree client view and reporting capabilities that provide financial institutions the ability to break down internal business line silos and have visibility into the entire client banking relationship, making it easy to connect individuals and businesses to their accounts and products. The reporting capabilities in the nCino platform provide a view into a financial institution’s portfolio and pipeline to more effectively manage and measure operational performance and forecasting. Reports can be set to instantly display everything from loan, deposit and branch information to relationship data offering banks and credit unions greater transparency into their operations.

### **nCino IQ (nIQ)**

nIQ uses AI/ML to increase efficiency through automation and provides insights through analytics across interactions and into portfolio management. As part of the nCino Bank Operating System, nIQ works across a financial institution’s front, middle and back office to empower bank and credit union employees to respond to client needs more quickly and remain compliant by providing increased visibility and actionable insights. Leveraging optical character recognition technology, financial institutions can utilize nIQ to automate data extraction, such as extracting data from scanned tax returns and financial statements, providing new levels of automation in underwriting and greatly reducing loan origination timeframes. Financial institutions can also leverage predictive analytics to measure performance and monitor risk across the organization, including assessing the credit risk and cash flows of loans and supporting automated loan decisioning. nIQ provides information when it’s needed, at the point of interaction, allowing bank and credit union employees to focus on their client’s needs with increased levels of personalized, predictive data.

### **Open APIs**

By leveraging open APIs and productized integrations, the nCino Bank Operating System creates an open ecosystem that brings together disparate data sources and systems, acting as a data hub that integrates with core systems, credit reporting agencies and other third-party applications to centralize a financial institution’s data creating an actionable single data platform and warehouse.

### **Our Competitive Advantages**

We believe our position as a leading global provider of cloud banking software for financial institutions is built on a foundation of the following strengths:

- ***Built by Bankers for Bankers.*** Our company was started by banking professionals who recognized the need for a single cloud platform to address the endemic challenges faced by financial institutions. This heritage is the foundation of our deep banking domain expertise, which differentiates us and continues to drive our strategy to design software that addresses the unique challenges of our financial institution customers globally.

- **Cloud Banking Technology Pioneer and Market Leader.** The nCino Bank Operating System was developed from inception as a native cloud application and we believe our over eight year track record of technology innovation in digitally transforming financial institutions distinguishes us in the market. As a first mover in this sector, we have developed trusted relationships and a reputation for successfully implementing our solution with financial institutions of all sizes in multiple geographies.
- **Single SaaS Platform.** We deliver a single SaaS platform that spans business lines and replaces point and other legacy technology solutions for client onboarding, loan origination and deposit account opening. This approach allows financial institutions to leverage common data sets and workflow across lines of business, providing a consistent and engaging digital experience for their employees and clients and a more comprehensive view of client relationships.
- **Measurable Return on Investment.** The nCino Bank Operating System provides quantifiable results for our customers, including increased client growth and retention, loan volume and efficiency and reduced loan closing times, policy exceptions and operating costs. We enable our customers to digitally serve their clients across products and channels, providing increased client engagement, enhanced communication and increased opportunities to grow wallet share. Our solution allows our customers to operate more efficiently by increasing employee accountability and productivity and shortening the time it takes to onboard a client, make a loan and open an account. Our solution empowers our customers with data driven, real-time insights into their business performance, enabling them to better measure and manage their operations.
- **Empowering the Intelligent Enterprise.** Through our nIQ applications, we leverage analytics and AI/ML to help financial institutions become more predictive, personalized and proactive. nIQ automates data extraction and analysis, allowing our customers to focus on more value-add activities, and employs predictive analytics to, for example, assist in understanding risk and fair lending compliance. nIQ drives personalized experiences by embedding actionable information throughout the nCino Bank Operating System, which enables our customers to make more informed decisions in real time at the point of production.
- **Award-Winning Culture.** We are in the business of fundamentally changing the way financial institutions operate. To transform an industry, we believe it is essential to have a company culture that not only empowers its employees to challenge the status quo, but also emboldens them to drive change and have a passion for customer success. For these reasons, we have built nCino with a cultural foundation based on our six core values: Bring Your A-Game, Do the Right Thing, Respect Each Other, Make Someone's Day, Have Fun and Be a Winner! We believe our culture is the foundation for the successful execution of our strategy and, as a result, is a critical strength of our organization. In recognition of our continued focus on employee engagement, satisfaction and culture, we have received numerous awards, including being named the 2019 #1 Best Place to Work in Financial Technology by American Banker.

## How nCino Will Grow

We intend to continue growing our business by executing on the following strategies:

- **Expand Within and Across our Existing Customers.** We believe there is a significant opportunity to further expand within our existing customer base both vertically within business lines and horizontally across business lines. As an example, we formally launched our solution in retail lending in May 2018 and we now have 33 customers contracted to use both our commercial and retail loan origination applications. Our revenues from existing customers continue to grow as additional users are added, creating strong customer cohort dynamics.



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- **Expand our Customer Base.** We believe the global market for cloud banking is large and underserved. With banks and credit unions needing to replace legacy point products with more efficient technology and banking services continuing to shift to digital, we believe there is a significant opportunity to deliver our solution and expand our customer base to financial institutions of all sizes and complexity around the world. Currently deployed in 10 countries, we have made significant investments to expand our presence in EMEA and APAC, and our solution can currently support over 120 languages and over 140 currencies. We promote sales in North America out of our offices in the United States and Canada, in APAC out of our offices in Australia and Japan, and in EMEA out of our office in the UK.
- **Continue Strengthening and Extending our Product Functionality.** We plan to extend the depth and breadth of the nCino Bank Operating System's client onboarding, loan origination and deposit account opening functionality across lines of business, while further enhancing its international capabilities. Additionally, we plan to continue to develop our portfolio analytics and credit modeling capabilities as well as our AI/ML capabilities through automation, predictive analytics, digital assistant services and data source integration. These innovations will further reduce the human resources required for routine but time-consuming tasks, allowing our customers to spend more time on value creating activities. By continuing to expand the functionality of the nCino Bank Operating System, we can further help our customers improve financial results, operate more efficiently, manage risk and compliance more effectively, and establish a data, audit and business intelligence hub.
- **Foster and Grow our SI and Technology Ecosystem.** We have developed strong relationships with a number of leading SIs, including Accenture, Deloitte, PwC and West Monroe Partners, that increase our capacity to onboard new customers and implement the nCino Bank Operating System, extend our global reach and drive increased market awareness of our company and solution. To date, over 1,500 SI consultants have completed our training program to implement the nCino Bank Operating System. Through the open architecture of the nCino Bank Operating System, an increasing number of third-party technology partners, including DocuSign, Equifax, Experian, TransUnion, IDology, LexisNexis, OneSpan and The Risk Management Association, are integrated with our solution.
- **Selectively Pursue Strategic Transactions.** In addition to developing our solution organically, we may selectively pursue acquisitions, joint ventures or other strategic transactions. We expect these transactions to focus on innovation to help strengthen and expand the functionality and features of the nCino Bank Operating System and/or expand our global presence. For example, in fiscal 2020 we acquired Visible Equity and FinSuite as part of our strategy to build out our nIQ capabilities and we established our nCino K.K. joint venture to facilitate our entry into the Japanese market.

## Our Customers

nCino has a diverse customer base ranging from global financial institutions, such as Bank of America, Barclays, Santander Bank and TD Bank, to enterprise banks, such as KeyBank, Allied Irish Bank, Truist Bank and US Bank, to regional and community banks, as such ConnectOne Bank, IBERIANBANK, Pacific Western Bank and Coastal States Bank, to credit unions, such as Coming Credit Union, Navy Federal Credit Union, SAFE Credit Union and Wright-Patt Credit Union, to new market entrants, such as challenger banks like B-North, DBT Företagslån, Recognise Financial and Secure Trust Bank. These companies represent a cross-section of global financial institutions, enterprise banks, regional and community banks, credit unions and challenger banks, and each of these customers represent a substantial level of ACV in its respective category. We ended fiscal 2020 with over 290 financial institutions that utilized the nCino Bank Operating System for client onboarding, loan origination and/or deposit account opening, of which 161 each generated more than \$100,000 in annual subscription revenues in fiscal 2020. In addition, we have over 890 financial institutions that use the portfolio

analytics solution we acquired with the Visible Equity acquisition in fiscal 2020, which is now part of nIQ. In total, we had over 1,180 financial institution customers as of January 31, 2020. No single customer represented more than 10% of total revenues in fiscal 2020.

## Customer Case Studies

### TD Bank (Global Enterprise Bank)

TD Bank, America's Most Convenient Bank, is one of the 10 largest banks in the U.S. with \$320 billion in assets as of December 31, 2019. Headquartered in Cherry Hill, New Jersey, TD Bank became an nCino customer in 2016. TD Bank was in need of an end-to-end solution that would modernize its technical framework, facilitate collaboration and information sharing across Corporate and Specialty Banking, Commercial Banking and Small Business Banking, and significantly reduce manual processes and lending decision times. The nCino Bank Operating System enabled TD Bank to streamline corporate, commercial and small business lending by consolidating the client relationship, underwriting and credit administration functions onto one platform.

- Improved communication and data transfer across business units, allowing TD Bank to better serve its clients.
- With the implementation of nCino, TD retired multiple legacy applications, checklist documents and spreadsheets.

*“TD Bank’s investment into the nCino platform ultimately will enable us to provide a seamless experience to our clients and an improved employee experience—both critical to the success of the organization. Through nCino, TD Bank is consolidating numerous legacy systems into one top-tier, foundational platform that allows for better communication, credit administration and processes, and through data, advanced visibility into the lifecycle of relationships and future opportunities.” —Chris Giamo, Head of Commercial Banking*

### Santander UK (Global Enterprise Bank)

A wholly owned subsidiary of Banco Santander, Santander UK is one of the largest retail and commercial banks based in the UK with assets of more than £281 billion as of December 31, 2019 and approximately 23,500 employees. Santander UK became an nCino customer in 2018 as part of a multi-year transformation program to replace outdated legacy systems and increase speed and efficiency across their front, middle and back office operations. nCino provides Santander UK employees with a holistic view of the client, allowing staff to be better-informed and deliver an improved client experience. This experience will continue to improve as the bank rolls out additional phases of the nCino project through 2020, including implementing nCino's Customer Portal features.

- By leveraging the nCino Bank Operating System's loan origination functionality for both commercial and small and medium sized business banking, Santander UK has been able to replace 13 disparate legacy systems in favor of a single loan origination platform.
- The use of nCino has helped the bank to streamline processes, increase transparency in lending workflows, and decrease lead cycle and credit decision times.

*“Santander UK has embarked on a transformation project to deliver a cutting-edge experience for our clients and nCino is a critical part of our strategy. With the nCino Bank Operating System in place, we no longer rely on siloed legacy systems that require rekeying information and result in prolonged turnaround times. Instead, we have a modern, flexible and scalable technology solution that allows us to offer our clients a faster, more efficient and more transparent onboarding and lending experience.” —Chris Fallis, Chief Operating Officer, Corporate & Commercial Banking*

### **ConnectOne Bank (Regional/Community Bank)**

With headquarters based in Englewood Cliffs, New Jersey, ConnectOne Bank, with an asset size of approximately \$6 billion as of December 31, 2019, serves the highly competitive New York City metro market with branches throughout New York and New Jersey. ConnectOne became an nCino customer in 2017. ConnectOne challenged itself to find a single platform solution that could digitize and automate workflows across multiple lines of business, enable the bank to digitally maintain all of its clients' information in one place, and provide real-time visibility into their loan portfolio and pipeline. nCino provides ConnectOne a single cloud-based platform for their commercial and retail lending operations that enables speed throughout the organization, eliminates bottlenecks, scales across multiple lines of business and helps enable future growth through an improved customer experience.

- Since going live with the nCino Bank Operating System, ConnectOne has experienced major improvements in workflow, client experience and operational efficiency.
- nCino helps ConnectOne attract and retain talent by providing state-of-the-art cloud technology for its employees to utilize.

*“At ConnectOne, we’ve built our success through our sense of urgency and culture of efficiency. The nCino platform allows us to scale this culture by providing a fully digitized end to end experience. With nCino, it takes maybe a minute to put a lead’s information into the system and start the process. It’s a game changer. We were already processing loans pretty quickly, but with nCino it is cutting time from the process.”—Frank Sorrentino, CEO and Chairman*

### **Wright-Patt Credit Union (Credit Union)**

Ohio based Wright-Patt Credit Union (“WPCU”), is one of the 50 largest credit unions in the U.S. with 400,000 members, 31 branches and \$5.0 billion in assets as of December 31, 2019. WPCU became an nCino customer in 2015 when they were looking to digitize their commercial lending process to focus on growth and serving business clients. By selecting the nCino Bank Operating System, WPCU saw the vision for a single platform across the institution. Being a cloud system, nCino was seamlessly deployed and operational in the commercial lending organization within six months. WPCU has also implemented the nCino Bank Operating System treasury management application and is currently kicking off projects for online application and small business to further leverage the single platform across the credit union.

- WPCU used to spend 22 minutes preparing paperwork for signing by the client and have now cut that time by 50% with the digital process.
- Lenders have also seen significant time savings. Previously, WPCU’s lenders spent on average 54 minutes conducting a loan closing, which now takes minimal effort on their part.

*“In the last two years, we have increased our capacity of lending per borrower from \$5 million to \$15 million. We’ve had a shift in what we can process on a monthly basis. We were processing 30—40 loans a month. Now, for several months running, we’ve had 100 loans in production in a month. Our volume and production is through the roof from a dollar standpoint, with the same core team. That’s from all of the efficiency gains we’ve had through the nCino Bank Operating System.”—Benjamin Miller, Commercial Portfolio Analyst*

### **B-North (Challenger Bank)**

UK-based challenger B-North is based in Manchester, England, and was founded by financial industry veterans with decades of experience working at institutions including HSBC, Santander UK and Metro Bank. B-North was started with the goal of disrupting the £150 billion UK lending market for small and medium

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businesses (“SMEs”). As a brand-new bank, B-North chose the nCino Bank Operating System in early 2019 to deliver a highly efficient and differentiated loan origination experience to its SME clients. Additionally, B-North plans to leverage nCino’s Partner Community functionality to more effectively collaborate and interact with a variety of third parties including brokers, regulators, attorneys and appraisers.

- The nCino Bank Operating System provides a flexible and scalable infrastructure that will allow it to scale and grow its assets and client base, while delivering maximum benefit to its clients.
- With nCino’s Partner Community, B-North can grant specific and limited access to nCino functionality and records for external third parties to connect on a single platform for increased transparency, reduced costs and an overall better banking experience for all involved.

*“At B-North, we aim to facilitate SME lending, with market-leading technology and lead times, and to give our customers the best mix of the traditional and the modern. nCino has established itself as the world’s premier cloud-based lending, onboarding and account opening platform. Working with nCino early on in our development allows us to tailor our whole business around delivering an engaging and differentiated client experience, and nCino will be the perfect partner for our success in getting these elements right.”—Jonathan Thompson, Founder and CEO*

### **Our Relationship with Salesforce**

From our inception, we built the nCino Bank Operating System on the Salesforce Platform to leverage its global infrastructure, reliability and scalability. Building on the Salesforce Platform has allowed us to benefit from Salesforce’s investment in the continual improvement of the Salesforce Platform. We believe we have a mutually beneficial strategic relationship with Salesforce.

Salesforce Ventures, an affiliate of Salesforce, made investments in our common stock in January 2014, March 2015, July 2017, January 2018 and September 2019. As of April 30, 2020, Salesforce was our second largest stockholder and beneficially owned 10,760,469 shares of our common stock. See “Principal Stockholders” and “Certain Relationships and Related Party Transactions—Transactions with Salesforce” for additional information.

Pursuant to the Salesforce Agreement, when we sell our client onboarding, loan origination and/or deposit account opening applications, we include a subscription to the underlying Salesforce Platform and remit a subscription fee to Salesforce. In exchange, Salesforce provides the hosting infrastructure and data center for these applications, as well as configuration, reporting and other functionality within the Salesforce Platform. In addition, under the Salesforce Agreement, we are an authorized reseller of Salesforce’s CRM functionality to certain financial institutions in the United States. Our original agreement with Salesforce was entered into in December 2011. On June 19, 2020, this agreement was superseded and replaced by the Salesforce Agreement which expires on June 19, 2027 unless earlier terminated by either party in the event of the other party’s material breach, bankruptcy, change in control in favor of a direct competitor, or intellectual property infringement. The Salesforce Agreement automatically renews for additional one-year periods thereafter unless notice of termination is provided. See “Certain Relationships and Related Party Transactions—Transactions with Salesforce” for additional information.

### **Sales and Marketing**

Our sales team includes business development representatives, account executives, field sales engineers and customer success managers. This team is responsible for outbound lead generation, driving new business and helping to manage account relationships and renewals, further driving adoption of our solution within and across lines of business. These teams maintain close relationships with existing customers and act as an advisor to each financial institution to help identify and understand their unique needs, challenges, goals and opportunities.

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Our marketing team oversees all aspects of the nCino global brand including public relations, digital marketing, social media, product marketing, graphic design, conferences and events. Our marketing efforts are focused on promoting direct sales, inbound lead generation and brand building. We leverage online and offline marketing channels by sponsoring customer conferences, participating in trade shows, and using webinars, digital marketing and social media.

### **Customer Success**

Once a customer contracts for the nCino Bank Operating System, we either directly or working with SIs, provide configuration and implementation services to assist the customer in the deployment of our solution. Configuration and implementation engagements typically range in duration from three to 18 months, depending on scope. For enterprise financial institutions, we generally work with SIs such as Accenture, Deloitte and PwC. For regional financial institutions, we work with SIs such as West Monroe Partners, and for community banks we work with SIs such as Enforce or we perform configuration and implementation ourselves. Where we work with SIs, we generally field a small team of advisory consultants alongside the SIs to help ensure the success of the engagement.

We support our customers with 24/7 access to engineers and other technical support personnel, outcome based support offerings, release management, managed services and also offer technical support via online chat. To help our customers achieve success with the nCino Bank Operating System, we offer in-depth change management workshops, classroom and virtual end user and administrator training, consultative functionality adoption services and best practices. The nCino Customer Success Management team is the customer's central touch point, whose primary job is to manage the long-term health and success of each customer.

Over 35,000 of our customers' employees, representing over 95% of our financial institution customers utilizing our client onboarding, loan origination and/or deposit account opening applications, participate in our online nCino User Community. In this community, users can access over 6,500 product guides and technical documents, engage and share best practices with other users and nCino subject matter experts through over 25 unique user groups, suggest and vote for future product development ideas and access training videos, materials and product certifications.

### **Research and Development**

Our research and development organization is responsible for the design, development and testing of the nCino Bank Operating System. We utilize Agile software development methodologies and industry best practices, such as continuous integration/continuous deployment, automated testing and distributed version control, to develop new functionality and enhance our existing solution. We provide opportunities for innovation through hackathons and new technology pilots, and we encourage customers to participate in our Product Design Programs to provide us with input on our product development roadmap. Our research and development spend was \$35.3 million or 25.5% of total revenues in fiscal 2020.

### **Competition**

The primary competition for our solution has historically been point solution vendors and, to a lesser extent, systems internally developed by financial institutions. We believe our ability to provide client onboarding, loan origination, deposit account opening, analytics and AI/ML on a single platform across commercial, small business and retail lines of business, our deep banking domain expertise, our reputation for high-quality professional services and customer support and the culture of our company distinguish us from our competition. We believe our success in growing our business will depend on our ability to demonstrate to financial institutions that our solution provides superior business outcomes to those of third-party vendors or internally developed systems. In this regard, we are likely to be assessed on a number of factors, including:

- breadth and depth of functionality;

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- ease of deployment, implementation and use;
- total cost of ownership and return on investment;
- level of customer satisfaction;
- brand awareness and reputation;
- cloud-based technology platform and pricing model;
- quality of implementation and customer support services;
- capability for configurability, integration and scalability;
- domain expertise in banking technology;
- security and reliability;
- ability of our solution to support compliance with legal and regulatory requirements;
- ability to innovate and respond to customer needs quickly; and
- ability to integrate with third-party applications and systems.

We believe we compete favorably with respect to these factors but we expect competition to increase as existing competitors evolve their offerings and as new companies enter our market. Our ability to remain competitive will depend on our ongoing efforts in research and development, sales and marketing, professional services, customer support and our business operations generally. For additional information, see the section titled “Risk Factors—The markets in which we participate are intensely competitive and highly fragmented, and pricing pressure, new technologies or other competitive dynamics could adversely affect our business and results of operations.”

### **Intellectual Property**

Our success depends in part on our ability to protect our core technology and innovations. We rely on federal, state, common law and international rights, as well as contractual restrictions, to protect our intellectual property. We control access to our proprietary technology by entering into confidentiality and invention assignment agreements with our employees and contractors, and confidentiality agreements with third parties. We seek patent protection for certain of our key innovations, protocols, processes and other inventions. We pursue the registration of our trademarks, service marks and domain names in the United States and in certain other locations. These laws, procedures and restrictions provide only limited protection and the legal standards relating to the validity, enforceability and scope of protection of intellectual property rights are uncertain and still evolving. Furthermore, effective patent, trademark, copyright and trade secret protection may not be available in every country in which our products are available.

As of April 30, 2020, we had 12 issued U.S. patents as well as one patent application pending in the U.S. We file patent applications where we believe there to be a strategic technological or business reason to do so. Although we actively attempt to utilize patents to protect our technologies, we believe that none of our patents, individually or in the aggregate, are material to our business.

## **Employees**

As of April 30, 2020, we had 934 employees. Of these employees, 810 are based in the United States and 124 are based internationally. None of our employees are represented by a labor union or covered by a collective bargaining agreement. We believe our employee relations are good and we have not experienced any work stoppages.

## **Facilities**

Our headquarters are located in Wilmington, North Carolina where we occupy facilities encompassing approximately 147,000 square feet. Our leases range in expiration from November 2023 to July 2028 each with a right of renewal. We also have offices in Salt Lake City, London, Sydney, Melbourne, Toronto and Tokyo. All of our offices are leased and we do not own any real property. We believe that our current facilities are adequate to meet our current needs.

## **Legal Proceedings**

From time to time, we may become involved in legal proceedings or be subject to claims arising in the ordinary course of business. We are not presently party to any legal proceedings that, if determined adversely to us, would individually or taken together have a material adverse effect on our business, operating results, financial condition or cash flows. Regardless of the outcome, litigation can have an adverse impact on us because of defense and settlement costs, diversion of management resources and other factors.

## MANAGEMENT

### Executive Officers and Directors

The following table sets forth information concerning our executive officers and directors as of June 1, 2020.

<u>Name</u>	<u>Age</u>	<u>Position(s)</u>
<b><i>Executive Officers</i></b>		
Pierre Naudé	61	President, Chief Executive Officer and Director
Sean Desmond	47	Chief Customer Success Officer
Joshua Glover	41	Chief Revenue Officer
Greg Orenstein	50	Chief Corporate Development & Legal Officer and Secretary
Trisha Price	44	Chief Product Officer
David Rudow	51	Chief Financial Officer & Treasurer
<b><i>Non-Employee Directors</i></b>		
Steven Collins <sup>(1)(3)</sup>	55	Director
Jon Doyle <sup>(3)</sup>	55	Director
Jeffrey Horing	56	Director
Pam Kilday <sup>(1)(2)</sup>	62	Director
Spencer Lake <sup>(2)(3)</sup>	60	Director
Jeffrey Lunsford <sup>(2)</sup>	54	Director
William Ruh <sup>(1)</sup>	59	Director

(1) Member of our audit committee

(2) Member of our compensation committee

(3) Member of our nominating and governance committee

The following are brief biographies describing the backgrounds of our executive officers and non-employee directors:

#### ***Executive Officers***

*Pierre Naudé* played a key role in the founding of nCino and has served as our Chief Executive Officer, and as a member of our board of directors since nCino began operations. From October 2005 to its acquisition in February 2012, Mr. Naudé served as the Divisional President of S1 Corporation. Mr. Naudé served as Vice President and Managing Partner of Unisys, a global information technology company, from January 2004 to October 2005 and as Managing Partner from January 2000 to December 2003. Mr. Naudé holds a B.S. in Finance and Management from Upper Iowa University. As our President and Chief Executive Officer and one of the founders of the Company, we believe Mr. Naudé is qualified to serve on our board of directors due to his experience in all aspects of our business and his ability to provide an insider's perspective in board discussions about the business and strategic direction of the Company. We believe that his experience gives him unique insights into our opportunities, challenges and operations.

*Sean Desmond* has served as our Chief Customer Success Officer since July 2013. Prior to joining nCino, Mr. Desmond held various positions from February 1999 to June 2013 at Informatica, an enterprise cloud data management provider, most recently serving as Vice President, Global Delivery from January 2012 to June 2013. Prior to that, Mr. Desmond served as a Business Analyst at Platinum Technologies, a database management software company, from August 1996 to January 1999. Mr. Desmond holds a B.B.A. in Business Administration from James Madison University.



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*Josh Glover* has served as our Chief Revenue Officer since February 2019 and previously served as Executive Vice President, Americas from February 2017 to February 2019, Senior Vice President, Community and Regional Financial Institutions from December 2014 to January 2017 and a member of nCino's professional services organization from November 2012 to December 2014. Prior to joining nCino, Mr. Glover served as a Relationship Manager at Live Oak Bank, a banking and financial services institution, from January 2012 to November 2012. Mr. Glover is a decorated combat veteran who led Marines throughout four combat deployments during a decade of service as a Marine Corps Special Operations and Infantry Officer. Mr. Glover is a graduate of the U.S. Naval Academy and holds an MBA from Duke University's Fuqua School of Business.

*Greg Orenstein* has served as our Chief Corporate Development & Legal Officer and Secretary since December 2019 and previously served as our Executive Vice President Corporate Development, Chief Legal Officer & Secretary from October 2015 to November 2019. Prior to joining nCino, Mr. Orenstein was Of Counsel at the global law firm of DLA Piper from May 2014 to September 2015, and provided consulting services to various organizations, including nCino, from March 2012 to April 2014. From March 2000 until it was acquired in February 2012, Mr. Orenstein held various positions at S1 Corporation, a publicly traded provider of financial services software, most recently serving as Senior Vice President, Corporate Development, Chief Legal Officer and Secretary from April 2007 until February 2012. Mr. Orenstein holds a B.A. in Psychology from the University of Maryland and a J.D. from Emory University School of Law.

*Trisha Price* has served as our Chief Product Officer since August 2019 and previously served as our Executive Vice President, Product Development and Engineering from July 2016 to August 2019 and our Vice President, Product Development and Engineering from April 2016 to June 2016. Ms. Price previously held various positions at Primatics Financial, a financial technology company, serving as Head of Global Sales from December 2015 to April 2016, Vice President, West Coast Sales and Operations from November 2014 to December 2015, Vice President, Products from May 2013 to November 2014 and Director, Product Management from August 2009 to May 2013. Ms. Price also held various positions at Fannie Mae, a U.S. government-sponsored financial services company, serving as Director, Securities Accounting from May 2008 to June 2009 and as Senior Project Manager, Accounting Operations from June 2006 to May 2008. Ms. Price holds a B.S. in Mathematics and Mathematics Education from North Carolina State University and an ALM in Extension Studies; Software Engineering from Harvard University.

*David Rudow* has served as our Chief Financial Officer since October 2019. Prior to joining nCino, Mr. Rudow served as Senior Vice President, Finance at CentralSquare Technologies, a software company, from January 2018 to October 2019, where he was responsible for finance, treasury, facilities, M&A integration and analytic reporting. Mr. Rudow was a Senior Equity Analyst at Thrivent Asset Management, an asset management firm, from May 2007 to April 2017. Prior to that, Mr. Rudow held Senior Analyst positions at various investment banking and financial services firms, including Piper Jaffray, J.P. Morgan and Diamondback Capital. Mr. Rudow is also a Certified Public Accountant and previously served as a Senior Tax Associate at global accounting and consulting firms KPMG in 1996 and PricewaterhouseCoopers from 1994 to 1996. Mr. Rudow holds a B.S. in Business Administration and Accounting from the University of Illinois, Chicago and an MBA in Finance and Accounting from the University of Chicago, Booth School of Business.

### ***Non-Employee Directors***

*Steven Collins* has served on our board of directors since December 2019. Mr. Collins serves on the board of Sprout Social, a social media management software solutions company, a position he has held since July 2019. Mr. Collins also serves on the board of a number of private companies. From July 2011 to February 2014, Mr. Collins served as Executive Vice President and Chief Financial Officer of ExactTarget, a provider of digital marketing automation and analytics software and services, which was acquired by Salesforce in 2013. Mr. Collins served as Vice President Finance, Senior Vice President Finance and Accounting, and Senior Vice President and Chief Financial Officer of Navteq, a geographic information systems provider, which was acquired by Nokia in 2008, from July 2003 to June 2011. Mr. Collins holds a B.S. in Industrial Engineering from Iowa

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State University and an MBA from the University of Pennsylvania Wharton School of Business. We believe Mr. Collins is qualified to serve on our board of directors based on his financial expertise and his experience in the technology industry, including his time spent serving on board of directors of various technology companies.

*Jon Doyle* has served on our board of directors since December 2019. Mr. Doyle is currently a member of the board of directors of, and is Vice Chairman, Senior Managing Principal and Head of the Financial Services Group at, Piper Sandler following the merger of Piper Jaffray with Sandler O'Neill + Partners in January 2020. From January 2002 to January 2020, Mr. Doyle served as the Senior Managing Principal of Sandler O'Neill + Partners. Previously, Mr. Doyle held various positions in hardware sales and commercial banking. Mr. Doyle holds a B.S. in Finance from the College of William & Mary. We believe Mr. Doyle is qualified to serve on our board of directors based on his experience in the financial services industry.

*Jeffrey Horing* has served on our board of directors since February 2015. Mr. Horing is a Managing Director of Insight Partners, a private equity and venture capital firm, which he co-founded in 1995. Prior to founding Insight Partners, Mr. Horing held various positions at Warburg Pincus and Goldman Sachs. Mr. Horing serves on the board of Alteryx, Inc., a position he has held since September 2014, as well as the boards of a number of private companies. Mr. Horing is also a member of the University of Pennsylvania's School of Engineering board of overseers. Mr. Horing holds a B.S. and B.A. from University of Pennsylvania's Moore School of Engineering and the Wharton School, respectively. He also holds an MBA from the M.I.T. Sloan School of Management. Since 2015, Mr. Horing has served on our board as the designee of Insight Partners pursuant to the Investor Rights Agreement we entered into in connection with Insight Partners' initial investment in us. Insight Partners' right to name a director to our board will terminate upon completion of this offering. We believe Mr. Horing is qualified to serve on our board of directors because of his corporate finance and business expertise gained from his experience in the venture capital industry, including his time spent serving on boards of directors of various technology companies.

*Pam Kilday* has served on our board of directors since December 2019. Ms. Kilday previously served as Head of Operations of Truist Financial (formerly known as SunTrust Bank), from May 2015 to April 2018. Prior to that, Ms. Kilday served as Wholesale Operations Executive of SunTrust from March 2013 to May 2015 and as Wholesale Relationship Executive of SunTrust from January 2012 to March 2013. Ms. Kilday holds a B.S. in Education from Tennessee Technological University and an M.S. from University of Illinois at Chicago. We believe Ms. Kilday is qualified to serve on our board of directors based on her experience in the financial services industry.

*Spencer Lake* has served on our board of directors since April 2017. Mr. Lake is currently a Director at Nivaura, a digital capital markets platform, a position he has held since September 2018. Mr. Lake has been a founding partner of Elements Ventures, a UK based financial technology venture capital firm, since May 2017. Mr. Lake also currently serves as a Senior Advisor to the International Capital Market Association, a financial services membership organization, a position he has held since May 2017. Mr. Lake also serves on the board of a number of private companies, including as Vice Chairman of Fenargo, a financial technology company, since July 2016 and Duco, a data quality platform company, since September 2018. Mr. Lake previously held various positions at HSBC, a banking and financial services company, serving as Vice Chairman, Global Banking and Markets and Group General Manager from March 2016 to September 2016, Global Head, Capital Financing from August 2013 to March 2016, Global Co-head, Global Markets from January 2011 to August 2013 and Global Head, Debt Capital Markets and Acquisition Finance from October 2006 to January 2011. Mr. Lake holds a B.B.A. in Finance and Marketing from Suffolk University, as well as an MBA in International Finance from NYU Stern School of Business. We believe Mr. Lake is qualified to serve on our board of directors based on his expertise in the financial services and technology industries.

*Jeffrey Lunsford* has served on our board of directors since inception. Mr. Lunsford is currently Chief Executive Officer and President of Tealium, an enterprise software company that offers a trusted customer data orchestration platform, a position he has held since January 2013. Mr. Lunsford also serves on the boards of a

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number of private companies. A former naval officer and aviator, Mr. Lunsford holds a B.S. in Information and Computer Sciences from Georgia Institute of Technology. We believe Mr. Lunsford is qualified to serve on our board of directors based on his experience in the technology industry.

*William Ruh* has served on our board of directors since May 2013. Mr. Ruh is currently President at Cairn Capital Management, a credit asset management firm, a position he has held since October 2016. Mr. Ruh also currently serves as President of Ruh Advisory, a financial services consulting firm, a position he has held since January 2005. Mr. Ruh previously served as Managing Principal of CCM Capital Opportunities Fund, a financial technology company focused on private equity, from November 2013 to December 2015. Prior to that, Mr. Ruh served as Managing Principal of Castle Creek Capital from January 1994 to November 2013, a private equity firm, which he co-founded. Mr. Ruh also serves on the boards of a number of private companies and as the Chairman of the Board of the U.S. Sailing Foundation and as a board member of the U.S. Sailing Association. Mr. Ruh holds a B.S. in Marine Transportation from the State University of New York Maritime College and an MBA from the Duke University Fuqua School of Business. We believe Mr. Ruh is qualified to serve on our board of directors based on his expertise in the financial services and technology industries.

### **Family Relationships**

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

### **Corporate Governance**

#### ***Classified Board of Directors***

Upon the completion of this offering, our board of directors will consist of eight members and be divided into three classes of directors that will serve staggered three-year terms. At each annual meeting of stockholders, a class of directors will be elected for a three-year term to succeed the same class whose term is then expiring. As a result, only one class of directors will be elected at each annual meeting of our stockholders, with the other classes continuing for the remainder of their respective three-year terms. Our directors will be divided among the three classes as follows:

- the Class I directors will be Pierre Naudé, William Ruh and Pam Kilday, and their terms will expire at the first annual meeting of stockholders to be held after the completion of this offering;
- the Class II directors will be Jeffrey Lunsford and Spencer Lake, and their terms will expire at the second annual meeting of stockholders to be held after the completion of this offering; and
- the Class III directors will be Jeffrey Horing, Steven Collins and Jon Doyle, and their terms will expire at the third annual meeting of stockholders to be held after the completion of this offering.

Each director's term continues until the election and qualification of his or her successor, or his or her earlier death, resignation or removal. Our certificate of incorporation and bylaws to be in effect upon the completion of this offering will authorize only our board of directors to fill vacancies on our board of directors. Any increase or decrease 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. This classification of our board of directors may have the effect of delaying or preventing changes in control of our company. See the section titled "Description of Capital Stock—Anti-Takeover Provisions."

#### ***Director Independence***

In connection with this offering, we have applied to list our common stock on The Nasdaq Global Select Market. Under the rules of The Nasdaq Global Select Market, independent directors must comprise a majority of

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a listed company's board of directors within a specified period after the completion of this offering. In addition, the rules of The Nasdaq Global Select Market require that, subject to specified exceptions, each member of a listed company's audit, compensation and nominating and governance committees be independent. Under the rules of The Nasdaq Global Select Market, a director will only qualify as an "independent director" if, in the opinion of that company's board of directors, that person does not have a relationship that would interfere with the exercise of independent judgment in carrying out the responsibilities of a director.

Additionally, compensation committee members must not have a relationship with us that is material to the director's ability to be independent from management in connection with the duties of a compensation committee member.

Audit committee members must also satisfy the independence criteria set forth in Rule 10A-3 under the Exchange Act. In order to be considered independent for purposes of Rule 10A-3, a member of an audit committee of a listed company may not, other than in his or her capacity as a member of the audit committee, the board of directors or any other board committee: accept, directly or indirectly, any consulting, advisory or other compensatory fee from the listed company or any of its subsidiaries; or be an affiliated person of the listed company or any of its subsidiaries. We intend to satisfy the audit committee independence requirements of Rule 10A-3 as of the completion of this offering.

Our board of directors has undertaken a review of the independence of each director and considered whether each director has a material relationship with us that could compromise his or her ability to exercise independent judgment in carrying out his or her responsibilities. As a result of this review, our board of directors determined that, with the exception of our Chief Executive Officer, Pierre Naudé, each member of our board of directors is an "independent director" as defined under the applicable rules and regulations of the SEC and the listing requirements and rules of The Nasdaq Global Select Market. In making these determinations, our board of directors reviewed and discussed information provided by the directors and by us with regard to each director's business and personal activities and relationships as they may relate to us and our management, including the beneficial ownership of our common stock by each non-employee director and the transactions involving them described in the section titled "Certain Relationships and Related Party Transactions."

### **Board Leadership Structure**

Our corporate governance guidelines provide that the roles of chairperson of the board and chief executive officer may be separated or combined. In the event that the roles are combined, our corporate governance guidelines provide for the naming of a Lead Independent Director. Our board of directors has appointed Jeffrey Lunsford to serve as chairperson of the board.

### **Board Committees**

Our board of directors has established an audit committee, a compensation committee and a nominating and corporate governance committee prior to the completion of this offering, each of which will operate pursuant to a charter adopted by our board of directors and which will be effective prior to the consummation of this offering. 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. Following the completion of this offering, copies of the charters for each committee will be available on our website. Reference to our website does not constitute incorporation by reference of the information contained at or accessible through our website into this prospectus or the registration statement of which it forms a part.

#### ***Audit Committee***

Our audit committee consists of Steven Collins, Pam Kilday and William Ruh, with Steven Collins serving as the chairperson. Our board of directors has determined that each member of our audit committee is

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independent within the meaning of Rule 10A-3 under the Exchange Act. Our board of directors has also determined that Steven Collins is an “audit committee financial expert” as defined by the applicable SEC rules.

Specific responsibilities of our audit committee will include:

- overseeing our corporate accounting and financial reporting processes and our internal controls over financial reporting;
- evaluating the independent public accounting firm’s qualifications, independence and performance;
- engaging and providing for the compensation of the independent public accounting firm;
- pre-approving audit and permitted non-audit and tax services to be provided to us by the independent public accounting firm;
- reviewing our financial statements;
- reviewing our critical accounting policies and estimates and internal controls over financial reporting;
- establishing procedures for complaints received by us regarding accounting, internal accounting controls or auditing matters, including for the confidential anonymous submission of concerns by our employees, and periodically reviewing such procedures, as well as any significant complaints received, with management;
- discussing with management and the independent registered public accounting firm the results of the annual audit and the reviews of our quarterly financial statements;
- review and approve any transaction between us and any related person (as defined by the Securities Act) in accordance with the Company’s related party transaction approval policy; and
- such other matters that are specifically designated to the audit committee by our board of directors from time to time.

Our audit committee will operate under a written charter, to be effective prior to the completion of this offering, that satisfies the applicable Nasdaq Global Select Market listing standards.

### ***Compensation Committee***

Our compensation committee consists of Pam Kilday, Spencer Lake and Jeffrey Lunsford, with Jeffrey Lunsford serving as the chairperson. Our board of directors has determined that each member of our compensation committee is independent under The Nasdaq Global Select Market listing standards and a “non-employee director” as defined in Rule 16b-3 promulgated under the Exchange Act.

Specific responsibilities of our compensation committee will include:

- reviewing and recommending policies relating to compensation and benefits of our officers and employees, including reviewing and approving corporate goals and objectives relevant to compensation of the Chief Executive Officer and other senior officers;
- evaluating the performance of the Chief Executive Officer and other senior officers in light of those goals and objectives;

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- setting compensation of the Chief Executive Officer and other senior officers based on such evaluations;
- administering the issuance of options and other awards under our equity-based incentive plans;
- reviewing and approving, for the Chief Executive Officer and other senior officers, employment agreements, severance agreements, consulting agreements and change in control or termination agreements; and
- such other matters that are specifically designated to the compensation committee by our board of directors from time to time.

Our compensation committee will operate under a written charter, to be effective prior to the completion of this offering, that satisfies the applicable Nasdaq Global Select Market listing standards.

### ***Nominating and Corporate Governance Committee***

Our nominating and corporate governance committee consists of Jon Doyle, Steven Collins and Spencer Lake, with Spencer Lake serving as the chairperson. Our board of directors has determined that each member of our nominating and corporate governance committee is independent under the applicable Nasdaq Global Select Market listing standards.

Specific responsibilities of our nominating and corporate governance committee will 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 changes to the size and composition of our board of directors;
- considering and making recommendations to our board of directors regarding the composition and chairmanship of the committees of our board of directors;
- instituting plans or programs for the continuing education of our board of directors and orientation of new directors;
- establishing procedures to exercise oversight of, and oversee the performance evaluation process of, our board of directors and management;
- developing and making recommendations to our board of directors regarding corporate governance guidelines and matters; and
- overseeing periodic evaluations of the board of directors' performance, including committees of the board of directors.

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 Nasdaq Global Select Market listing standards.

### **Code of Ethics and Business Conduct**

We have adopted a code of conduct applicable to our principal executive, financial and accounting officers and all persons performing similar functions. Upon the effectiveness of the registration statement of

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which this prospectus forms a part, our code of conduct will be available on our principal corporate website at [www.ncino.com](http://www.ncino.com). Information contained on our website or connected thereto does not constitute a part of, and is not incorporated by reference into, this prospectus or the registration statement of which it forms a part.

### **Compensation Committee Interlocks and Insider Participation**

None of the members of our Compensation Committee is or has been an officer or employee of us or any of our subsidiaries. In addition, none of our executive officers serves or has served as a member of the board of directors, compensation committee or other board committee performing equivalent functions of any entity that has one or more executive officers serving as one of our directors or on our compensation committee.

### **Director Compensation**

During fiscal 2020, none of our non-employee directors received retainers or equity awards with respect to service on our board of directors or any of its committees. Spencer Lake receives compensation for consulting services provided to the Company pursuant to a consulting agreement entered into between the Company and Mr. Lake in fiscal 2018. Under the consulting agreement, Mr. Lake receives an annual consulting fee of \$30,000. Additionally, Mr. Lake was granted an option to purchase 16,000 shares of our common stock that vests as to 25% of the shares underlying the option on each of the first four anniversaries of the grant date, and an option to purchase 50,000 shares of our common stock that vests as to 1,250 shares underlying the option for each \$1,000,000 of ACV contracted for the Company outside of the Americas between May 1, 2017 and May 1, 2021.

In connection with this offering, the board of directors engaged Radford, an independent executive compensation consultant that is part of the Rewards Solutions practice at Aon plc, to provide advice on non-employee director compensation. Following a review of market data presented by Radford, in February 2020, the board of directors approved the following non-employee director compensation program:

- Equity Compensation
  - ; Annual restricted stock unit (“RSU”) award with a grant date fair value of \$150,000 granted at each annual meeting of stockholders and vesting on the one-year anniversary of the grant date, subject to the director’s continued service.
  - ; One-time “initial” RSU award with a grant date fair value of \$300,000 granted to new non-employee members of the board of directors and vesting annually over three years, subject to the director’s continued service on the applicable vesting date.
- Cash Compensation
  - ; Annual Cash Retainer – Chair: \$55,000; Member: \$30,000
  - ; Audit Committee – Chair: \$20,000; Member: \$10,000
  - ; Compensation Committee – Chair: \$12,000; Member: \$6,000
  - ; Nominating & Corporate Governance Committee – Chair: \$8,000; Member: \$4,000

Pursuant to the non-employee director compensation program described above, on June 8, 2020, the compensation committee of the board of directors approved equity awards to the non-employee directors as follows: Messrs. Collins and Doyle and Ms. Kilday received initial RSU awards with a grant date fair value equal to \$300,000; and each of the Company’s non-employee directors received a pro-rated annual RSU award with a grant date fair value of \$50,000, reflecting service from February 2020 to May 2020, and an annual equity award with a grant date fair value of \$150,000. The initial RSU award granted to Messrs. Collins and Doyle and Ms. Kilday will vest annually over three years from February 1, 2020, the annual equity grant awarded to each of the non-employee directors will vest on the one-year anniversary of the grant date, and the pro-rated equity award granted to each of the non-employee directors will vest upon the occurrence of this offering, in each case, subject to the director’s continued service on the applicable vesting date. The RSUs granted to the non-employee directors on June 8, 2020 are also subject to a liquidity event-based vesting condition, which requires that a liquidity event occur prior to the seventh anniversary of the grant date.

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### **Fiscal 2020 Director Compensation Table**

The following table sets forth information for the fiscal year ended January 31, 2020 regarding the compensation awarded to, earned by or paid to our non-employee directors. As noted above, the only compensation received by our non-employee directors in fiscal 2020 was the consulting fee paid to Mr. Lake pursuant to the consulting agreement.

<b>Name</b>	<b>Fees Earned or Paid in Cash (\$)</b>	<b>Stock Awards (\$)</b>	<b>Option Awards (\$)(1)</b>	<b>All Other Compensation (\$)(2)</b>	<b>Total (\$)</b>
Steven Collins	—	—	—	—	—
Jon Doyle	—	—	—	—	—
Jeffrey Horing	—	—	—	—	—
Pam Kilday	—	—	—	—	—
Spencer Lake	—	—	—	30,000	30,000
Jeffrey Lunsford	—	—	—	—	—
William Ruh	—	—	—	—	—

(1) As of January 31, 2020, Mr. Lake held outstanding options with respect to 66,000 shares of our common stock. As of such date, none of our other non-employee directors held outstanding stock options or any other equity awards with respect to the Company.

(2) Consists of consulting fees received by Mr. Lake pursuant to his consulting agreement with the Company.

### **Limitations on Director and Officer Liability and Indemnification**

Our amended and restated certificate of incorporation that will become effective in connection with this offering will contain provisions that will limit the liability of our directors for monetary damages to the fullest extent permitted by the DGCL. Consequently, our directors will not be personally liable to us or our stockholders for monetary damages for any breach of fiduciary duties as directors, except liability for:

- any breach of the director's duty of loyalty to us or our 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 as provided in Section 174 of the DGCL; or
- any transaction from which the director derived an improper personal benefit.

Our amended and restated certificate of incorporation and our bylaws that will become effective in connection with this offering will require us to indemnify our directors and officers, and allow us to indemnify other employees and agents, to the fullest extent permitted by the DGCL. Subject to certain limitations and limited exceptions, our amended and restated certificate of incorporation will also require us to advance expenses incurred by our directors and officers for the defense of any action for which indemnification is required or permitted.

We have entered into indemnification agreements with each of our directors and our executive officers. These agreements will provide that we will indemnify each of our directors and such officers to the fullest extent permitted by law and our amended and restated certificate of incorporation.



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We believe that these provisions in our amended and restated certificate of incorporation, bylaws and indemnification agreements are necessary to attract and retain qualified persons such as directors, officers and key employees. We also maintain directors' and officers' liability insurance. The limitation of liability and indemnification provisions in our amended and restated certificate of incorporation and bylaws may discourage stockholders from bringing a lawsuit against our directors and officers for breaches of their fiduciary duties. 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.

### **Role of the Board in Risk Oversight**

One of the key functions of our board of directors is informed oversight of our risk management process. The board of directors does not have a standing risk management committee, but rather administers this oversight function directly through the board of directors as a whole, as well as through its standing committees that address risks inherent in their respective areas of oversight. In particular, our board of directors is responsible for monitoring and assessing strategic risk exposure. Our audit committee has the responsibility to consider and discuss our major financial risk exposures and the steps our management has taken to monitor and control these exposures, including guidelines and policies to govern the process by which risk assessment and management is undertaken. The audit committee also monitors compliance with legal and regulatory requirements, in addition to oversight of the performance of our external audit function. Our nominating and corporate governance committee monitors the effectiveness of our corporate governance guidelines. Our compensation committee assesses and monitors whether any of our compensation policies and programs has the potential to encourage excessive risk-taking.

## EXECUTIVE COMPENSATION

The following is a discussion of compensation arrangements of our named executive officers. This discussion contains forward-looking statements that are based on our current plans, considerations, expectations and determinations regarding future compensation programs. Actual compensation programs that we adopt may differ materially from currently planned programs as summarized in this discussion. As an “emerging growth company” (as defined in the JOBS Act), we are not required to include a Compensation Discussion and Analysis and have elected to comply with the scaled disclosure requirements applicable to emerging growth companies.

### Overview

Our current executive compensation program is intended to align executive compensation with our business objectives and to enable us to attract, retain and reward executive officers who contribute to our long-term success. The compensation paid or awarded to our executive officers is generally based on the assessment of each individual’s performance compared against the business objectives established for the fiscal year as well as our historical compensation practices. New-hire executive officers’ compensation is primarily determined based on the negotiations of the parties as well as our historical compensation practices. For fiscal 2020, the material elements of our executive compensation program were base salary, an annual cash bonus, and restricted stock units (“RSUs”).

Following this offering, we expect that our executive compensation program will evolve to reflect our status as a newly publicly-traded company, while still supporting our overall business and compensation objectives. In anticipation of this offering, the board of directors established a compensation committee in December 2019 to oversee our executive compensation program, which had previously been overseen by our board of directors. In addition, in connection with this offering, we have retained Radford, an independent executive compensation consultant that is part of the Rewards Solutions practice at Aon plc, to help advise on our executive compensation program. This section provides a discussion of the compensation paid or awarded to our President & Chief Executive Officer and our two other most highly compensated executive officers serving as of January 31, 2020, the end of fiscal 2020. We refer to these individuals as our “named executive officers.” For fiscal 2020, our named executive officers were:

- Pierre Naudé, President & Chief Executive Officer;
- Josh Glover, Chief Revenue Officer; and
- David Rudow, Chief Financial Officer & Treasurer.

### Compensation of Named Executive Officers

#### *Base Salary*

Base salaries are intended to provide a level of compensation sufficient to attract and retain an effective management team, when considered in combination with the other components of our executive compensation program. The relative levels of base salary for our named executive officers are designed to reflect each executive officer’s scope of responsibility and accountability to us. Please see the “Salary” column in the Fiscal 2020 Summary Compensation Table for the base salary amounts received by each named executive officer in fiscal 2020.

#### *Annual Cash Bonuses*

We provide our senior leadership team with short-term incentive compensation through an annual cash bonus program. Annual bonus compensation holds executives accountable, rewards the executives based on

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actual business results and helps create a “pay for performance” culture. Our annual cash bonus program provides cash incentive award opportunities based on the achievement of performance goals approved by our board of directors at the beginning of each fiscal year.

The payment of awards under the fiscal 2020 annual cash bonus program applicable to the named executive officers was subject to the attainment of goals relating to net ACV, determined based on bookings from contracts entered into during the fiscal year, and the Company’s total non-GAAP gross margin. Under the fiscal 2020 annual cash bonus program, net ACV was weighted 70%, and non-GAAP gross margin was weighted 30%.

The fiscal 2020 bonus targets for Messrs. Naudé, Glover and Rudow were \$206,250, \$205,000 and \$37,973, respectively, with Mr. Rudow’s bonus target representing a pro-rated target opportunity in light of his October 2019 hire date. Based on our fiscal 2020 performance, the Company awarded payouts under our annual cash bonus program in a total payout of 103.7% of the target bonus opportunity. Please see the “Non-Equity Incentive Plan Compensation” column in the Fiscal 2020 Summary Compensation Table for the amount of the annual bonus paid to each named executive officer with respect to fiscal 2020.

### **Equity Awards**

To further align the interests of our executive officers with the interests of our stockholders and to further focus our executive officers on our long-term performance, we provide equity compensation to our executive officers. In fiscal 2020, the equity component of our executive compensation program was delivered in the form of RSUs, with grants to each of Messrs. Naudé, Glover and Rudow made with respect to 100,000, 50,000 and 100,000 shares of our common stock, respectively. These RSUs vest on the later of the satisfaction of a service-based vesting condition and the occurrence of a liquidity event. The service-based vesting condition is satisfied with respect to 25% of the shares subject to the RSU award on each of the first four anniversaries of the vesting commencement date, subject to the executive officer’s continued employment through the applicable service-based vesting date. In order for the award to vest, a liquidity event must occur prior to the seventh anniversary of the grant date. In addition, on June 8, 2020, each of Messrs. Naudé, Glover and Rudow received an RSU grant with respect to 128,053, 54,375 and 54,375 shares of our common stock, respectively. Similar to the fiscal 2020 RSU grants, these RSUs vest in 25% annual increments over four years, subject to the executive officer’s continued service through the applicable service-based vesting date and the occurrence of a liquidity event. This offering will constitute a liquidity event for both the fiscal 2020 and fiscal 2021 RSU awards and, although that vesting condition will have been satisfied, the awards will remain subject to the service-based vesting condition under the terms of the award agreements.

Please see “Outstanding Equity Awards at Fiscal 2020 Year-End” for a summary of the outstanding equity awards held by each of the named executive officers as of fiscal 2020 year-end.

### **Fiscal 2020 Summary Compensation Table**

The following table shows information regarding the compensation of our named executive officers for services performed in fiscal 2020.

<b>Name and Principal Position</b>	<b>Fiscal Year</b>	<b>Salary (\$)</b>	<b>Stock Awards (\$)(1)</b>	<b>Non-Equity Incentive Plan Compensation (\$)(2)</b>	<b>All Other Compensation (\$)(3)</b>	<b>Total (\$)</b>
Pierre Naudé, President & Chief Executive Officer	2020	412,500	2,175,000	213,881	11,676	2,813,057
David Rudow, Chief Financial Officer & Treasurer <sup>(4)</sup>	2020	75,072	2,175,000	39,378	115,986	2,405,436
Josh Glover, Chief Revenue Officer	2020	205,000	1,087,500	212,585	6,887	1,511,972

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- (1) The amounts reported represent the grant date fair value of RSUs calculated in accordance with Financial Accounting Standards Board Accounting Standards Codification Topic 718, Compensation-Stock Compensation, excluding the effect of estimated forfeitures. The grant date fair value was calculated based on the fair market value of a share of Company common stock as of the grant date.
- (2) The amounts reported represent payouts under the Company's annual cash bonus program based on performance with respect to goals relating to net ACV, determined based on bookings from contracts entered into during the fiscal year, weighted 70%, and the Company's total non-GAAP gross margin, weighted 30%.
- (3) The amounts reported in this column consist of (i) a cell phone allowance for each of the named executive officers, (ii) matching contributions under the Company's 401(k) plan for Messrs. Naudé and Glover, (iii) life insurance premiums paid by the Company for Mr. Naudé and (iv) relocation benefits paid to Mr. Rudow in connection with his commencement of employment with the Company, including related tax-reimbursements of \$40,386.
- (4) Mr. Rudow commenced employment with the Company in October 2019 and, accordingly, the amounts reported for his base salary and non-equity incentive compensation reflect pro-rated compensation for his service from his hire date.

### Outstanding Equity Awards at Fiscal 2020 Year-End

The following table presents information regarding the outstanding equity awards held by each of the named executive officers as of January 31, 2020.

Name	Grant Date	Number of Securities Underlying Unexercised Options (#) Exercisable	Number of Securities Underlying Unexercised Options (#) Unexercisable(1)	Equity Incentive Plan Awards: Number of Securities Underlying Unexercised Options (#)	Option Exercise Price (\$)	Option Expiration Date	Equity Incentive Plan Awards: Number of Unearned Shares, Units or Other Rights That Have Not Vested (#)(2)	Equity Incentive Plan Awards: Market or Payout Value of Unearned Shares, Units or Other Rights That Have Not Vested (\$)(3)
				Number of Securities Underlying Unexercised Options (#)			Equity Incentive Plan Awards: Number of Unearned Shares, Units or Other Rights That Have Not Vested (#)(2)	Equity Incentive Plan Awards: Market or Payout Value of Unearned Shares, Units or Other Rights That Have Not Vested (\$)(3)
Pierre Naudé	2/1/2017	250,000	500,000	—	4.98	2/1/2027	—	—
	8/15/2019	—	—	—	—	—	100,000	2,150,000
David Rudow	11/1/2019	—	—	—	—	—	100,000	2,150,000
Josh Glover	8/1/2015	49,678	—	—	2.45	8/1/2025	—	—
	2/1/2017	80,134	160,267	—	4.98	2/1/2027	—	—
	8/15/2019	—	—	—	—	—	50,000	1,075,000

- (1) These options vest in 25% annual increments commencing on the first anniversary of the grant date, subject to the named executive officer's continued employment through the applicable vesting date.
- (2) These RSUs vest with respect to 25% of the shares subject to the RSU award on each of the first four anniversaries of the grant date, subject to the executive officer's continued employment through the applicable service-based vesting date and provided that a liquidity event occurs prior to the seventh anniversary of the grant date.
- (3) The Company's equity is not publicly traded and, therefore, there is no ascertainable public market value for the Company's common stock as of January 31, 2020. For purposes of this table, the market value at year-end is calculated based on the valuation of fair market value of a share of Company common stock as of February 1, 2020.

## **Additional Narrative Disclosure**

### ***Employment Arrangements***

During fiscal 2020, each of Mr. Naudé and Mr. Rudow was party to an employment arrangement that included benefits payable upon certain qualifying terminations of employment. As of fiscal 2020 year-end, Mr. Glover was not subject to an employment or severance agreement entitling him to severance benefits upon a termination of employment.

Under the employment agreements in effect during fiscal 2020, in the event the employment of either Mr. Naudé and Mr. Rudow had been terminated due to death or disability, the named executive officer would have been entitled to base salary through the date of termination and a pro-rata annual bonus for the year of termination, determined based on actual performance through the date of termination and budgeted performance thereafter, and pro-rated for the number of days employed by the Company during the year. Subject to the executive's execution of a release of claims in favor of the Company, in the event of a termination by the Company without cause or by the executive due to good reason, each as defined in the applicable employment agreement, Mr. Naudé and Mr. Rudow would have been entitled to (i) severance payments over a specified severance period equal to the base salary the named executive officer would have received during such severance period, (ii) a pro-rata annual bonus for the year of termination, determined based on actual performance through the date of termination and budgeted performance thereafter, and pro-rated for the number of days employed by the Company during the year and (iii) reimbursements for healthcare continuation coverage during the severance period, subject to earlier termination in the event the executive officer became eligible for health coverage from a subsequent employer or the executive officer's spouse. The severance period under the employment agreements in effect during fiscal 2020 equaled 12 months for Mr. Naudé and six months for Mr. Rudow.

In connection with this offering, we entered into new employment agreements with each of our named executive officers, the material terms of which are set forth below. The severance terms were determined after a review of market data presented by Radford. This summary is not a complete description of all provisions of the new employment agreements and is qualified in its entirety by reference to the employment agreements, which are filed as exhibits to the registration statement of which this prospectus is a part.

The new employment agreements set forth each named executive officer's current base salary and annual incentive target opportunity, with base salaries of \$430,000, \$280,000 and \$230,000, and target opportunities as a percentage of base salary of 100%, 50% and 100% for Messrs. Naude, Rudow and Glover, respectively. Under the new employment agreements, in the event of a termination of employment due to the named executive officer's death or disability, the named executive officer will be entitled to a pro-rated bonus for the year of termination, based on actual performance and pro-rated for the portion of the year the named executive officer was employed. Subject to the named executive officer's execution of a release of claims in favor of the Company, in the event of a termination by the Company without cause or by the executive due to good reason prior to or more than one year following a change in control, each as defined in the applicable employment agreement, each named executive officer would be entitled to (i) severance payments over a specified severance period equal to the base salary the named executive officer would have received during such severance period, (ii) a pro-rated bonus for the year of termination, based on actual performance and pro-rated for the portion of the year the named executive officer was employed, and (iii) reimbursements for healthcare continuation coverage during the severance period, subject to earlier termination in the event the executive officer becomes eligible for alternative health coverage. The severance period is 12 months for Mr. Naudé and six months for Messrs. Rudow and Glover. If the named executive officer experiences a termination of employment on or during the one-year period following a change in control of the Company, then, in lieu of the benefits set forth above, the executive will receive a severance payment equal to a severance multiple multiplied by the sum of the executive's annual base salary and target bonus, and the healthcare continuation coverage described above will be extended to up to 18 months for Mr. Naudé and 12 months for Messrs. Rudow and Glover. The severance multiple for a termination of employment within one-year following a change in control of the Company is one and a half for Mr. Naudé and one for Messrs. Rudow and Glover. In addition, under the terms of the employment agreements, if the payments and benefits to a named executive officer under his

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employment agreement or another plan, arrangement or agreement would subject the named executive officer to the excise tax imposed by Section 4999 of the Internal Revenue Code, then such payments will be reduced by the minimum amount necessary to avoid such excise tax, but only if such reduction will result in the named executive officer receiving a higher net after-tax amount. This offering will not constitute a change in control for purposes of the employment agreements with our named executive officers.

In addition, consistent with the terms of certain of the Company's pre-existing compensation arrangements, in the event that either (i) the named executive officer is employed by the Company as of a change in control of the Company or (ii) the employment of the named executive officer is terminated by the Company without cause or by the executive due to good reason within six months prior to such change in control, any equity awards held by the named executive officer as of the effective date of the new employment agreements described above will vest upon such change in control. For equity awards granted following the effective date of the new employment agreements and unless otherwise provided for in an award agreement, such equity awards will vest in the event of a termination of employment by the Company without cause or due to good reason on or within one year following a change in control.

At the time the named executive officer entered into the above-described employment agreement with the Company, the named executive officer also entered into a non-disclosure, restrictive covenants and assignment of invention agreement with restrictive covenants relating to non-competition and non-solicitation of customers and employees, during employment and for 12 months following a termination of employment for Mr. Naudé and for six months following a termination of employment for Messrs. Rudow and Glover.

### **401(k) Plan**

The Company maintains a tax-qualified 401(k) savings plan which allows participants to defer eligible compensation up to the maximum amount allowed under Internal Revenue Service guidelines and provides for a discretionary matching contributions by the Company. In fiscal 2020, the Company matched each employee's contributions at 40% up to 6% of eligible compensation, up to applicable Internal Revenue Service limits.

### **Equity Compensation Plans**

#### **2019 Equity Incentive Plan**

In 2019, our board of directors adopted the nCino, Inc. 2019 Incentive Plan. In connection with this offering, our board of directors adopted, and our current stockholders approved, an amended and restated 2019 Incentive Plan to, among other items, increase the available shares under the 2019 Incentive Plan. The following summary describes the material terms of the 2019 Incentive Plan, as amended and restated. This summary is not a complete description of all provisions of the 2019 Incentive Plan and is qualified in its entirety by reference to the 2019 Incentive Plan, which is filed as an exhibit to the registration statement of which this prospectus is a part.

The purpose of the 2019 Incentive Plan is to advance the interests of the Company and its stockholders by providing an incentive to attract, retain and reward persons performing services to the Company and its participating affiliates and subsidiaries and by motivating such persons to contribute to the growth and profitability of the Company and its participating affiliates and subsidiaries. The 2019 Incentive Plan provides for the grant of incentive stock options (within the meaning of Section 422 of the Code), nonstatutory stock options, stock appreciation rights, restricted stock awards, restricted stock units, performance shares, performance units, cash-based awards and other-stock based awards. Only directors, officers, employees and consultants who provide services to us, or to any parent, subsidiary or affiliate of ours, are eligible to receive such awards.

*Stock Subject to the Plan.* The number of shares reserved for issuance under the 2019 Incentive Plan is 15,250,000, plus an annual increase added on the first day of each fiscal year, beginning with the fiscal year

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ending January 31, 2022, and continuing until, and including, the fiscal year ending January 31, 2031. The annual increase will be equal to the lesser of (i) 5% of the number of shares issued and outstanding as of the January 31st of the immediately preceding fiscal year and (ii) an amount determined by the Board of Directors. Up to 15,250,000 shares of our common stock that may be issued under the 2019 Incentive Plan may be issued in satisfaction of incentive stock option awards.

To the extent an equity award granted under the 2019 Incentive Plan or the Company's predecessor plan expires or otherwise terminates without having been exercised or settled in full, or is settled in cash, or the shares underlying an award are forfeited or repurchased by the Company for a price not exceeding the participant's purchase price, the shares subject to such award will become available for future grant under the 2019 Incentive Plan. In addition, to the extent shares subject to an award are withheld to satisfy a participant's tax withholding obligation upon the exercise or settlement of such award, are not issued upon the net settlement of a stock appreciation right or are withheld to pay the exercise price of a stock option, such shares will become available for future grant under the 2019 Incentive Plan.

As of April 30, 2020, our officers, employees, directors and consultants hold outstanding stock options granted under the 2019 Incentive Plan for the purchase of up to 142,400 shares of our common stock, with none of those options vested as of such date, and outstanding RSUs with respect to 972,494 shares of our common stock.

*Plan Administration.* Our compensation committee or a committee designated by our board of directors administers the 2019 Incentive Plan. If at any time our board of directors has not designated a committee to administer the 2019 Incentive Plan, then the plan will be administered by our board of directors. Subject to the terms of the 2019 Incentive Plan, our compensation committee will have the authority to determine the eligibility for awards and the terms, conditions, and restrictions, including vesting terms, the number of shares subject to an award, and any performance goals applicable to awards made under the 2019 Incentive Plan. The compensation committee also will have the authority, subject to the terms of the 2019 Incentive Plan, to construe and interpret the 2019 Incentive Plan and awards.

*Participants.* Officers, employees, directors and consultants of the Company and our subsidiaries are eligible to participate in the 2019 Incentive Plan, if selected for participation by the plan administrator.

*Non-Employee Director Compensation Limit.* Under the terms of the 2019 Incentive Plan, the aggregate value of cash compensation and the grant date fair value of shares that may be awarded or granted during any fiscal year of the Company to any non-employee director will not exceed \$750,000; provided, however, that the director compensation limit will be multiplied by two for the first fiscal year in which a non-employee director commences service on the board of directors.

*Stock Options and Stock Appreciation Rights.* Our compensation committee may grant incentive stock options, nonstatutory stock options, and stock appreciation rights under the 2019 Incentive Plan, provided that incentive stock options are granted only to employees of the Company, a parent corporation or a subsidiary corporation. The exercise price of stock options and stock appreciation rights under the 2019 Incentive Plan will be determined by the compensation committee, but must equal to at least 100% of the fair market value of our common stock on the date of grant. The term of an option or stock appreciation right may not exceed ten years; provided, however, that an incentive stock option held by an employee who owns more than 10% of all of our classes of stock, or of certain of our affiliates, may not have a term in excess of five years, and must have an exercise price of at least 110% of the fair market value of our common stock on the grant date. Subject to the provisions of the 2019 Incentive Plan, the compensation committee will determine the remaining terms of the options and stock appreciation rights, including the number of shares subject to the award, vesting, and the nature of any performance measures. Upon a participant's termination of service, the participant may exercise his or her option or stock appreciation right, to the extent vested (unless the compensation committee permits otherwise), as specified in the award agreement. The 2019 Incentive Plan prohibits the repricing of options and stock appreciation rights without stockholder approval.

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*Stock Awards.* Our compensation committee will decide at the time of grant whether an award will be in the form of restricted stock, restricted stock units, or other stock awards. The compensation committee will determine the terms of the awards, including the number of shares subject to the award, vesting, and the nature of any performance measures. Unless otherwise specified in the award agreement, the recipient of restricted stock will have voting rights and be entitled to receive dividends with respect to his or her shares of restricted stock, with any dividends subject to the same vesting conditions as the underlying restricted stock. The recipient of restricted stock units will not have voting rights, but his or her award agreement may provide for the receipt of dividend equivalents. Any dividend equivalents paid with respect to restricted stock units will be subject to the same vesting conditions as the underlying awards. Our compensation committee may grant other stock awards that are based on or related to shares of our common stock, such as awards of shares of common stock granted as bonus and not subject to any vesting conditions or stock equivalent units.

*Performance Awards.* Our compensation committee will determine the value of any performance award, the vesting and nature of the performance measures, and whether the award is denominated or settled in cash or in shares of our common stock. The performance goals applicable to a particular award will be determined by our compensation committee at the time of grant.

*Transferability of Awards.* The 2019 Incentive Plan does not allow awards to be transferred other than by will or the laws of descent and distribution following the participant's death, or as permitted by the compensation committee subject to the applicable limitations of the Securities Act and the Code.

*Certain Adjustments.* If any change is made in our common stock by means of an equity restructuring, such as a stock dividend, stock split, spinoff, rights offering or recapitalization through an extraordinary cash dividend, appropriate and proportionate adjustments will be made in the number, class and price of shares subject to each outstanding award and the number and kind of shares subject to the plan.

*Change in Control.* In the event we experience a change in control under the terms of the 2019 Incentive Plan, the plan administrator may provide for the cash settlement, vesting, assumption or substitution of outstanding awards, except that awards held by our non-employee directors will vest and become exercisable in full upon such change in control. This offering will not constitute a change in control under the plan.

*Clawback.* Awards granted under the 2019 Incentive Plan and any cash payment or shares of our common stock delivered pursuant to an award may be subject to forfeiture, recovery, or other action pursuant to the applicable award agreement or any clawback or recoupment policy that we may adopt. In addition, under the terms of the 2019 Incentive Plan, if the Company is required to prepare an accounting restatement due to the material noncompliance of the Company, as a result of misconduct, with any financial reporting requirement under the securities laws, any participant who knowingly or through gross negligence engaged in misconduct, or who knowingly or through gross negligence failed to prevent misconduct, will reimburse the Company for (i) the amount of any payment in settlement of an award received by such participant during the 12-month period following the first public issuance or filing with the SEC of the financial document embodying such financial reporting requirement and (ii) any profits realized by such participant from the sale of securities of the Company during such 12-month period.

*New Plan Benefits.* The compensation committee has the discretion to grant awards under the 2019 Incentive Plan, and therefore it is not possible at the time of filing of this prospectus to determine future awards that will be received by our named executive officers or others under the 2019 Incentive Plan. Only directors, employees and consultants are eligible for consideration to participate in the 2019 Incentive Plan.

*Amendment and Termination.* Our compensation committee has the authority to amend or terminate the 2019 Incentive Plan, subject to any stockholder approval required by law or stock exchange rules.



### ***2014 Omnibus Stock Ownership and Long-Term Incentive Plan***

The following is a description of the material terms of the nCino, Inc. 2014 Omnibus Stock Ownership and Long-Term Incentive Plan (the “2014 Incentive Plan”). The summary below does not contain a complete description of all provisions of the 2014 Incentive Plan and is qualified in its entirety by reference to the plan, a copy of which will be filed as an exhibit to the registration statement of which this prospectus forms a part. See “Where You Can Find Additional Information.”

The 2014 Incentive Plan was replaced by the 2019 Incentive Plan. The 2014 Incentive Plan governs outstanding awards granted prior to the adoption of the 2019 Incentive Plan, but no further awards will be granted pursuant to the 2014 Incentive Plan.

*Authorized Shares.* Under the 2014 Incentive Plan, 15,025,666 shares of our common stock were reserved for issuance, subject to adjustment for stock splits and other similar changes in capitalization. As of April 30, 2020, our employees, directors and consultants hold outstanding stock options granted under the 2014 Incentive Plan for the purchase of up to 7,602,322 shares of our common stock, with 5,512,951 of those options vested as of such date. No other equity awards are outstanding under the 2014 Incentive Plan as of such date.

*Plan Administration.* Our board of directors, or a committee appointed by our board of directors, administers the 2014 Incentive Plan. Subject to the provisions of our 2014 Incentive Plan, the plan administrator has the authority to, among other things, construe and interpret the 2014 Incentive Plan and all awards granted thereunder, to define the terms used in the 2014 Incentive Plan and award agreements thereunder, to prescribe, amend and rescind the rules, regulations and policies relating to the 2014 Incentive Plan and to make all determinations necessary or advisable for the administration of the 2014 Incentive Plan.

*Participants.* Employees, directors and consultants of the Company and our subsidiaries were eligible to participate in the 2014 Incentive Plan, if selected for participation by the plan administrator.

*Types and Terms of Awards.* Under the 2014 Incentive Plan, we were authorized to grant stock options, restricted stock, long-term incentive compensation units, and stock appreciation rights. Stock options and stock appreciation rights may not be exercised beyond a ten-year term (or such shorter period as required with respect to incentive stock options held by certain holders). The terms of the awards are specified in an underlying award agreement approved by the plan administrator.

*Termination of Employment.* The terms relating to exercise, cancellation, other disposition, forfeiture, satisfaction of performance measures, termination of restriction periods or termination of performance periods upon termination of employment with or service to the Company, whether by reason of disability, cause, retirement, death or other termination, are set forth in the underlying award agreement approved by the plan administrator.

*Certain Adjustments.* Under the terms of the 2014 Incentive Plan, the number of shares subject to outstanding awards and the exercise or base prices of those awards are subject to adjustment in the event of certain changes in our capital structure, reorganizations and other extraordinary events.

*Change in Control.* In the event we experience a change in control under the terms of the 2014 Incentive Plan, the plan administrator may provide for the vesting of outstanding options. This offering will not constitute a change in control under the plan.

*Amendment and Termination.* The board of directors may, at any time, amend or terminate the 2014 Incentive Plan as it shall deem advisable, subject to stockholder approval for changes to the number of shares available under the 2014 Incentive Plan or changes to the eligibility provisions. No amendment may adversely affect the rights of a holder of an outstanding award without the consent of such holder.

### ***Employee Stock Purchase Plan***

In connection with this offering, our board of directors adopted, and our current stockholders approved the ESPP to be effective immediately prior to the completion of this offering. The following summary describes the material terms of the ESPP. This summary is not a complete description of all provisions of the ESPP and is qualified in its entirety by reference to the ESPP, which is filed as an exhibit to the registration statement of which this prospectus is a part.

The purpose of the ESPP is to provide eligible employees of the Company and participating subsidiaries with a convenient means of acquiring an equity interest in the Company through payroll deductions or other contributions in order to enhance such employees' sense of participation in the affairs of the Company. Generally, all of our employees (including those of our consolidated subsidiaries, other than those subsidiaries excluded from participation by our board of directors or compensation committee) are eligible to participate in the ESPP. The ESPP permits employees to purchase our common stock through payroll deductions during six-month offering periods, with the offering periods beginning each January 1 and July 1, or such other period or date determined by the compensation committee. Participants may authorize payroll deductions of a specific percentage of compensation of up to 15%, with such deductions being accumulated for six-month purchase periods beginning on the first business day of each offering period and ending on the last business day of each offering period. Under the terms of the ESPP, the purchase price per share with respect to an offering period will equal the lesser of (i) 85% of the fair market value of a share of our common stock on the first business day of such offering period and (ii) 85% of the fair market value of a share of our common stock on the last business day of such offering period, although the compensation committee has discretion to change the purchase price with respect to future offering periods, subject to the terms of the ESPP. No employee may participate in an offering period if the employee owns 5% or more of the total combined voting power or value of our stock or the stock of any of our subsidiaries. No participant may purchase more than 5,000 shares of our common stock during any offering period. Neither payroll deductions credited to a participant's account nor any rights with regard to the exercise of an option or to receive shares under the ESPP may be assigned, transferred, pledged or otherwise disposed of in any way (other than by will, the laws of descent and distribution or pursuant to a valid beneficiary designation in the event of a participant's death).

1,800,000 shares of our common stock, subject to adjustment for stock splits, stock dividends or other changes in our capital stock, initially may be issued under the ESPP. Subject to the adjustment provisions contained in the ESPP, the maximum number of shares of our common stock available under the ESPP will automatically increase on the first day of each fiscal year, beginning with the fiscal year ending January 31, 2022 and continuing until the fiscal year ended January 31, 2031, by an amount equal to the lesser of (i) 1% of the shares of our common stock issued and outstanding on January 31 of the immediately preceding fiscal year, (ii) 1,800,000 shares of our common stock or (iii) an amount determined by our board of directors. The number of shares available under the ESPP will be subject to adjustment in the event of certain changes in our capital structure, reorganizations and other extraordinary events.

Under the terms of the ESPP, in the event of the proposed dissolution or liquidation of the Company, any offering period then in progress will terminate immediately prior to the consummation of such proposed dissolution or liquidation, unless otherwise provided by the board of directors, and the board of directors may either provide for the purchase of shares as of the date on which such offering period terminates or return to each participant the payroll deductions credited to such participant's account. In the event of a proposed sale of all or substantially all of the assets of the Company, or the merger of the Company with or into another corporation, each outstanding option under the ESPP will be assumed or an equivalent option substituted by the successor corporation or a parent or subsidiary of the successor corporation, unless the board of directors determines, in lieu of such assumption or substitution, to either terminate all outstanding options and return to each participant the payroll deductions credited to such participant's account or to provide for the offering period in progress to end on a date prior to the consummation of such sale or merger.

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The ESPP will be administered by the compensation committee or a designee of the compensation committee. The compensation committee will have the discretionary authority to do everything necessary and appropriate to administer the ESPP, including, without limitation, determining the time and frequency of granting options, the duration of offering periods, the terms and conditions of the options and the number of shares subject to each option, and interpreting the provisions of the ESPP. The ESPP may be amended by our board of directors or the compensation committee but may not be amended without prior stockholder approval to the extent required by Section 423 of the Code. The ESPP shall continue in effect until the earlier of (i) the termination of the ESPP by our board of directors or the compensation committee pursuant to the terms of the ESPP and (ii) the ten-year anniversary of the effective date of the ESPP, with no new offering periods commencing on or after such ten-year anniversary.

## CERTAIN RELATIONSHIPS AND RELATED PARTY TRANSACTIONS

In addition to the compensation arrangements discussed in the section titled “Executive Compensation,” we describe below the transactions since February 1, 2017 to which we have been a participant, in which the amount involved in the transaction exceeds or will exceed \$120,000 and in which any of our directors, executive officers or holders of more than 5% of our capital stock, or any immediate family member of, or person sharing the household with, any of these individuals, had or will have a direct or indirect material interest.

### Equity Financings

We sold shares of our common stock to an entity affiliated with Salesforce in July 2017, January 2018 and September 2019 for an aggregate purchase price of approximately \$72.0 million. In January 2018, one of our stockholders also sold shares of our common stock to an entity affiliated with Salesforce for a purchase price of approximately \$9.0 million.

In addition, certain holders of more than 5% of our capital stock acquired shares from selling stockholders, including certain of our directors and officers, pursuant to the tender offer as described below under “—Tender Offer.”

### Tender Offer

Shares of our common stock have been the subject of two tender offers. The first was conducted by Insight Partners in January 2017 (the “January 2017 Tender Offer”) and the second was conducted by each of Insight Partners, Wellington and Bessemer Venture Partners (“Bessemer”) in July 2018 (the “July 2018 Tender Offer”). In connection with the January 2017 Tender Offer, Insight Partners acquired 23,796,085 shares of our common stock from selling stockholders, including certain of our directors and officers, at a purchase price of \$8.00 per share, and in connection with the July 2018 Tender Offer, Wellington acquired 3,125,000 shares of our common stock, Bessemer acquired 1,562,500 shares of our common stock and Insight Partners acquired 551,382 shares of our common stock from selling stockholders, including certain of our directors and officers, at a purchase price of \$16.00 per share.

### Investors’ Rights Agreement

We are party to an amended and restated investors’ rights agreement, dated as February 12, 2015, as amended (“IRA”), which provides, among other things, that such investors party thereto have the right to demand that we file a registration statement or request that their shares of our capital stock be covered by a registration statement that we are otherwise filing. See the section titled “Description of Capital Stock—Registration Rights” for additional information regarding these registration rights. The IRA also provides Insight Partners with the right to appoint a designee to our board of directors and as a result, Insight Partners designated Jeffrey Horing to serve on our board of directors. This right will terminate upon completion of this offering.

### Transactions with Salesforce

Salesforce, a software solution provider for the Company, is also an equity holder in the Company. Total costs related to the Salesforce Agreement were approximately \$9.5 million, \$15.4 million and \$22.8 million for fiscal years 2018, 2019 and 2020, and \$5.1 million and \$7.5 million for the three months ended April 30, 2019 and 2020, respectively. For a description of the Salesforce Agreement and other information, see “Risk Factors—Fundamental elements of the nCino Bank Operating System are built on the Salesforce Platform and we rely on our agreement with Salesforce to provide our solution to our customers” and “Business—Our Relationship with Salesforce”.

The Company also purchases services from Salesforce to assist in managing the sales cycle, customer relationship management and other internal business functions. Total payments to Salesforce for these services

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were \$0.5 million, \$0.8 million and \$1.1 million for fiscal years 2018, 2019 and 2020, respectively, and \$0.7 million and \$1.1 million were in prepaid expenses and other current assets for fiscal 2019 and 2020, respectively. Accounts payable to Salesforce were \$2.1 million and \$3.3 million and were included in accounts payable, related parties for fiscal 2019 and 2020, respectively.

Total payments to Salesforce for these services were \$0.2 million and \$0.3 million for the three months ended April 30, 2019 and 2020, respectively, and \$0.8 million were in prepaid expenses and other current assets as of April 30, 2020. Accounts payable to Salesforce were \$3.7 million at April 30, 2020, and were included in accounts payable, related parties.

### **Employment Arrangement with an Immediate Family Member of our President, Chief Executive Officer and Director**

Corinne Naudé is a Sales Account Executive and the daughter-in-law of Pierre Naudé, our President and Chief Executive Officer. Her total compensation for fiscal 2019 and 2020 was approximately \$248,204 and \$436,521, respectively.

### **Indemnification of Directors and Executive Officers**

We have entered into indemnification agreements with each of our directors and executive officers. The indemnification agreements and our bylaws will require us to indemnify our directors to the fullest extent not prohibited by DGCL. Subject to very limited exceptions, our bylaws will also require us to advance expenses incurred by our directors and officers. For more information regarding these agreements, see the section titled “Management— Limitations on Director and Officer Liability and Indemnification.”

### **Policies and Procedures for Related Party Transactions**

Our audit committee has the primary responsibility for the review, approval and oversight of any “related party transaction,” which is any transaction, arrangement or relationship (or series of similar transactions, arrangements or relationships) in which we are, were or will be a participant and the amount involved exceeds \$120,000, and in which the related person has, had or will have a direct or indirect material interest. We intend to adopt a written related party transaction policy to be effective upon the completion of this offering. Under our related party transaction policy, our management will be required to submit any related person transaction not previously approved or ratified by our audit committee to our audit committee. In approving or rejecting the proposed transactions, our audit committee will take into account all of the relevant facts and circumstances available.

**PRINCIPAL STOCKHOLDERS**

The following table sets forth certain information with respect to the beneficial ownership of our common stock as of June 15, 2020 and as adjusted to reflect the sale of our common stock offered by us in this offering for:

- each person, or group of affiliated persons, known by us to beneficially own more than 5% of our common stock;
- each of our directors;
- each of our named executive officers; and
- all directors and executive officers as a group.

Beneficial ownership is determined in accordance with the rules of the SEC. Under such rules, beneficial ownership includes any shares over which the individual has sole or shared voting power or investment power as well as any shares that the individual has the right to acquire within 60 days of June 15, 2020, through the exercise of any option, warrant or other right. In computing the percentage beneficial ownership of a person, common stock not outstanding and subject to options, warrants or other rights held by that person that are currently exercisable or exercisable within 60 days of June 15, 2020 are deemed outstanding for purposes of calculating the percentage ownership of that person, but are not deemed outstanding for computing the percentage ownership of any other person. Subject to the foregoing, percentage of beneficial ownership is based on 81,641,981 shares of common stock outstanding as of June 15, 2020. Percentage of beneficial ownership after this offering (assuming no exercise of the underwriters' option to purchase additional shares) also assumes the issuance and sale by us of 7,625,000 shares of common stock in this offering.

To our knowledge, except as set forth in the footnotes to this table and subject to applicable community property laws, each person named in the table has sole voting and investment power with respect to the shares set forth opposite such person's name. Except as otherwise indicated, the address of each of the persons in this table is c/o nCino, Inc., 6770 Parker Farm Drive, Wilmington, North Carolina 28405.

<u>Name of Beneficial Owner</u>	<u>Shares of Common Stock Beneficially Owned Before and After this Offering</u>	<u>Percentage of Common Stock Beneficially Owned Before this Offering</u>	<u>Percentage of Common Stock Beneficially Owned After this Offering</u>
<b>Directors and Named Executive Officers:</b>			
Pierre Naudé <sup>(1)</sup>	1,290,000	1.6%	1.4%
David Rudow	—	—	—
Josh Glover <sup>(2)</sup>	292,232	*	*
Steven Collins <sup>(3)</sup>	2,500	*	*
Jon Doyle <sup>(4)</sup>	27,500	*	*
Jeffrey Horing <sup>(5)</sup>	38,018,651	46.6	42.6
Pam Kilday <sup>(6)</sup>	2,500	*	*
Spencer Lake <sup>(7)</sup>	35,750	*	*
Jeffrey Lunsford <sup>(8)</sup>	402,500	*	*
William Ruh <sup>(9)</sup>	358,701	*	*
All executive officers and directors as a group (13 persons) <sup>(10)</sup>	41,526,942	49.7	45.6
<b>5% Stockholders:</b>			
Entities affiliated with Insight Partners <sup>(11)</sup>	38,016,151	46.6	42.6
Entities affiliated with Salesforce <sup>(12)</sup>	10,760,469	13.2	12.1
Entities affiliated with Wellington Management <sup>(13)</sup>	7,715,323	9.5	8.6

- \* Indicates beneficial ownership of less than 1% of the outstanding shares of our common stock.
- (1) Consists of (a) 765,000 shares of common stock held by Mr. Naudé, (b) 500,000 shares of common stock issuable upon exercise of options held by Mr. Naudé that are vested and exercisable as of June 15, 2020 or will become vested and exercisable within 60 days of such date and (c) 25,000 shares of common stock to be issued pursuant to RSUs for which the time-based vesting condition has been or will be met within 60 days of June 15, 2020 and for which the liquidity-based vesting condition will be satisfied upon the effectiveness of the registration statement of which this prospectus forms a part.
  - (2) Consists of (a) 69,787 shares of common stock held by Mr. Glover, (b) 209,945 shares of common stock issuable upon exercise of options held by Mr. Glover that are vested and exercisable as of June 15, 2020 or will become vested and exercisable within 60 days of such date, and (c) 12,500 shares of common stock to be issued pursuant to RSUs for which the time-based vesting condition has been or will be met within 60 days of June 15, 2020 and for which the liquidity-based vesting condition will be satisfied upon the effectiveness of the registration statement of which this prospectus forms a part.
  - (3) Consists of 2,500 shares of common stock to be issued pursuant to RSUs for which the time-based vesting condition has been or will be met within 60 days of June 15, 2020 and for which the liquidity-based vesting condition will be satisfied upon the effectiveness of the registration statement of which this prospectus forms a part.
  - (4) Consists of (a) 25,000 shares of common stock held by Mr. Doyle and (b) 2,500 shares of common stock to be issued pursuant to RSUs for which the time-based vesting condition has been or will be met within 60 days of June 15, 2020 and for which the liquidity-based vesting condition will be satisfied upon the effectiveness of the registration statement of which this prospectus forms a part.
  - (5) Consists of (a) 38,016,151 shares of common stock beneficially held by entities affiliated with Insight Partners as set forth in footnote (11) and (b) 2,500 shares of common stock to be issued pursuant to RSUs for which the time-based vesting condition has been or will be met within 60 days of June 15, 2020 and for which the liquidity-based vesting condition will be satisfied upon the effectiveness of the registration statement of which this prospectus forms a part. Mr. Horing, a member of our board of directors, disclaims beneficial ownership of the shares held of record by each of the affiliated entities of Insight Partners, except to the extent of his pecuniary interest therein, if any.
  - (6) Consists of 2,500 shares of common stock to be issued pursuant to RSUs for which the time-based vesting condition has been or will be met within 60 days of June 15, 2020 and for which the liquidity-based vesting condition will be satisfied upon the effectiveness of the registration statement of which this prospectus forms a part.
  - (7) Consists of (a) 33,250 shares of common stock issuable upon exercise of options held by Mr. Lake that are vested and exercisable as of June 15, 2020 or will become vested and exercisable within 60 days of such date, and (b) 2,500 shares of common stock to be issued pursuant to RSUs for which the time-based vesting condition has been or will be met within 60 days of June 15, 2020 and for which the liquidity-based vesting condition will be satisfied upon the effectiveness of the registration statement of which this prospectus forms a part.
  - (8) Consists of (a) 400,000 shares of common stock held by Mr. Lunsford and (b) 2,500 shares of common stock to be issued pursuant to RSUs for which the time-based vesting condition has been or will be met within 60 days of June 15, 2020 and for which the liquidity-based vesting condition will be satisfied upon the effectiveness of the registration statement of which this prospectus forms a part.
  - (9) Consists of (a) 356,201 shares of common stock held by Mr. Ruh and (b) 2,500 shares of common stock to be issued pursuant to RSUs for which the time-based vesting condition has been or will be met within 60 days of June 15, 2020 and for which the liquidity-based vesting condition will be satisfied upon the effectiveness of the registration statement of which this prospectus forms a part.
  - (10) Consists of (a) 39,643,250 shares of common stock beneficially owned by our directors and executive officers, (b) 1,794,942 shares of common stock issuable upon exercise of options held by our directors and executive officers that are vested and exercisable as of June 15, 2020 or will become vested and exercisable within 60 days of such date and (c) 88,750 shares of common stock to be issued pursuant to RSUs for which the time-based vesting condition has been or will be met within 60 days of June 15, 2020 and for which the

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- liquidity-based vesting condition will be satisfied upon the effectiveness of the registration statement of which this prospectus forms a part.
- (11) Consists of (i) 12,562,994 shares held of record by Insight Venture Partners IX, L.P.; (ii) 6,242,246 shares held of record by Insight Venture Partners (Cayman) IX, L.P.; (iii) 1,331,048 shares held of record by Insight Venture Partners (Delaware) IX, L.P.; (iv) 250,770 shares held of record by Insight Venture Partners IX (Co-Investors), L.P.; (v) 5,105,462 shares held of record by Insight Venture Partners Growth-Buyout Coinvestment Fund, L.P.; (vi) 4,645,041 shares held of record by Insight Venture Partners Growth-Buyout Coinvestment Fund (B), L.P.; (vii) 4,104,494 shares held of record by Insight Venture Partners Growth-Buyout Coinvestment Fund (Cayman), L.P. and (viii) 3,774,096 shares held of record by Insight Venture Partners Growth-Buyout Coinvestment Fund (Delaware), L.P. Insight Holdings Group, LLC (“Holdings”) is the sole shareholder of each of Insight Venture Associates IX, Ltd. (“IVA IX Ltd”) and Insight Venture Associates Growth-Buyout Coinvestment, Ltd. (“IVA GBCF Ltd”). IVA IX Ltd is the general partner of Insight Venture Associates IX, L.P. (“IVA IX LP”), which is the general partner of Insight Venture Partners IX, L.P., Insight Venture Partners (Cayman) IX, L.P., Insight Venture Partners (Delaware) IX, L.P. and Insight Venture Partners IX (Co-Investors), L.P. (collectively “Fund IX”). IVA GBCF Ltd is the general partner of Insight Venture Associates Growth-Buyout Coinvestment, L.P. (“IVA GBCF LP”), which is the general partner of Insight Venture Partners Growth-Buyout Coinvestment Fund, L.P., Insight Venture Partners Growth-Buyout Coinvestment Fund (B), L.P., Insight Venture Partners Growth-Buyout Coinvestment Fund (Cayman), L.P. and Insight Venture Partners Growth-Buyout Coinvestment Fund (Delaware), L.P. (collectively “GBCF”). Each of Jeffrey L. Horing, Deven Parekh, Peter Sobiloff, Jeffrey Lieberman and Michael Triplett is a member of the board of managers of Holdings. Because Messrs. Horing, Parekh, Sobiloff, Lieberman and Triplett are members of the board of managers of Holdings, Holdings is the sole shareholder of each of IVA IX Ltd and IVA GBCF Ltd, IVA IX LP is the general partner of Fund IX and IVA GBCF LP is the general partner of GBCF, Messrs. Horing, Parekh, Sobiloff, Lieberman and Triplett may be deemed to share voting and dispositive power over the shares noted above. Mr. Horing, a member of our board of directors, disclaims beneficial ownership of the shares held of record by each of Fund IX and GBCF, except to the extent of his pecuniary interest therein, if any. The address for these entities is c/o Insight Partners, 1114 Avenue of the Americas, 36th Floor, New York, NY 10036.
  - (12) Consists of 10,760,469 shares of common stock held by Salesforce Ventures LLC (“Salesforce Ventures”). Salesforce may be deemed to have sole power to vote or dispose of the shares held by Salesforce Ventures. The address of Salesforce and Salesforce Ventures is Salesforce Tower, 415 Mission Street, 3rd Floor, San Francisco, California 94105.
  - (13) Wellington Management Company LLP is an investment adviser registered under the Investment Advisers Act of 1940, as amended, and is an indirect subsidiary of Wellington Management Group LLP. Wellington Management Company LLP and Wellington Management Group LLP may each be deemed to share beneficial ownership (within the meaning of Rule 13d-3 promulgated under the Exchange Act) of the shares indicated in the table, all of which are held of record by the entity named in the table or a nominee on its behalf. The business address of the entity named in the table is c/o Wellington Management Company LLP, 280 Congress Street, Boston, Massachusetts 02210. The business address of Wellington Management Company LLP and Wellington Management Group LLP is 280 Congress Street, Boston, Massachusetts 02210.



## DESCRIPTION OF CAPITAL STOCK

This section contains a description of our capital stock and the material provisions of our amended and restated certificate of incorporation and bylaws that will be in effect upon the completion of this offering and is qualified by reference to the forms of our amended and restated certificate of incorporation and our bylaws filed as exhibits to the registration statement relating to this prospectus, and by the applicable provisions of Delaware law. The descriptions of our common stock and preferred stock reflect changes to our capital structure that will occur upon the closing of this offering.

### **General**

Upon the completion of this offering, our amended and restated certificate of incorporation will authorize 500,000,000 shares of common stock, \$0.0005 par value per share, and 10,000,000 shares of undesignated preferred stock, \$0.001 par value per share, the rights, preferences and privileges of which may be designated from time to time by our board of directors.

As of April 30, 2020, there were outstanding 81,583,127 shares of our common stock, held by approximately 374 stockholders of record, and 9,523,260 shares of our common stock issuable upon exercise of outstanding stock options and restricted stock units. As of April 30, 2020, there were no outstanding shares of our preferred stock.

### **Common Stock**

#### ***Dividend Rights***

Subject to preferences that may apply to shares of preferred stock outstanding at the time, the holders of outstanding shares of our common stock are entitled to receive dividends out of funds legally available if our board of directors, in its discretion, determines to issue dividends and only then at the times and in the amounts that our board of directors may determine. See the section titled “Dividend Policy” for more information.

#### ***Voting Rights***

The holders of our common stock are entitled to one vote per share. Stockholders do not have the ability to cumulate votes for the election of directors. Our amended and restated certificate of incorporation and bylaws that will be in effect upon completion of this offering will provide for a classified board of directors consisting of three classes of approximately equal size, each serving staggered three-year terms. Only one class of directors will be elected at each annual meeting of our stockholders, with the other classes continuing for the remainder of their respective three-year terms.

#### ***No Preemptive or Similar Rights***

Our common stock is not entitled to preemptive rights and is not subject to redemption or sinking fund provisions.

#### ***Right to Receive Liquidation Distributions***

Upon our liquidation, dissolution or winding-up, the assets legally available for distribution to our stockholders would be distributable ratably among the holders of our common stock and any participating preferred stock outstanding at that time, subject to prior satisfaction of all outstanding debt and liabilities and the preferential rights of and the payment of liquidation preferences, if any, on any outstanding shares of preferred stock.

## **Preferred Stock**

Pursuant to our amended and restated certificate of incorporation that will become effective immediately prior to the completion of this offering, our board of directors will be authorized, subject to limitations prescribed by Delaware law, to issue preferred stock in one or more series, to establish from time to time the number of shares to be included in each series and to fix the designation, powers, preferences and rights of the shares of each series and any of its qualifications, limitations or restrictions, in each case without further vote or action by our stockholders. Our board of directors can also increase or decrease the number of shares of any series of preferred stock, but not below the number of shares of that series then outstanding, without any further vote or action by our stockholders. Our board of directors may authorize the issuance of preferred stock with voting or conversion rights that could adversely affect the voting power or other rights of the holders of our common stock. The issuance of preferred stock, while providing flexibility in connection with possible acquisitions and other corporate purposes, could, among other things, have the effect of delaying, deferring or preventing a change in our control and might adversely affect the market price of our common stock and the voting and other rights of the holders of our common stock. We have no current plan to issue any shares of preferred stock.

## **Stock Options**

As of April 30, 2020, we had outstanding options to purchase an aggregate of 7,744,722 shares of our common stock, with a weighted-average exercise price of \$5.39 per share, pursuant to our equity incentive plans.

## **Registration Rights**

Following the completion of this offering, the holders of an aggregate of 63,724,941 shares of our common stock, or their permitted transferees, will be entitled to rights with respect to the registration of these shares under the Securities Act. These shares are referred to as registrable securities. These rights are provided under the terms of our IRA, which registration rights include demand registration rights, Form S-3 registration rights and piggyback registration rights. All fees, costs and expenses incurred in connection with the registration of registrable securities, including reasonable fees and disbursements of one special counsel to the selling stockholders, will be borne by us and all selling expenses, including underwriting discounts and selling commissions, will be borne by the holders of the shares being registered.

The registration rights terminate upon the fifth anniversary of the completion of this offering. See the section titled “Certain Relationships and Related Party Transactions—Investors Rights Agreement” for additional information regarding the IRA.

## **Anti-Takeover Provisions**

The provisions of the DGCL, our amended and restated certificate of incorporation and our bylaws to be in effect following this offering could have the effect of delaying, deferring or discouraging another person from acquiring control of our company. These provisions, which are summarized below, are expected to discourage certain types of coercive takeover practices and inadequate takeover bids and encourage persons seeking to acquire control of our company to first negotiate with our board of directors. We believe that the benefits of increased protection of our potential ability to negotiate with an unfriendly or unsolicited acquirer outweigh the disadvantages of discouraging a proposal to acquire us because negotiation of these proposals could result in an improvement of their terms.

## **Section 203 of the DGCL**

We are subject to the provisions of Section 203 of the DGCL regulating corporate takeovers. In general, Section 203 prohibits a publicly held Delaware corporation from engaging in a “business combination” with an

“interested stockholder” for a three-year period following the date that this stockholder becomes an interested stockholder, unless the business combination is approved in a prescribed manner. Under Section 203, a business combination between a corporation and an interested stockholder is prohibited unless it satisfies one of the following conditions:

- before the stockholder became interested, our board of directors approved either the business combination or the transaction, which resulted in the stockholder becoming an interested stockholder;
- upon consummation of the transaction, which resulted in the stockholder becoming an interested stockholder, the interested stockholder owned at least 85% of the voting stock of the corporation outstanding at the time the transaction commenced, excluding for purposes of determining the voting stock outstanding, shares owned by persons who are directors and also officers, and employee stock plans in some instances, but not the outstanding voting stock owned by the interested stockholder; or
- at or after the time the stockholder became interested, the business combination was approved by our board and authorized at an annual or special meeting of the stockholders by the affirmative vote of at least two-thirds of the outstanding voting stock, which is not owned by the interested stockholder.

Section 203 defines a business combination to include:

- any merger or consolidation involving the corporation and the interested stockholder;
- any sale, transfer, lease, pledge or other disposition involving the interested stockholder of 10% or more of the assets of the corporation;
- subject to exceptions, any transaction that results in the issuance or transfer by the corporation of any stock of the corporation to the interested stockholder;
- subject to exceptions, any transaction involving the corporation that has the effect of increasing the proportionate share of the stock of any class or series of the corporation beneficially owned by the interested stockholder; and
- the receipt by the interested stockholder of the benefit of any loans, advances, guarantees, pledges or other financial benefits provided by or through the corporation.

In general, Section 203 defines an interested stockholder as any entity or person beneficially owning 15% or more of the outstanding voting stock of the corporation and any entity or person affiliated with or controlling or controlled by the entity or person.

### ***Certificate of Incorporation and Bylaw Provisions***

Our amended and restated certificate of incorporation and our bylaws will include a number of provisions that may have the effect of deterring hostile takeovers, or delaying or preventing changes in control of our management team or changes in our board of directors or our governance or policy, including the following:

#### ***Board Vacancies***

Our amended and restated certificate of incorporation and bylaws will authorize generally only our board of directors to fill vacant directorships resulting from any cause or created by the expansion of our board of

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directors. In addition, the number of directors constituting our board of directors may be set only by resolution adopted by a majority vote of our entire board of directors. These provisions prevent a stockholder from increasing the size of our board of directors and gaining control of our board of directors by filling the resulting vacancies with its own nominees.

### *Classified Board*

Our amended and restated certificate of incorporation and bylaws will provide that our board of directors is classified into three classes of directors. The existence of a classified board of directors could delay a successful tender offeror from obtaining majority control of our board of directors, and the prospect of that delay might deter a potential offeror. See the section titled “Management—Corporate Governance—Classified Board of Directors” for additional information.

### *Directors Removed Only for Cause*

Our amended and restated certificate of incorporation will provide that stockholders may remove directors only for cause.

### *Supermajority Requirements for Amendments of Our Amended and Restated Certificate of Incorporation and Bylaws*

Our amended and restated certificate of incorporation will further provide that the affirmative vote of holders of at least two-thirds of the voting power of our outstanding common stock will be required to amend certain provisions of our amended and restated certificate of incorporation, including provisions relating to the classified board, the size of the board of directors, removal of directors, special meetings, actions by written consent and designation of our preferred stock. The affirmative vote of holders of at least two-thirds of the voting power of our outstanding common stock will be required to amend or repeal our bylaws, although our bylaws may be amended by a simple majority vote of our board of directors.

### *Stockholder Action; Special Meetings of Stockholders*

Our amended and restated certificate of incorporation will provide that our stockholders may not take action by written consent, but may only take action at annual or special meetings of our stockholders. As a result, holders of our capital stock would not be able to amend our bylaws or remove directors without holding a meeting of our stockholders called in accordance with our bylaws. Our amended and restated certificate of incorporation and our bylaws will provide that special meetings of our stockholders may be called only by a majority of our board of directors, the chairperson of our board of directors, our chief executive officer, our president or the lead independent director, thus prohibiting a stockholder from calling a special meeting. These provisions might delay the ability of our stockholders to force consideration of a proposal or for stockholders to take any action, including the removal of directors.

### *Advance Notice Requirements for Stockholder Proposals and Director Nominations*

Our bylaws will provide advance notice procedures for stockholders seeking to bring business before our annual meeting of stockholders or to nominate candidates for election as directors at our annual meeting of stockholders. To be timely, a stockholder’s notice generally must be delivered to us not later than the close of business on the 90<sup>th</sup> day nor earlier than the close of business on the 120<sup>th</sup> day prior to the first anniversary of the preceding year’s annual meeting of stockholders. Our bylaws also will specify certain requirements regarding the form and content of a stockholder’s notice. With respect to nominations of persons for election to our board of directors, the notice shall provide information about the nominee, including, among other things, name, age, address, principal occupation, ownership of our capital stock and whether they meet applicable independence requirements. With respect to the proposal of other business to be considered by our stockholders at an annual

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meeting, the notice shall provide a brief description of the business desired to be brought before the meeting, the text of the proposal or business, the reasons for conducting such business at the meeting and any material interest in such business by such stockholder and any beneficial owners and associated persons on whose behalf the notice is made, or the proposing persons. In addition, a stockholder's notice must set forth certain information related to the proposing persons, including, among other things:

- the name and address of the proposing persons;
- information as to the ownership by the proposing persons of our capital stock and any derivative interest or short interest in any of our securities held by the proposing persons;
- information as to any material relationships and interest between the proposing persons and us, any of our affiliates and any of our principal competitors;
- a representation that the stockholder is a holder of record of our stock entitled to vote at that meeting and that the stockholder intends to appear in person or by proxy at the meeting to propose such nomination or business; and
- a representation whether the proposing persons intend or are part of a group which intends to deliver a proxy statement or form of proxy to holders of at least the percentage of our outstanding capital stock required to elect the nominee or carry the proposal.

These provisions may preclude our stockholders from bringing matters before our annual meeting of stockholders or from making nominations for directors at our annual meeting of stockholders. We expect that these provisions might also discourage or deter a potential acquirer from conducting a solicitation of proxies to elect the acquirer's own slate of directors or otherwise attempting to obtain control of our company.

### *No Cumulative Voting*

The DGCL provides that stockholders are not entitled to the right to cumulate votes in the election of directors unless a corporation's certificate of incorporation provides otherwise. Our amended and restated certificate of incorporation and bylaws will not provide for cumulative voting.

### *Issuance of Undesignated Preferred Stock*

We anticipate that after the filing of our amended and restated certificate of incorporation, our board will have the authority, without further action by the stockholders, to issue up to 10,000,000 shares of undesignated preferred stock with rights and preferences, including voting rights, designated from time to time by our board of directors. The existence of authorized but unissued shares of preferred stock enables our board of directors to render more difficult or to discourage an attempt to obtain control of us by means of a merger, tender offer, proxy contest or otherwise.

### *Exclusive Forum*

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 sole and exclusive forum for (1) any derivative action or proceeding brought on our behalf, (2) any action asserting a claim of breach of a fiduciary duty owed by any of our directors, officers or other employees to us or our stockholders, (3) any action arising pursuant to any provision of the Delaware General Corporation Law or our amended and restated certificate of incorporation or bylaws, (4) any other action asserting a claim that is governed by the internal affairs doctrine shall be the Court of Chancery of the State of Delaware (or, if the Court of Chancery does not have jurisdiction, the federal district court for the District of Delaware) or (5) any other action asserting an

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“internal corporate claim,” as defined in Section 115 of the Delaware General Corporation Law, in all cases subject to the court having jurisdiction over indispensable parties named as defendants. Our amended and restated certificate of incorporation will also provide that, unless we consent in writing to the selection of an alternative forum, 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. Any person or entity purchasing or otherwise acquiring any interest in our securities shall be deemed to have notice of and consented to this provision. Although we believe these provisions benefit us by providing increased consistency in the application of Delaware law for the specified types of actions and proceedings, the provisions may have the effect of discouraging lawsuits against us or our directors and officers.

### **Transfer Agent and Registrar**

Upon the completion of this offering, the transfer agent and registrar for our common stock will be Computershare Trust Company, N.A. The transfer agent’s address is 250 Royall Street, Canton, MA 02021, and its telephone number is (800) 962-4284.

### **Exchange Listing**

We have applied to list our common stock on The Nasdaq Global Select Market under the symbol “NCNO.”

## SHARES ELIGIBLE FOR FUTURE SALE

Prior to this offering, there has been no public market for our common stock, and we cannot predict the effect, if any, that market sales of our common stock or the availability of our common stock for sale will have on the market price of our common stock prevailing from time to time. Future sales of our common stock in the public market, or the availability of such shares for sale in the public market, could adversely affect market prices prevailing from time to time. As described below, only a limited number of our common stock will be available for sale shortly after this offering due to contractual and legal restrictions on resale. Nevertheless, sales of our common stock in the public market after such restrictions lapse, or the perception that those sales may occur, could adversely affect the prevailing market price at such time and our ability to raise equity capital in the future.

Following the completion of this offering, based on the number shares of our common stock outstanding as of April 30, 2020, and assuming no exercise of outstanding options or vesting of RSUs after such date, we will have a total of 89,208,127 shares of common stock outstanding.

Of those outstanding shares, 7,625,000 shares of common stock sold in the offering, not including the underwriters' option to purchase additional shares, will be freely tradeable, except that any shares purchased in this offering by our affiliates, as that term is defined in Rule 144 under the Securities Act, would only be able to be sold in compliance with the Rule 144 limitations described below.

The remaining outstanding common stock will be, and shares subject to outstanding options will be upon issuance, deemed "restricted securities" as defined in Rule 144 under the Securities Act. Restricted securities may be sold in the public market only if they are registered or if they qualify for an exemption from registration under Rule 144 or Rule 701 under the Securities Act, which rules are summarized below. All of our executive officers, directors and holders of substantially all of our equity securities are subject to lock-up agreements under which they have agreed, subject to specific exceptions, not to sell any of our equity securities for 180 days following the date of this prospectus. As a result of these agreements and subject to the provisions of Rule 144 or Rule 701, shares of our common stock will be available for sale in the public market as follows:

- beginning on the date of this prospectus, all 7,625,000 shares of our common stock sold in this offering will be immediately available for sale in the public market; and
- beginning 181 days after the date of this prospectus (subject to the terms of the lock-up and market standoff agreements described below), 81,583,127 additional shares will become eligible for sale in the public market, of which 48,011,519 shares will be held by affiliates and subject to the volume and other restrictions of Rule 144, as described below.

### Lock-Up Agreements

We, our directors and officers and holders of substantially all of our equity securities have agreed or will agree prior to the effective date of the registration statement of which this prospectus is a part, subject to certain exceptions, not to offer, pledge sell, contract to sell, transfer, lend or otherwise dispose of, directly or indirectly, any shares of our common stock or securities convertible into or exchangeable or exercisable for common stock, for 180 days after the date of this prospectus without first obtaining the written consent of the Representatives, on behalf of the underwriters. These agreements are described below under the section titled "Underwriting."

### Rule 144

In general, Rule 144 provides that once we have been subject to the public company reporting requirements of Section 13 or Section 15(d) of the Exchange Act for at least 90 days, a person who is not deemed to have been one of our affiliates for purposes of the Securities Act at any time during the 90 days preceding a sale and who has beneficially owned the common stock proposed to be sold for at least six months is entitled to

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sell those shares without complying with the manner of sale, volume limitation or notice provisions of Rule 144, subject to compliance with the public information requirements of Rule 144. If such a person has beneficially owned the common stock proposed to be sold for at least one year, including the holding period of any prior owner other than our affiliates, then that person would be entitled to sell those shares without complying with any of the requirements of Rule 144.

In general, Rule 144 provides that our affiliates or persons selling our common stock on behalf of our affiliates are entitled to sell upon expiration of the market standoff agreements and lock-up agreements described above, within any three-month period, a number of our common stock that does not exceed the greater of:

- 1% of the number of our common stock then outstanding, which will equal 892,082 shares immediately after the completion of this offering; or
- the average weekly trading volume of our common stock during the four calendar weeks preceding the filing of a notice on Form 144 with respect to that sale.

Sales of our common stock made in reliance upon Rule 144 by our affiliates or persons selling our common stock on behalf of our affiliates are also subject to certain manner of sale provisions and notice requirements and to the availability of current public information about us.

### **Rule 701**

Rule 701 generally allows a stockholder who purchased our common stock pursuant to a written compensatory plan or contract and who is not deemed to have been an affiliate of our company during the immediately preceding 90 days to sell these shares in reliance upon Rule 144, but without being required to comply with the public information, holding period, volume limitation or notice provisions of Rule 144. Rule 701 also permits affiliates of our company to sell their Rule 701 shares under Rule 144 without complying with the holding period requirements of Rule 144. All holders of Rule 701 shares, however, are required to wait until 90 days after the date of this prospectus before selling those shares pursuant to Rule 701.

### **Registration Rights**

Following the completion of this offering, the holders of an aggregate of 63,724,941 shares of our common stock, or their permitted transferees, will be entitled to rights with respect to the registration of these shares under the Securities Act. These shares are referred to as registrable securities. These rights are provided under the terms of our IRA, which registration rights include demand registration rights, Form S-3 registration rights and piggyback registration rights. All fees, costs and expenses incurred in connection with the registration of registrable securities, including reasonable fees and disbursements of one special counsel to the selling stockholders, will be borne by us and all selling expenses, including underwriting discounts and selling commissions, will be borne by the holders of the shares being registered.

The registration rights terminate upon the fifth anniversary of the completion of this offering.

### ***Demand Registration Rights***

Under the terms of the IRA, if we receive a written request, at any time after 180 days following the effective date of this offering, from the holders of at least a majority of the registrable securities then outstanding that we file a registration statement under the Securities Act covering the registration of registrable securities and if the aggregate price to the public of the shares offered is at least \$15.0 million, then we will be required to file as soon as practicable, and in any event no later than 60 days following such request, a registration statement covering all registrable securities requested to be registered for public resale. We may defer the filing of a registration statement for up to 60 days once in any 12-month period if our board of directors determines that the



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filing would be seriously detrimental to us and our stockholders. We are not required to effect a demand registration under certain additional circumstances specified in the IRA, including at any time during the 180-day period after the effective date of this offering.

### ***Form S-3 Registration Rights***

The holders of at least 20% of the then registrable securities can request that we register all or part of their shares on Form S-3 if we are eligible to file a registration statement on Form S-3 and if the aggregate price to the public of the shares offered is at least \$3.0 million. Upon such a request, we would be required to file as soon as practicable, and in any event no later than 45 days following such a request, a registration statement covering all registrable securities requested to be registered for public resale. We are not required to file a registration on Form S-3 if we have filed two registrations on Form S-3 in the preceding 12-month period and may postpone the filing of a registration statement on Form S-3 for up to 60 days twice in any 12-month period if our board of directors determines that the filing would be seriously detrimental to us and our stockholders. We are not required to file a registration statement on Form S-3 under certain additional circumstances specified in the IRA.

### ***Piggyback Registration Rights***

If we register any of our securities for public sale, each holder of registrable securities has a right to request the inclusion of any then-outstanding registrable securities held by them on our registration statement. However, this right does not apply to a registration relating solely to employee benefit plans, a corporate reorganization or stock issuable upon conversion of debt securities. The Company has the right to terminate or withdraw any registration, whether or not any registrable securities has been elected to be included. If the underwriters of any underwritten offering determine in their reasonable discretion to limit the number of registrable securities to be included in such underwritten offering, the number of registrable securities to be registered will be apportioned pro rata among such holders, based on the number of registrable securities held by each holder. However, the number of registrable securities to be registered cannot be reduced unless all other securities are first entirely excluded from the underwriting.

### **Form S-8 Registration Statement**

We intend to file a registration statement on Form S-8 under the Securities Act promptly after the effectiveness of this offering to register shares of our common stock subject to options outstanding, as well as reserved for future issuance, under our equity compensation plans. The registration statement on Form S-8 is expected to become effective immediately upon filing, and shares of our common stock covered by the registration statement will then become eligible for sale in the public market, subject to the Rule 144 limitations applicable to affiliates, vesting restrictions and any applicable market standoff agreements and lock-up agreements. See the section titled “Executive Compensation—Equity Compensation Plans” for a description of our equity compensation plans.

## **MATERIAL U.S. FEDERAL INCOME TAX CONSEQUENCES TO NON-U.S. HOLDERS OF OUR COMMON STOCK**

The following is a summary of material U.S. federal income tax consequences of the ownership and disposition of shares of our common stock as of the date hereof. Except where noted, this summary deals only with common stock that is held as a capital asset by a non-U.S. holder (as defined below). This summary is based upon provisions of the Code and regulations, rulings and judicial decisions as of the date hereof. Those authorities may be changed, perhaps retroactively, so as to result in U.S. federal income tax consequences different from those summarized below. We cannot assure you that a change in law will not alter significantly the tax considerations that we describe in this summary.

A “non-U.S. holder” means a beneficial owner of shares of our common stock (other than an entity treated as a partnership for U.S. federal income tax purposes) that is not, for U.S. federal income tax purposes, any of the following:

- an individual who is a citizen or resident of the United States;
- a corporation (or any other entity treated as a corporation for U.S. federal income tax purposes) created or organized in or 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 taxation regardless of its source; or
- a trust if it (1) is subject to the primary supervision of a court within the United States and one or more U.S. persons (as defined under the Code) have the authority to control all substantial decisions of the trust or (2) has a valid election in effect under applicable U.S. Treasury regulations to be treated as a U.S. person.

This summary does not address all aspects of U.S. federal income taxation that may be relevant to non-U.S. holders in light of their particular circumstances. In addition, this summary does not address the Medicare tax on certain net investment income, U.S. federal gift or estate tax laws, any state, local or non-U.S. tax laws or any tax treaties. This summary also does not address the U.S. federal income tax consequences applicable to non-U.S. holders that are subject to special treatment under the U.S. federal income tax laws, including (without limitation) former citizens or long-term residents of the United States, foreign pension funds, “controlled foreign corporations,” “passive foreign investment companies,” financial institutions, insurance companies, regulated investment companies, real estate investment trusts, mutual funds, broker-dealers, traders in securities or other persons that elect to use a mark-to-market method of accounting for their holdings in our common stock, persons who hold our common stock as “qualified small business stock” within the meaning of Section 1202 of the Code, persons who hold our common stock as a position in a hedging transaction, “straddle,” “conversion transaction,” or other risk reduction transaction or integrated investment, persons subject to the alternative minimum tax, persons who acquired our common stock through stock options or in other compensatory transactions or partnerships or other pass-through entities for U.S. federal income tax purposes.

If a partnership (or other entity or arrangement treated as a partnership for U.S. federal income tax purposes) holds shares of our common stock, the tax treatment of a partner will generally depend upon the status of the partner, the activities of the partnership and certain determinations made at the partner level. Accordingly, partners in partnerships (including entities or arrangements treated as partnerships for U.S. federal income tax purposes) considering the purchase of our common stock should consult their tax advisors regarding the U.S. federal income tax considerations of the purchase, ownership and disposition of our common stock by such partnership.

**THIS DISCUSSION IS FOR INFORMATIONAL PURPOSES ONLY AND IS NOT TAX ADVICE. PROSPECTIVE INVESTORS ARE ENCOURAGED TO CONSULT THEIR TAX ADVISORS WITH**

RESPECT TO THE APPLICATION OF THE U.S. FEDERAL INCOME TAX LAWS TO THEIR PARTICULAR SITUATION, AS WELL AS ANY TAX CONSEQUENCES OF THE PURCHASE, OWNERSHIP AND DISPOSITION OF OUR COMMON STOCK ARISING UNDER THE U.S. FEDERAL GIFT OR ESTATE TAX LAWS OR UNDER THE LAWS OF ANY STATE, LOCAL, NON-U.S. OR OTHER TAXING JURISDICTION OR UNDER ANY APPLICABLE TAX TREATY.

## **Distributions**

Distributions of cash or property on our common stock will constitute dividends for U.S. federal income tax purposes to the extent paid from our current or accumulated earnings and profits, as determined under U.S. federal income tax principles. To the extent those distributions exceed our current and accumulated earnings and profits, the distributions will be treated as a nontaxable return of capital to the extent of the non-U.S. holder's tax basis in our common stock and thereafter as capital gain from the sale or exchange of such common stock. Please read "—Sales or other Taxable Dispositions." Subject to the withholding rules discussed below under "—Backup Withholding and Information Reporting" and "—Additional Withholding Requirements under FATCA" and with respect to effectively connected dividends, any distribution made to a non-U.S. holder on our common stock generally will be subject to U.S. withholding tax at a rate of 30% of the gross amount of the distribution unless an applicable income tax treaty provides for a lower rate. To receive the benefit of a reduced treaty rate, a non-U.S. holder must provide the applicable withholding agent with a properly executed IRS Form W-8BEN or IRS Form W-8BEN-E (or other applicable or successor form) certifying qualification for the reduced rate, and the non-U.S. holder will be required to update such forms and certifications from time to time as required by law. A non-U.S. holder eligible for a reduced rate of U.S. federal withholding tax pursuant to an applicable income tax treaty may be eligible to obtain a refund of any excess amounts withheld by timely filing an appropriate claim for refund with the IRS. If the non-U.S. holder holds our common stock through a financial institution or other agent acting on the non-U.S. holder's behalf, the non-U.S. holder will be required to provide appropriate documentation to the agent, which then will be required to provide certification to us or our paying agent, either directly or through other intermediaries. Non-U.S. holders should consult their tax advisors regarding their entitlement to benefits under an applicable income tax treaty.

If dividends paid to a non-U.S. holder are effectively connected with a trade or business conducted by the non-U.S. holder in the United States (and, if required by an applicable income tax treaty, are treated as attributable to a permanent establishment maintained by the non-U.S. holder in the United States), the non-U.S. holder will be exempt from the U.S. withholding tax described above, provided the non-U.S. holder satisfies certain certification requirements by providing the applicable withholding agent a properly executed IRS Form W-8ECI certifying eligibility for exemption, and the non-U.S. holder will be required to update such forms and certifications from time to time as required by law. Any such effectively connected dividends generally will be taxed on a net income basis at the rates and in the manner generally applicable to U.S. persons (as defined under the Code). If the non-U.S. holder is a corporation for U.S. federal income tax purposes, it may also be subject to a branch profits tax at a 30% rate (or such lower rate as specified by an applicable income tax treaty) on its effectively connected earnings and profits (as adjusted for certain items), which will include effectively connected dividends. Non-U.S. holders should consult their tax advisors regarding any applicable income tax treaties that may provide for different rules.

## **Sales or other Taxable Dispositions**

Subject to the discussion below under "—Backup Withholding and Information Reporting", any gain realized by a non-U.S. holder on the sale or other disposition of our common stock generally will not be subject to U.S. federal income tax unless:

- the gain is effectively connected with a trade or business of the non-U.S. holder in the United States (and, if required by an applicable income tax treaty, is attributable to a U.S. permanent establishment of the non-U.S. holder);

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- the non-U.S. holder is an individual who is present in the United States for 183 days or more in the taxable year of that disposition, and certain other conditions are met; or
- we are or have been a “United States real property holding corporation” for U.S. federal income tax purposes and certain other conditions are met.

A non-U.S. holder described in the first bullet point immediately above will be subject to tax on the gain derived from the sale or other disposition on a net income tax basis at the U.S. federal income tax rates applicable to U.S. citizens, nonresident aliens or domestic corporations, as applicable. In addition, if any non-U.S. holder described in the first bullet point immediately above is a foreign corporation, the gain realized by such non-U.S. holder may be subject to an additional branch profits tax at a 30% rate (or such lower rate as may be specified by an applicable income tax treaty). An individual non-U.S. holder described in the second bullet point immediately above will be subject to a 30% (or such lower rate as may be specified by an applicable income tax treaty) tax on the gain derived from the sale or other disposition, which gain may be offset by U.S. source capital losses even though the individual is not considered a resident of the United States.

Generally, a corporation is a “United States real property holding corporation” (“USRPHC”) if the fair market value of its U.S. real property interests equals or exceeds 50% of the sum of the fair market value of its worldwide real property interests and its other assets used or held for use in a trade or business (all as determined for U.S. federal income tax purposes). We believe that we are not currently and will not become a USRPHC, and the remainder of this discussion assumes this is the case. However, because the determination of 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 business assets, there can be no assurance that we will not become a USRPHC in the future. If we are or become a USRPHC, however, so long as our common stock is regularly traded on an established securities market during the calendar year in which the sale or other disposition occurs, only a non-U.S. holder who actually or constructively holds or held (at any time during the shorter of the five-year period preceding the date of disposition or the holder’s holding period) more than 5% of our common stock will be subject to U.S. federal income tax on the sale or other disposition of our common stock.

### **Backup Withholding and Information Reporting**

Any dividends paid to a non-U.S. holder must be reported annually to the IRS and to the non-U.S. holder. Copies of these information returns may be made available to the tax authorities in the country in which the non-U.S. holder resides or is established. Payments of dividends to a non-U.S. holder generally will not be subject to backup withholding if the non-U.S. holder establishes an exemption by properly certifying its non-U.S. status on an IRS Form W-8BEN, IRS Form W-8BEN-E or other applicable or successor form.

Payments of the proceeds from a sale or other disposition by a non-U.S. holder of our common stock effected by or through the office of a broker generally will be subject to information reporting and backup withholding (currently at the rate of 24%) unless the non-U.S. holder establishes an exemption by properly certifying its non-U.S. status on an IRS Form W-8BEN, IRS Form W-8BEN-E or other applicable or successor form and certain other conditions are met. Information reporting and backup withholding generally will not apply to any payment of the proceeds from a sale or other disposition of our common stock effected outside the United States by a non-U.S. office of a broker. However, unless such broker has documentary evidence in its records that the holder is not a U.S. person and certain other conditions are met, or the non-U.S. holder otherwise establishes an exemption, information reporting will apply to a payment of the proceeds of the disposition of our common stock effected outside the United States by such a broker if it has certain relationships within the United States. Notwithstanding the foregoing, backup withholding and information reporting may apply if either we or our paying agent has actual knowledge, or reason to know, that the non-U.S. holder is a U.S. person who is not an exempt recipient under the Code and applicable Treasury regulations.

Backup withholding is not an additional tax. Rather, the U.S. income tax liability (if any) of persons subject to backup withholding will be reduced by the amount of tax withheld. If backup withholding results in an overpayment of taxes, a refund may be obtained, provided that the required information is timely furnished to the IRS.

#### **Additional Withholding Requirements under FATCA**

Sections 1471 through 1474 of the Code, and the Treasury regulations and administrative guidance issued thereunder (“FATCA”), impose a 30% withholding tax on any dividends paid on our common stock if paid to a “foreign financial institution” or a “non-financial foreign entity” (each as defined in the Code) (including, in some cases, when such foreign financial institution or non-financial foreign entity is acting as an intermediary), unless (1) in the case of a foreign financial institution, 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 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 non-U.S. entities with U.S. owners); (2) in the case of a non-financial foreign entity, such entity certifies that it does not have any “substantial United States owners” (as defined in the Code) or provides the applicable withholding agent with a certification identifying the direct and indirect substantial United States owners of the entity (in either case, generally on an IRS Form W-8BEN-E) and provides certain information with respect to such United States owners; or (3) the foreign financial institution or non-financial foreign entity otherwise qualifies for an exemption from these rules and provides appropriate documentation (such as an IRS Form W-8BEN-E). The Treasury Secretary has issued proposed regulations providing that the withholding provisions under FATCA do not apply with respect to gross proceeds from a sale or other disposition of our common stock, which may be relied upon by taxpayers until final regulations are issued. Foreign financial institutions located in jurisdictions that have an intergovernmental agreement with the United States governing these rules may be subject to different rules. Under certain circumstances, a holder might be eligible for refunds or credits of such taxes.

INVESTORS CONSIDERING THE PURCHASE OF OUR COMMON STOCK SHOULD CONSULT THEIR OWN TAX ADVISORS REGARDING THE APPLICATION OF THE U.S. FEDERAL INCOME TAX LAWS TO THEIR PARTICULAR SITUATIONS AND THE APPLICABILITY AND EFFECT OF U.S. FEDERAL GIFT AND ESTATE TAX LAWS AND ANY STATE, LOCAL OR NON-U.S. TAX LAWS AND TAX TREATIES.

## UNDERWRITING

BofA Securities, Inc. and Barclays Capital Inc., are acting as representatives of each of the underwriters named below. Subject to the terms and conditions set forth in an underwriting agreement among us and the underwriters, we have agreed to sell to the underwriters, and each of the underwriters has agreed, severally and not jointly, to purchase from us, the number of shares of common stock set forth opposite its name below.

<u>Underwriter</u>	<u>Number of Shares</u>
BofA Securities, Inc.	
Barclays Capital Inc.	
KeyBanc Capital Markets Inc.	
SunTrust Robinson Humphrey, Inc.	
Piper Sandler & Co.	
Raymond James and Associates, Inc.	
Macquarie Capital (USA) Inc.	
Total	<u>7,625,000</u>

Subject to the terms and conditions set forth in the underwriting agreement, the underwriters have agreed, severally and not jointly, to purchase all of the shares sold under the underwriting agreement if any of these shares are purchased. If an underwriter defaults, the underwriting agreement provides that the purchase commitments of the nondefaulting underwriters may be increased or the underwriting agreement may be terminated.

We have agreed to indemnify the underwriters against certain liabilities, including liabilities under the Securities Act, or to contribute to payments the underwriters may be required to make in respect of those liabilities.

The underwriters are offering the shares, subject to prior sale, when, as and if issued to and accepted by them, subject to approval of legal matters by their counsel, including the validity of the shares, and other conditions contained in the underwriting agreement, such as the receipt by the underwriters of officer's certificates and legal opinions. The underwriters reserve the right to withdraw, cancel or modify offers to the public and to reject orders in whole or in part.

### Commissions and Discounts

The representatives have advised us that the underwriters propose initially to offer the shares to the public at the public offering price set forth on the cover page of this prospectus and to dealers at that price less a concession not in excess of \$ \_\_\_\_\_ per share. After the initial offering, the public offering price, concession or any other term of the offering may be changed.

The following table shows the public offering price, underwriting discount and proceeds before expenses to us. The information assumes either no exercise or full exercise by the underwriters of their option to purchase additional shares.

	<u>Per Share</u>	<u>Without Option</u>	<u>With Option</u>
Public offering price	\$	\$	\$
Underwriting discount	\$	\$	\$
Proceeds, before expenses, to us	\$	\$	\$

The expenses of the offering, not including the underwriting discount, are estimated at \$3.9 million and are payable by us.

### **Option to Purchase Additional Shares**

We have granted an option to the underwriters, exercisable for 30 days after the date of this prospectus, to purchase up to 1,143,750 additional shares at the public offering price, less the underwriting discount. If the underwriters exercise this option, each will be obligated, subject to conditions contained in the underwriting agreement, to purchase a number of additional shares proportionate to that underwriter's initial amount reflected in the above table.

### **Reserved Share Program**

At our request, an affiliate of BofA Securities, Inc., a participating Underwriter, has reserved for sale, at the initial public offering price, up to 5% of the shares offered by this prospectus to some of our directors, officers, employees, business associates and related persons. If these persons purchase reserved shares it will reduce the number of shares available for sale to the general public. Any reserved shares that are not so purchased will be offered by the underwriters to the general public on the same terms as the other shares offered by this prospectus. Shares purchased by our directors and officers in the reserved share program will be subject to lock-up restrictions described in this prospectus.

### **No Sales of Similar Securities**

We, our executive officers and directors and holders of substantially all of our common stock have agreed not to sell or transfer any common stock or securities convertible into, exchangeable for, exercisable for, or repayable with common stock, for 180 days after the date of this prospectus without first obtaining the written consent of the Representatives. Specifically, we and these other persons have agreed, with certain limited exceptions, not to directly or indirectly;

- offer, pledge, sell or contract to sell any common stock,
- sell any option or contract to purchase any common stock,
- purchase any option or contract to sell any common stock,
- grant any option, right or warrant for the sale of any common stock,
- lend or otherwise dispose of or transfer any common stock,
- request or demand that we file or make a confidential submission of a registration statement related to the common stock, or
- enter into any swap or other agreement that transfers, in whole or in part, the economic consequence of ownership of any common stock whether any such swap or transaction is to be settled by delivery of shares or other securities, in cash or otherwise.

This lock-up provision applies to common stock and to securities convertible into or exchangeable or exercisable for or repayable with common stock. It also applies to common stock owned now or acquired later by the person executing the agreement or for which the person executing the agreement later acquires the power of disposition. The Representatives in their sole discretion, may release the common stock subject to the lockup agreements in whole or in part at any time. At least three business days before the effectiveness of any release or waiver of any of the restrictions described above with respect to an officer or directors, the Representatives will notify us of the impended release or waiver and we have agreed to announce the impending release or waiver in accordance with applicable FINRA rules (which may include by press release through a major news service), except where the release or waiver is effected solely to permit a transfer of common stock that is not for

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consideration and where the transferee has agreed in writing to be bound by the same terms as the lock-up agreements described above to the extent and for the duration that such terms remain in effect at the time of transfer.

### **Exchange Listing**

We have applied to list our common stock on The Nasdaq Global Select Market under the symbol “NCNO.”

### **Pricing of the Offering**

Before this offering, there has been no public market for our common stock. The initial public offering price will be determined through negotiations between us and the representatives. In addition to prevailing market conditions, the factors to be considered in determining the initial public offering price are:

- the valuation multiples of publicly traded companies that the representatives believe to be comparable to us,
- our financial information,
- the history of, and the prospects for, our company and the industry in which we compete,
- an assessment of our management, its past and present operations, and the prospects for, and timing of, our future revenues,
- the present state of our development, and
- the above factors in relation to market values and various valuation measures of other companies engaged in activities similar to ours.

An active trading market for the shares may not develop. It is also possible that after the offering the shares will not trade in the public market at or above the initial public offering price.

The underwriters do not expect to sell more than 5% of the shares in the aggregate to accounts over which they exercise discretionary authority.

### **Price Stabilization, Short Positions and Penalty Bids**

Until the distribution of the shares is completed, SEC rules may limit underwriters and selling group members from bidding for and purchasing our common stock. However, the representatives may engage in transactions that stabilize the price of the common stock, such as bids or purchases to peg, fix or maintain that price.

In connection with the offering, the underwriters may purchase and sell our common stock in the open market. These transactions may include short sales, purchases on the open market to cover positions created by short sales and stabilizing transactions. Short sales involve the sale by the underwriters of a greater number of shares than they are required to purchase in the offering. “Covered” short sales are sales made in an amount not greater than the underwriters’ option to purchase additional shares described above. The underwriters may close out any covered short position by either exercising their option to purchase additional shares or purchasing shares in the open market. In determining the source of shares to close out the covered short position, the underwriters will consider, among other things, the price of shares available for purchase in the open market as compared to the price at which they may purchase shares through the option granted to them. “Naked” short sales are sales in



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excess of such option. 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 our common stock in the open market after pricing that could adversely affect investors who purchase in the offering. Stabilizing transactions consist of various bids for or purchases of shares of common stock made by the underwriters in the open market prior to the completion of the offering.

The underwriters may also impose a penalty bid. This occurs when a particular underwriter repays to the underwriters a portion of the underwriting discount received by it because the representatives have repurchased shares sold by or for the account of such underwriter in stabilizing or short covering transactions.

Similar to other purchase transactions, the underwriters' purchases to cover the syndicate short sales may have the effect of raising or maintaining the market price of our common stock or preventing or retarding a decline in the market price of our common stock. As a result, the price of our common stock may be higher than the price that might otherwise exist in the open market. The underwriters may conduct these transactions on The Nasdaq Global Select Market, in the over-the-counter market or otherwise.

Neither we nor any of the underwriters make any representation or prediction as to the direction or magnitude of any effect that the transactions described above may have on the price of our common stock. In addition, neither we nor any of the underwriters make any representation that the representatives will engage in these transactions or that these transactions, once commenced, will not be discontinued without notice.

### **Electronic Distribution**

In connection with the offering, certain of the underwriters or securities dealers may distribute prospectuses by electronic means, such as e-mail.

### **Other Relationships**

Some of the underwriters and their affiliates have engaged in, and may in the future engage in, investment banking and other commercial dealings, including in some cases as our customers, in the ordinary course of business with us or our affiliates. They or we, as applicable, have received, or may in the future receive, customary fees and/or commissions for these transactions.

In addition, in the ordinary course of their business activities, the underwriters and their 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. Such investments and securities activities may involve securities and/or instruments of ours or our affiliates. The underwriters and their affiliates may also make investment recommendations and/or publish or express independent research views in respect of such securities or financial instruments and may hold, or recommend to clients that they acquire, long and/or short positions in such securities and instruments. In addition, certain affiliates of the representatives are our customers and we have agreements with them in such capacity.

### **European Economic Area and United Kingdom**

This prospectus is not a prospectus for the purposes of the Prospectus Regulation (as defined below). This prospectus and any offer if made subsequently is directed only at persons in Member States of the European Economic Area or in the United Kingdom (each, a "Relevant State") who are "qualified investors" within the meaning of Article 2(e) of the Prospectus Regulation. This prospectus has been prepared on the basis that any offer of shares in any Relevant State will be made pursuant to an exemption under the Prospectus Regulation from the requirement to publish a prospectus for offers of shares. Accordingly any person making or intending to make an offer in that Relevant State of shares which are the subject of the offering contemplated in this prospectus may only do so in circumstances in which no obligation arises for the Company or any of the

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underwriters to publish a prospectus pursuant to Article 3 of the Prospectus Regulation in relation to such offer. Neither the Company nor the underwriters have authorized, nor do they authorize, the making of any offer of shares in circumstances in which an obligation arises for the Company or the underwriters to publish a prospectus for such offer. The expression “Prospectus Regulation” means Regulation (EU) 2017/1129.

In relation to each Relevant State, no offer of shares which are the subject of the offering contemplated by this prospectus to the public may be made in that Relevant State other than:

- (a) to any legal entity which is a qualified investor as defined in the Prospectus Regulation;
- (b) to fewer than 150 natural or legal persons (other than qualified investors as defined in the Prospectus Regulation), subject to obtaining the prior consent of the relevant underwriter or underwriters nominated by the Company for any such offer; or
- (c) in any other circumstances falling within Article 1(4) of the Prospectus Regulation,

provided that no such offer of shares shall require the Company or any underwriter to publish a prospectus pursuant to Article 3 of the Prospectus Regulation.

For the purposes of this provision, the expression an “offer of shares to the public” in relation to any shares in any Relevant State means the communication in any form and by any means of sufficient information on the terms of the offer and the shares to be offered so as to enable an investor to decide to purchase or subscribe for the shares.

### **United Kingdom**

This prospectus may not be distributed or circulated to any person in the United Kingdom other than to (i) persons who have 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 (the “Order”); and (ii) high net worth entities falling within Article 49(2)(a) to (d) of the Order (all such persons together being referred to as “relevant persons”). This prospectus is directed only at relevant persons. Other persons should not act on this prospectus or any of its contents. This prospectus is confidential and is being supplied to you solely for your information and may not be reproduced, redistributed or passed on to any other person or published, in whole or in part, for any other purpose.

Any invitation or inducement to engage in investment activity (within the meaning of Section 21 of the United Kingdom’s Financial Services and Markets Act 2000, as amended (the “FSMA”)) in connection with the issue or sale of the shares may only be communicated or caused to be communicated in circumstances in which Section 21(1) of the FSMA does not apply to the Company.

All applicable provisions of the FSMA must be complied with in respect to anything done by any person in relation to the shares in, from or otherwise involving the United Kingdom.

### **Notice to Prospective Investors in Switzerland**

The shares may not be publicly offered in Switzerland and will not be listed on the SIX Swiss Exchange (“SIX”) or on any other stock exchange or regulated trading facility in Switzerland. This document has been prepared without regard to the disclosure standards for issuance prospectuses under art. 652a or art. 1156 of the Swiss Code of Obligations or the disclosure standards for listing prospectuses under art. 27 ff. of the SIX Listing Rules or the listing rules of any other stock exchange or regulated trading facility in Switzerland. Neither this document nor any other offering or marketing material relating to the shares or the offering may be publicly distributed or otherwise made publicly available in Switzerland.

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Neither this document nor any other offering or marketing material relating to the offering, the Company, the shares have been or will be filed with or approved by any Swiss regulatory authority. In particular, this document will not be filed with, and the offer of shares will not be supervised by, the Swiss Financial Market Supervisory Authority FINMA (“FINMA”), and the offer of shares has not been and will not be authorized under the Swiss Federal Act on Collective Investment Schemes (“CISA”). The investor protection afforded to acquirers of interests in collective investment schemes under the CISA does not extend to acquirers of shares.

### **Notice to Prospective Investors in the Dubai International Financial Centre**

This prospectus relates to an Exempt Offer in accordance with the Offered Securities Rules of the Dubai Financial Services Authority (“DFSA”). This prospectus is intended for distribution only to persons of a type specified in the Offered Securities Rules of the DFSA. It must not be delivered to, or relied on by, any other person. The DFSA has no responsibility for reviewing or verifying any documents in connection with Exempt Offers. The DFSA has not approved this prospectus nor taken steps to verify the information set forth herein and has no responsibility for the prospectus. The shares to which this prospectus relates may be illiquid and/or subject to restrictions on their resale. Prospective purchasers of the shares offered should conduct their own due diligence on the shares. If you do not understand the contents of this prospectus you should consult an authorized financial advisor.

### **Notice to Prospective Investors in Australia**

No placement document, prospectus, product disclosure statement or other disclosure document has been lodged with the Australian Securities and Investments Commission (“ASIC”), in relation to the offering. This prospectus does not constitute a prospectus, product disclosure statement or other disclosure document under the Corporations Act 2001 (the “Corporations Act”), and does not purport to include the information required for a prospectus, product disclosure statement or other disclosure document under the Corporations Act.

Any offer in Australia of the shares may only be made to persons (the “Exempt Investors”) who are “sophisticated investors” (within the meaning of section 708(8) of the Corporations Act), “professional investors” (within the meaning of section 708(11) of the Corporations Act) or otherwise pursuant to one or more exemptions contained in section 708 of the Corporations Act so that it is lawful to offer the shares without disclosure to investors under Chapter 6D of the Corporations Act.

The shares applied for by Exempt Investors in Australia must not be offered for sale in Australia in the period of 12 months after the date of allotment under the offering, except in circumstances where disclosure to investors under Chapter 6D of the Corporations Act would not be required pursuant to an exemption under section 708 of the Corporations Act or otherwise or where the offer is pursuant to a disclosure document which complies with Chapter 6D of the Corporations Act. Any person acquiring shares must observe such Australian on-sale restrictions.

This prospectus contains general information only and does not take account of the investment objectives, financial situation or particular needs of any particular person. It does not contain any securities recommendations or financial product advice. Before making an investment decision, investors need to consider whether the information in this prospectus is appropriate to their needs, objectives and circumstances, and, if necessary, seek expert advice on those matters.

### **Notice to Prospective Investors in 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

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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.

### **Notice to Prospective Investors in 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” shall mean any person resident in Japan, including any corporation or other entity organized under the laws of Japan.

### **Notice to Prospective Investors in 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 (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;

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- (c) where the transfer is by operation of law; or
- (d) as specified in Section 276(7) of the SFA.

Notification under Section 309B of the Securities and Futures Act, Chapter 289 of Singapore: The securities are prescribed capital markets products (as defined in the Securities and Futures (Capital Markets Products) Regulations 2018 and Excluded Investment Products (as defined in MAS Notice SFA 04-N12: Notice on the Sale of Investment Products and MAS Notice FAA-N16: Notice on Recommendations on Investment Products).

### **Notice to Prospective Investors in 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* (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.

### **Notice to Prospective Investors in Israel**

This document does not constitute a prospectus approved by the Israeli Securities Authority. The securities are being offered in Israel solely to investors in the categories listed in the First Addendum to the Israeli Securities Law - 1968, and possibly to a limited number of other investors, in all cases under circumstances that do not constitute an "offering to the public" under the Securities Law - 1968. This document may not be reproduced or used for any other purpose or furnished to any other person other than those to whom copies have been sent.

## LEGAL MATTERS

Certain legal matters with respect to U.S. federal law in connection with this offering will be passed upon for us by Sidley Austin LLP. Certain legal matters related to this offering will be passed upon for the underwriters by Ropes & Gray LLP.

## EXPERTS

The consolidated financial statements of nCino, Inc. at January 31, 2019 and 2020, and for each of the three years in the period ended January 31, 2020 appearing in this Prospectus and Registration Statement have been audited by Ernst & Young LLP, independent registered public accounting firm, as set forth in their report thereon appearing elsewhere herein, and are included in reliance upon such report given on the authority of such firm as experts in accounting and auditing.

## WHERE YOU CAN FIND ADDITIONAL INFORMATION

We have filed with the SEC a registration statement on Form S-1 under the Securities Act with respect to the common stock offered by this prospectus. This prospectus, which constitutes a part of the registration statement, does not contain all of the information set forth in the registration statement, some of which is contained in exhibits to the registration statement as permitted by the rules and regulations of the SEC. For further information with respect to us and our common stock, we refer you to the registration statement, including the exhibits filed as a part of the registration statement. Statements contained in this prospectus concerning the contents of any contract or any other document is not necessarily complete. If a contract or document has been filed as an exhibit to the registration statement, please see the copy of the contract or document that has been filed. Each statement in this prospectus relating to a contract or document filed as an exhibit is qualified in all respects by the filed exhibit. The SEC also maintains a website that contains reports, proxy statements and other information about issuers, like us, that file electronically with the SEC. The address of that website is [www.sec.gov](http://www.sec.gov).

As a result of this offering, we will become subject to the information and reporting requirements of the Exchange Act and, in accordance with this law, will file periodic reports, proxy statements and other information with the SEC. These periodic reports, proxy statements and other information will be available for inspection and copying at the SEC's public reference facilities and the website of the SEC referred to above. We also maintain a website at [www.ncino.com](http://www.ncino.com). Upon 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 our website is not a part of this prospectus and the inclusion of our website address in this prospectus is an inactive textual reference only.

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NCINO, INC.  
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**REPORT OF INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM**

To the Stockholders and the Board of Directors of nCino, Inc.

**Opinion on the Financial Statements**

We have audited the accompanying consolidated balance sheets of nCino, Inc. as of January 31, 2019 and 2020, the related consolidated statements of operations, comprehensive loss, stockholders' equity and cash flows for each of the three years in the period ended January 31, 2020, and the related notes (collectively referred to as the "consolidated financial statements"). In our opinion, the consolidated financial statements present fairly, in all material respects, the financial position of the Company at January 31, 2019 and 2020, and the results of its operations and its cash flows for each of the three years in the period ended January 31, 2020, in conformity with U.S. generally accepted accounting principles.

**Adoption of ASU No. 2014-09**

As discussed in Note 2 to the consolidated financial statements, the Company changed its method of accounting for revenue recognition in 2019 due to the adoption of Accounting Standards Update (ASU) No. 2014-09, Revenue from Contracts with Customers (Topic 606), and the related amendments.

**Basis for Opinion**

These financial statements are the responsibility of the Company's management. Our responsibility is to express an opinion on the Company's financial statements based on our audits. We are a public accounting firm registered with the Public Company Accounting Oversight Board (United States) (PCAOB) and are required to be independent with respect to the Company in accordance with the U.S. federal securities laws and the applicable rules and regulations of the Securities and Exchange Commission and the PCAOB.

We conducted our audits in accordance with the standards of the PCAOB. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement, whether due to error or fraud. 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/ Ernst & Young LLP

We have served as the Company's auditor since 2016.  
Raleigh, North Carolina  
April 17, 2020



nCino, Inc.  
**CONSOLIDATED BALANCE SHEETS**  
**As of January 31, 2019 and 2020**  
(In thousands, except share and per share data)

	January 31, 2019	January 31, 2020
<b>Assets</b>		
Current Assets		
Cash and cash equivalents (VIE: \$0 and \$8,892 at January 31, 2019 and 2020, respectively)	\$ 74,347	\$ 91,184
Accounts receivable, less allowance for doubtful accounts of \$123 and \$0 at January 31, 2019 and 2020, respectively	25,495	34,205
Accounts receivable, related parties	4,334	9,201
Costs capitalized to obtain revenue contracts, current portion, net	—	3,608
Prepaid expenses and other current assets	4,991	7,079
<b>Total current assets</b>	<u>109,167</u>	<u>145,277</u>
Property and equipment, net	10,406	13,477
Costs capitalized to obtain revenue contracts, noncurrent, net	—	7,000
Goodwill	—	55,840
Intangible assets, net	—	26,093
Other long-term assets	393	2,464
<b>Total assets</b>	<u>\$ 119,966</u>	<u>\$ 250,151</u>
<b>Liabilities, Redeemable Non-Controlling Interest, and Stockholders' Equity</b>		
Current Liabilities		
Accounts payable	\$ 1,219	\$ 1,258
Accounts payable, related parties	2,224	3,408
Accrued commissions	5,164	7,862
Other accrued expenses	2,694	4,922
Deferred rent, current portion	—	183
Deferred revenue, current portion	34,172	50,929
Deferred revenue, current portion, related parties	6,936	8,013
<b>Total current liabilities</b>	<u>52,409</u>	<u>76,575</u>
Deferred income taxes, noncurrent	—	194
Deferred rent, noncurrent	696	1,558
Deferred revenue, noncurrent	825	—
Other long-term liabilities	—	195
<b>Total liabilities</b>	<u>53,930</u>	<u>78,522</u>
Commitments and Contingencies (Notes 9, 14 and 15)		
Redeemable non-controlling interest (Note 3)	—	4,356
Stockholders' Equity		
Preferred stock, \$0.001 par value; 1,000,000 shares authorized and none issued and outstanding	—	—
Voting common stock, \$0.0005 par value; 89,708,247 and 99,708,247 shares authorized as of January 31, 2019 and 2020, respectively; 70,186,189 and 75,596,007 shares issued and outstanding as of January 31, 2019 and 2020, respectively	35	38
Non-voting common stock, \$0.0005 par value; 10,291,753 shares authorized as of January 31, 2019 and 2020; 5,701,435 and 5,931,319 shares issued and outstanding as of January 31, 2019 and 2020, respectively	3	3
Additional paid in capital	170,771	288,564
Accumulated other comprehensive loss	(21)	(408)
Accumulated deficit	(104,752)	(120,924)
<b>Total stockholders' equity</b>	<u>66,036</u>	<u>167,273</u>
<b>Total liabilities, redeemable non-controlling interest, and stockholders' equity</b>	<u>\$ 119,966</u>	<u>\$ 250,151</u>

See Notes to Consolidated Financial Statements.

nCino, Inc.

**CONSOLIDATED STATEMENTS OF OPERATIONS**  
**Fiscal Years Ended January 31, 2018, 2019 and 2020**  
(In thousands, except share and per share data)

	Fiscal Year Ended January 31,		
	2018	2019	2020
<b>Revenues</b>			
Subscription (related parties \$5,411, \$7,929 and \$7,768, respectively)	\$ 38,048	\$ 64,458	\$ 103,265
Professional services	20,094	27,076	34,915
Total revenues	58,142	91,534	138,180
<b>Cost of Revenues</b>			
Subscription (related party \$9,530, \$15,373 and \$22,844, respectively)	12,581	19,995	31,062
Professional services	17,890	26,456	33,008
Total cost of revenues	30,471	46,451	64,070
<b>Gross profit</b>	27,671	45,083	74,110
<b>Operating Expenses</b>			
Sales and marketing	20,954	31,278	44,440
Research and development	16,559	22,230	35,304
General and administrative	8,933	14,791	22,536
Total operating expenses	46,446	68,299	102,280
<b>Loss from operations</b>	(18,775)	(23,216)	(28,170)
<b>Non-operating Income (Expense)</b>			
Interest income	260	1,193	988
Other	(24)	(89)	33
<b>Loss before income tax expense</b>	(18,539)	(22,112)	(27,149)
Income tax expense	50	194	586
<b>Net loss</b>	(18,589)	(22,306)	(27,735)
Net loss attributable to non-controlling interest (Note 3)	—	—	(141)
<b>Net loss attributable to nCino, Inc.</b>	\$ (18,589)	\$ (22,306)	\$ (27,594)
<b>Net loss per share attributable to nCino, Inc.:</b>			
Basic and diluted	\$ (0.27)	\$ (0.30)	\$ (0.35)
<b>Weighted average number of common shares outstanding:</b>			
Basic and diluted	68,290,570	74,593,709	78,316,794

See Notes to Consolidated Financial Statements.

**nCino, Inc.**  
**CONSOLIDATED STATEMENTS OF COMPREHENSIVE LOSS**  
**Fiscal Years Ended January 31, 2018, 2019 and 2020**  
**(In thousands)**

	<u>Fiscal Year Ended January 31,</u>		
	<u>2018</u>	<u>2019</u>	<u>2020</u>
<b>Net loss</b>	<b>\$ (18,589)</b>	<b>\$ (22,306)</b>	<b>\$ (27,735)</b>
<b>Other comprehensive income (loss):</b>			
Foreign currency translation	6	(27)	(403)
<b>Other comprehensive income (loss)</b>	<u>6</u>	<u>(27)</u>	<u>(403)</u>
<b>Comprehensive loss</b>	<u>(18,583)</u>	<u>(22,333)</u>	<u>(28,138)</u>
<b>Less comprehensive loss attributable to redeemable non-controlling interest:</b>			
Net loss attributable to redeemable non-controlling interest	—	—	(141)
Foreign currency translation attributable to redeemable non-controlling interest	—	—	(16)
<b>Comprehensive loss attributable to redeemable non-controlling interest</b>	<u>—</u>	<u>—</u>	<u>(157)</u>
<b>Comprehensive loss attributable to nCino, Inc.</b>	<u>\$ (18,583)</u>	<u>\$ (22,333)</u>	<u>\$ (27,981)</u>

See Notes to Consolidated Financial Statements.

nCino, Inc.

**CONSOLIDATED STATEMENTS OF STOCKHOLDERS' EQUITY**  
**Fiscal Years Ended January 31, 2018, 2019 and 2020**  
(In thousands, except share data)

	Voting Common Stock		Non-voting Common Stock		Additional Paid in Capital	Accumulated Other Comprehensive Income (Loss)	Accumulated Deficit	Total
	Shares	Amount	Shares	Amount				
Balance, January 31, 2017	56,311,950	\$ 28	10,291,754	\$ 5	\$ 86,458	\$ —	\$ (63,857)	\$ 22,634
Conversion of non-voting common stock to voting common stock	4,590,319	2	(4,590,319)	(2)	—	—	—	—
Stock issuance, net of issuance costs of \$109	5,743,054	3	—	—	69,193	—	—	69,196
Exercise of stock options	695,384	—	—	—	941	—	—	941
Stock-based compensation	—	—	—	—	3,826	—	—	3,826
Other comprehensive income	—	—	—	—	—	6	—	6
Net loss attributable to nCino, Inc.	—	—	—	—	—	—	(18,589)	(18,589)
Balance, January 31, 2018	67,340,707	33	5,701,435	3	160,418	6	(82,446)	78,014
Exercise of stock options	2,845,482	2	—	—	6,258	—	—	6,260
Stock-based compensation	—	—	—	—	4,095	—	—	4,095
Other comprehensive loss	—	—	—	—	—	(27)	—	(27)
Net loss attributable to nCino, Inc.	—	—	—	—	—	—	(22,306)	(22,306)
Balance, January 31, 2019	70,186,189	35	5,701,435	3	170,771	(21)	(104,752)	66,036
Cumulative-effect adjustment from adoption of accounting standard	—	—	—	—	—	—	11,422	11,422
Stock issuance, net of issuance costs of \$52	3,448,276	2	229,885	—	79,946	—	—	79,948
Stock issuance related to business combinations	1,502,772	1	—	—	25,203	—	—	25,204
Contingent consideration related to business combination	—	—	—	—	5,857	—	—	5,857
Exercise of stock options	458,770	—	(1)	—	1,042	—	—	1,042
Stock-based compensation	—	—	—	—	5,745	—	—	5,745
Other comprehensive loss	—	—	—	—	—	(387)	—	(387)
Net loss attributable to nCino, Inc.	—	—	—	—	—	—	(27,594)	(27,594)
Balance, January 31, 2020	<u>75,596,007</u>	<u>\$ 38</u>	<u>5,931,319</u>	<u>\$ 3</u>	<u>\$288,564</u>	<u>\$ (408)</u>	<u>\$ (120,924)</u>	<u>\$167,273</u>

See Notes to Consolidated Financial Statements.

**nCino, Inc.**  
**CONSOLIDATED STATEMENTS OF CASH FLOWS**  
**Fiscal Years Ended January 31, 2018, 2019 and 2020**  
(In thousands)

	<b>Fiscal Year Ended January 31,</b>		
	<b>2018</b>	<b>2019</b>	<b>2020</b>
<b>Cash Flows from Operating Activities</b>			
Net loss attributable to nCino, Inc.	\$(18,589)	\$(22,306)	\$(27,594)
Net loss attributable to redeemable non-controlling interest	—	—	(141)
Net loss	(18,589)	(22,306)	(27,735)
Adjustments to reconcile net loss to net cash used in operating activities:			
Depreciation and amortization	970	1,458	4,609
Amortization of costs capitalized to obtain revenue contracts	—	—	3,243
Stock-based compensation	3,826	4,095	5,745
Deferred income taxes	—	—	195
Provision for (recovery of) bad debt	(329)	103	(105)
Change in operating assets and liabilities:			
Accounts receivable	(7,512)	(10,212)	(9,289)
Accounts receivable, related parties	(4,919)	4,557	(4,867)
Costs capitalized to obtain revenue contracts	—	—	(5,631)
Prepaid expenses and other assets	(2,124)	(1,185)	(1,628)
Accounts payable and accrued expenses and other liabilities	2,252	3,922	2,286
Accounts payable, related parties	(331)	781	1,184
Deferred rent	—	695	1,045
Deferred revenue	7,096	14,214	20,873
Deferred revenue, related parties	3,702	(711)	1,077
<b>Net cash used in operating activities</b>	<u>(15,958)</u>	<u>(4,589)</u>	<u>(8,998)</u>
<b>Cash Flows from Investing Activities</b>			
Acquisition of businesses, net of cash acquired	—	—	(52,267)
Purchases of property and equipment	(2,837)	(7,965)	(5,760)
<b>Net cash used in investing activities</b>	<u>(2,837)</u>	<u>(7,965)</u>	<u>(58,027)</u>
<b>Cash Flows from Financing Activities</b>			
Investment from redeemable non-controlling interest	—	—	4,513
Proceeds from stock issuance	69,305	—	80,000
Stock issuance costs	(109)	—	(52)
Exercise of stock options	941	6,260	1,042
Payments of deferred costs	—	—	(1,412)
<b>Net cash provided by financing activities</b>	<u>70,137</u>	<u>6,260</u>	<u>84,091</u>
Effect of foreign currency exchange rate changes on cash and cash equivalents	12	(35)	(229)
<b>Net increase (decrease) in cash and cash equivalents</b>	<u>51,354</u>	<u>(6,329)</u>	<u>16,837</u>
Cash and Cash Equivalents, beginning of period	29,322	80,676	74,347
Cash and Cash Equivalents, end of period	<u>\$ 80,676</u>	<u>\$ 74,347</u>	<u>\$ 91,184</u>
<b>Supplemental disclosure of cash flow information</b>			
Cash paid during the year for taxes	<u>\$ —</u>	<u>\$ 42</u>	<u>\$ 369</u>
<b>Supplemental disclosure of noncash investing and financing activities</b>			
Purchase of property and equipment, accrued but not paid	<u>\$ —</u>	<u>\$ 118</u>	<u>\$ 45</u>
Deferred costs, accrued but not paid	<u>\$ —</u>	<u>\$ —</u>	<u>\$ 357</u>
Fair value of common stock issued as consideration for business acquisition	<u>\$ —</u>	<u>\$ —</u>	<u>\$ 25,204</u>
Fair value of contingent consideration in connection with business acquisition in other long-term liabilities	<u>\$ —</u>	<u>\$ —</u>	<u>\$ 197</u>
Fair value of contingent consideration in connection with business acquisition included in equity	<u>\$ —</u>	<u>\$ —</u>	<u>\$ 5,857</u>

See Notes to Consolidated Financial Statements.

nCino, Inc.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS  
(In thousands, except share and per share amounts and unless otherwise indicated)

**Note 1. Organization and Description of Business**

**Description of Business:** nCino, Inc. (“nCino” or the “Company”) is a software-as-a-service (SaaS) company that provides software applications to financial institutions to streamline customer and employee interactions. The Company is headquartered in Wilmington, North Carolina and has offices in Salt Lake City, London, Sydney, Melbourne, Toronto and Tokyo.

The Company was organized as a North Carolina limited liability company named BANKR, LLC on December 13, 2011. On April 3, 2012, the Company was renamed nCino, LLC. The Company was re-incorporated in the State of Delaware on December 18, 2013.

On September 27, 2016, the Company created a wholly-owned subsidiary called nCino GBU, Inc. to facilitate an agreement with a customer. nCino GBU, Inc. was dissolved on August 14, 2018.

During the fiscal year ended January 31, 2018, the Company created wholly-owned subsidiaries nCino APAC PTY Ltd, nCino Canada, Inc., and nCino Global Ltd in Australia, Canada, and the United Kingdom, respectively, to expand to Canada, Asia Pacific, and Europe.

**Fiscal Year End:** The Company’s fiscal year ends on January 31.

**Note 2. Summary of Significant Accounting Policies**

**Principles of Consolidation and Basis of Presentation:** These consolidated financial statements have been prepared in accordance with generally accepted accounting principles in the United States (U.S. GAAP) as set forth in the Financial Accounting Standards Board (FASB) Accounting Standards Codification (ASC). The consolidated financial statements include accounts of the Company’s wholly-owned subsidiaries as well as a variable interest entity in which the Company is the primary beneficiary. All intercompany accounts and transactions are eliminated. Refer to disclosures in Note 2 and Note 3 for additional information regarding the Company’s variable interest entity.

The Company is subject to the normal risks associated with technology companies that have not demonstrated sustainable income from operations, including product development, the risk of customer acceptance and market penetration of its products and services and, ultimately, the need to attain profitability to generate positive cash resources.

Effective February 1, 2019, the Company adopted the requirement of Accounting Standards Update, or ASU No. 2014-09 “Revenue from Contracts with Customers (Topic 606)” (“ASU 2014-09”) utilizing the modified retrospective method of transition. Prior period information has not been restated and continues to be reported under the accounting standards in effect for those periods. The new revenue standard was applied to contracts that were not completed as of the adoption date, consistent with transition guidance. Adoption of the new revenue standard resulted in changes to accounting policies for revenue recognition and sales commissions.

**Variable Interest Entity:** The Company holds an interest in a Japanese company (“nCino K.K.”) that is considered a variable interest entity or VIE. nCino K.K. is considered a VIE as it has insufficient equity capital to finance its activities without additional financial support. The Company is the primary beneficiary of nCino K.K. as it has the power over the activities that most significantly impact the economic performance of nCino K.K. and has the obligation to absorb expected losses and the right to receive expected benefits that could be significant to nCino K.K., in accordance with accounting guidance. As a result, the Company consolidated

nCino, Inc.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS  
(In thousands, except share and per share amounts and unless otherwise indicated)

**Note 2. Summary of Significant Accounting Policies (Continued)**

nCino K.K. and all significant intercompany accounts have been eliminated. The Company will continue to assess whether it has a controlling financial interest and whether it is the primary beneficiary at each reporting period. Other than the Company's equity investment, the Company has not provided financial or other support to nCino K.K. that it was not contractually obligated to provide. The assets of the VIE can only be used to settle the obligations of the VIE and the creditors of the VIE do not have recourse to the Company. The assets and liabilities of the VIE were not significant to the Company's financial statements except for cash which is reflected on the consolidated balance sheets. Refer to Note 3 for additional information regarding the Company's variable interest.

**Redeemable Non-Controlling Interest:** nCino K.K. has a redeemable non-controlling interest. An agreement with the minority investors of nCino K.K. contains redemption features whereby the interest held by the minority investors are redeemable either (i) at the option of the minority investors or (ii) at the option of the Company, both beginning on the eighth anniversary of the initial capital contribution. If the interest of the minority investors were to be redeemed under this agreement, the Company would be required to redeem the interest based on a prescribed formula derived from the relative revenues of nCino K.K. and the Company. The balance of the redeemable non-controlling interest is reported at the greater of the initial carrying amount adjusted for the redeemable non-controlling interest's share of earnings or losses and other comprehensive income or loss, or its estimated redemption value. The resulting changes in the estimated redemption amount (increases or decreases) are recorded with corresponding adjustments against retained earnings or, in the absence of retained earnings, additional paid-in-capital. These interests are presented on the consolidated balance sheets outside of equity under the caption "Redeemable non-controlling interest."

**Use of Estimates:** The preparation of consolidated financial statements in conformity with U.S. GAAP requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities as of the date of the consolidated financial statements and the reported amounts of revenues and expenses during the reporting period. Significant estimates and assumptions made by the Company's management are used for, but not limited to, revenue recognition including determining the nature and timing of satisfaction of performance obligations, variable consideration, standalone selling price, and other revenue items requiring significant judgement; the average period of benefit associated with costs capitalized to obtain revenue contracts; fair value of assets acquired and liabilities assumed for business combinations; fair value of contingent consideration; the useful lives of intangible assets; the valuation allowance on deferred tax assets and stock-based compensation.

The Company assesses these estimates on a regular basis using historical experience and other factors. Actual results could differ from these estimates, which were based upon circumstances that existed as of the date of the consolidated financial statements, January 31, 2020. Subsequent to this date, there have been significant changes to the global economic environment as a consequence of the COVID-19 pandemic. It is possible that this could cause changes to estimates as a result of the financial circumstances of the markets in which the Company operates, the Company's reporting unit's fair value in comparison to the Company's carrying value, and the health of the global economy. Such changes to estimates could potentially result in impacts that would be material to the consolidated financial statements, particularly with respect to the fair value of the Company's reporting units in relation to potential goodwill impairment and the fair value of long-lived assets in relation to potential impairment.

**Operating Segments:** The Company operates as one operating segment. Operating segments are defined as components of an enterprise for which separate financial information is available and evaluated

nCino, Inc.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS  
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**Note 2. Summary of Significant Accounting Policies (Continued)**

regularly by the chief operating decision maker, which is the Company's chief executive officer, in deciding how to make operating decisions, allocate resources and assess performance. The Company's chief operating decision maker allocates resources and assesses performance at the consolidated level.

**Concentration of Credit Risk and Significant Customers:** The Company's financial instruments that are exposed to concentration of credit risk consist primarily of cash and cash equivalents. The Company's cash and cash equivalents exceed the Federal deposit insurance limit at January 31, 2019 and 2020. The Company maintains its cash and cash equivalents with high-credit-quality financial institutions.

For the fiscal year ended January 31, 2018, three customers represented 20% of total revenues, 14% of which was from two customers who are also equity holders in the Company. These three customers also represented 58% of accounts receivable as of January 31, 2018, of which 40% was from the two customers who are also equity holders. For the fiscal year ended January 31, 2019, two customers represented 9% of total revenues, 4% of which was also from a customer who is an equity holder in the Company. These two customers also represented 29% of accounts receivable as of January 31, 2019, of which 14% was from the customer who is an equity holder. For the fiscal year ended January 31, 2020, two customers represented 6% of total revenues, 3% of which was also from a customer who is an equity holder in the Company. These two customers also represented 22% of accounts receivable as of January 31, 2020, of which 11% was from the customer who is an equity holder.

**Revenue Recognition:** The Company derives revenues primarily from subscription services and professional services. Revenues are recognized when a contract exists between the Company and a customer and upon transfer of control of promised products or services to customers in an amount that reflects the consideration the Company expects to receive in exchange for those products or services. The Company enters into contracts that can include various combinations of subscription and professional services, which may be capable of being distinct and accounted for as separate performance obligations, or in the case of offerings such as subscription services and support, accounted for as a single performance obligation. Revenues are recognized net of allowances and any taxes collected from customers, which are subsequently remitted to governmental authorities.

The Company determines revenue recognition through the following steps:

- Identification of the contract, or contracts, with a customer
- Identification of the performance obligations in the contract
- Determination of the transaction price
- Allocation of the transaction price to the performance obligations in the contract
- Recognition of revenues when, or as, the Company satisfies a performance obligation

*Subscription Revenues*

Subscription revenues primarily consist of fees for providing customers access to the Company's cloud applications, with routine customer support and maintenance related to email and phone support, bug fixes, and unspecified software updates and upgrades released when and if available during the maintenance term. Revenues are generally recognized on a ratable basis over the contract term beginning on the date that the



nCino, Inc.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS  
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**Note 2. Summary of Significant Accounting Policies (Continued)**

Company's service is made available to the customer, which the Company believes best reflects the manner in which the Company's customers utilize the Company's subscription offerings. Arrangements with customers do not provide the customer with the right to take possession of the software supporting the cloud-based application service at any time and, as a result, are accounted for as a service contract. Generally, the Company's subscription contracts are three years or longer in length, billed annually in advance, are non-cancelable and do not contain refund-type provisions. Any subscription arrangements that are cancelable generally have penalty clauses.

*Professional Services Revenues*

Professional services revenues primarily consist of fees for deployment, configuration and optimization services, as well as training. The majority of the Company's professional services contracts are billed on a fixed price basis, and revenues are recognized over time based on a proportional performance methodology which utilizes input methods. A portion of the Company's professional services contracts are billed on a time and materials basis and revenues are recognized over time as the services are performed.

*Contracts with Multiple Performance Obligations*

Most of the Company's contracts with customers contain multiple performance obligations. For these contracts, the Company accounts for individual performance obligations separately if they are distinct. The transaction price is allocated to the separate performance obligations on a relative standalone selling price ("SSP") basis. The Company determines SSP by considering its overall pricing objectives and market conditions. Significant pricing practices taken into consideration include the Company's discounting practices, the size and volume of the Company's transactions, the customer demographic, the geographic area where services are sold, price lists, the Company's go-to-market strategy, historical sales and contract prices. As the Company's go-to-market strategies evolve, the Company may modify its pricing practices in the future, which could result in changes to SSP.

Given the variability of pricing, the Company uses a range of SSP. The Company determines the SSP range using information that may include market conditions or other observable inputs. The Company typically has more than one SSP for individual products and services due to the stratification of products and services by customer size.

*Costs Capitalized to Obtain Revenue Contracts*

As part of its adoption of ASU 2014-09, the Company capitalizes incremental costs of obtaining a non-cancelable subscription and support revenue contract. The provisions of ASU 2014-09 codified and clarified the accounting guidance for contract acquisition costs. The new guidance resulted in the capitalization of additional contract acquisition costs, which are subsequently amortized over the estimated life of the contract. Under the prior accounting guidance, the Company expensed sales commissions as incurred.

Under ASU 2014-09, capitalized amounts consist primarily of sales commissions paid to the Company's direct sales force. Capitalized amounts also include (1) amounts paid to employees other than the direct sales force who earn incentive payouts under annual compensation plans that are tied to the value of contracts acquired and (2) the associated payroll taxes and fringe benefit costs associated with the payments to these employees. Capitalized costs related to new revenue contracts are amortized on a straight-line basis over four years, which,

nCino, Inc.

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**Note 2. Summary of Significant Accounting Policies (Continued)**

although longer than the typical initial contract period, reflects the average period of benefit, including expected contract renewals. In arriving at this average period of benefit, the Company evaluated both qualitative and quantitative factors which included the estimated life cycles of its offerings and its customer attrition. The capitalized amounts are recoverable through future revenue streams under all non-cancelable customer contracts. The Company periodically evaluates whether there have been any changes in its business, the market conditions in which it operates, or other events which would indicate that its amortization period should be changed or if there are potential indicators of impairment. Amortization of capitalized costs to obtain revenue contracts is included in cost of revenues – professional services, sales and marketing and research and development expense in the accompanying consolidated statements of operations.

*Judgments*

Contracts with customers may include multiple services requiring allocation of the transaction price across the different performance obligations.

Standalone selling price is established by maximizing the amount of observable inputs, primarily actual historical selling prices for performance obligations where available and includes consideration of factors such as go-to-market model and customer size. Where standalone selling price may not be observable (e.g., the performance obligation is not sold separately), the Company maximizes the use of observable inputs by using information that may include reviewing pricing practices, performance obligations with similar customers and selling models.

Capitalized costs to obtain a contract are amortized over the expected period of benefit, which the Company has determined, based on analysis, to be approximately 4 years. The Company evaluated qualitative and quantitative factors to determine the period of amortization, including contract length, renewals, customer life and the useful lives of our products and acquired products. When the expected period of benefit of an asset which would be capitalized is less than one year, the Company expenses the amount as incurred, utilizing the practical expedient. The Company regularly evaluates whether there have been changes in the underlying assumptions and data used to determine the amortization period.

At times, the Company provides credits or incentives to its customers. Known and estimable credits and incentives represent a form of variable consideration, which are determined at contract inception and reduce the revenues recognized for a particular contract. At the end of each reporting period, the Company reviews and updates its estimates as additional information becomes available. The Company believes that there will not be significant changes to its estimates of variable consideration as of January 31, 2020.

The Company evaluates whether it is the principal (i.e., report revenues on a gross basis) or agent (i.e., report revenues on a net basis) with respect to vendor reseller agreements pursuant to which the Company resells certain third-party solutions along with the Company's solutions. Generally, the Company reports revenues from these types of contracts on a gross basis, meaning the amounts billed to customers are recorded as revenues and expenses incurred are recorded as cost of revenues. Where the Company is the principal, it first obtains control of the inputs to the specific good or service and directs their use to create the combined output. The Company's control is evidenced by its involvement in the integration of the good or service on its platform before it is transferred to its customers and is further supported by the Company being primarily responsible to its customers and having a level of discretion in establishing pricing. Revenues provided from agreements in which the Company is an agent are immaterial.

nCino, Inc.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS  
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**Note 2. Summary of Significant Accounting Policies (Continued)**

**Deferred Revenue:** Deferred revenue primarily consists of billings or payments received in advance of revenue recognition from subscription services, including non-cancellable and non-refundable committed funds and deposits. Deferred revenue is recognized as revenue recognition criteria has been met. Customers are typically invoiced for these agreements in advance of regular annual installments and revenues are recognized ratably over the contractual subscription period. The deferred revenue balance is influenced by several factors, including seasonality, the compounding effects of renewals, invoice duration, invoice timing, size and new business linearity. Deferred revenue does not represent the total contract value of annual or multi-year non-cancellable subscription agreements. Deferred revenue that will be recognized during the succeeding 12-month period are recorded as deferred revenue, current portion, and the remaining portion is recorded as deferred revenue, net of current portion on the consolidated balance sheets.

Payment terms vary by contract, although terms generally include a requirement of payment within 30 to 45 days. In instances where the timing of revenue recognition differs from the timing of invoicing, the Company has determined contracts generally do not include a significant financing component. The primary purpose of invoicing terms is to provide customers with simplified and predictable ways of purchasing services, such as invoicing at the beginning of a subscription term with revenues recognized ratably over the contract period, and not to provide financing to customers. Any implied financing costs are considered insignificant in the context of the Company's contracts.

**Cash and Cash Equivalents:** The Company considers all highly liquid investments purchased with an original maturity of three months or less at the date of purchase to be cash equivalents. Cash and cash equivalents are stated at fair value.

**Accounts Receivable and Allowances:** A receivable is recorded when an unconditional right to invoice and receive payment exists, such that only the passage of time is required before payment of consideration is due. Timing of revenue recognition may differ from the timing of invoicing to customers. Certain performance obligations may require payment before delivery of the service to the customer. Under ASU 2014-09, the timing and amount of revenue recognition may differ in certain situations from the revenues recognized under previous accounting guidance that limited subscription and support revenues to the customer invoice amount for the period of service (collectively billings). We recognize a contract asset in the form of accounts receivable when we have an unconditional right to payment, and we record a contract asset in the form of unbilled accounts receivable when revenues earned on a contract exceeds the billings. The Company's standard billing terms are annual in advance. An unbilled accounts receivable is a contract asset related to the delivery of our subscription services and professional services for which the related billings will occur in a future period. Unbilled accounts receivable consists of (i) revenues recognized for professional services performed but not yet billed and (ii) revenues recognized from non-cancelable, multi-year orders in which fees increase annually but for which we are not contractually able to invoice until a future period. Accounts receivable are reported at their gross outstanding balance reduced by an allowance for estimated receivable losses.

The Company records allowances for doubtful accounts based upon the credit worthiness of customers, historical experience, the age of the accounts receivable and current market and economic conditions.

nCino, Inc.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS  
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**Note 2. Summary of Significant Accounting Policies (Continued)**

A summary of activity in the allowance for doubtful accounts is as follows:

	Fiscal Year Ended January 31,		
	2018	2019	2020
Balance, beginning of period	\$ 349	\$ 20	\$ 123
Charged to (recovery of) bad debt expense	(329)	110	(105)
Write offs and others	—	(7)	(18)
Balance, end of period	<u>\$ 20</u>	<u>\$123</u>	<u>\$ —</u>

**Costs Capitalized to Obtain Revenue Contracts:** The Company recognizes an asset for the incremental costs of obtaining a contract with a customer if the Company expects the benefit of those costs to be longer than one year. The Company has determined that certain sales incentive programs meet the requirements to be capitalized. The costs capitalized under ASU 2014-09 are primarily sales commissions paid to commissioned sales personnel. Capitalized costs also include portions of fringe benefits and payroll taxes associated with compensation for incremental costs to acquire customer contracts. Capitalized costs to obtain a contract are amortized over the expected period of benefit, which the Company has determined to be approximately 4 years. Amortization of capitalized costs are included in costs of revenues – professional services, research and development, and within sales and marketing expense in the Company’s consolidated statements of operations.

**Property and Equipment:** Property and equipment are stated at cost less accumulated depreciation. Depreciation is calculated on the straight-line method over the estimated useful lives of the assets and commences once the asset is placed in service or is ready for its intended use. The estimated useful lives by asset classification are generally as follows:

Asset Classification	Estimated Useful Life
Furniture and fixtures	3-7 years
Computers and equipment	3 years
Leasehold improvements	Shorter of remaining life of the lease term or estimated useful life

When assets are retired or otherwise disposed of, the cost and accumulated depreciation or amortization are removed from their respective accounts, and any gain or loss on such retirement is reflected in operating expenses.

**Capitalized Software Costs:** Costs related to software developed for internal use are capitalized during the application development stage. Costs related to preliminary internal or external project activities and post implementation activities are expensed as incurred. Capitalized internal-use software is amortized on a straight-line basis over its estimated useful life, which is generally two to five years. Capitalized software costs useful lives are evaluated on an annual basis and tested for impairment whenever events or changes indicate that the carrying amount of an asset may not be recoverable. There were no costs capitalized during the fiscal years ended January 31, 2018, 2019 or 2020 and there were no unamortized capitalized software costs as of January 31, 2019 and 2020.

**Intangible Assets:** Intangible assets are amortized over their estimated useful lives. Each period, the Company evaluates the estimated remaining useful life of its intangible assets and whether events or changes in

nCino, Inc.

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**Note 2. Summary of Significant Accounting Policies (Continued)**

circumstances warrant a revision to the remaining period of amortization. Management tests for impairment whenever events or changes in circumstances occur that could impact the recoverability of these assets.

**Impairment Assessment:** The Company evaluates intangible assets and long-lived assets for possible impairment whenever events or changes in circumstances indicate that the carrying amount of such assets may not be recoverable. This includes but is not limited to significant adverse changes in business climate, market conditions, or other events that indicate an asset's carrying amount may not be recoverable. Recoverability of these assets is measured by comparing the carrying amount of each asset to the future undiscounted cash flows the asset is expected to generate. If the undiscounted cash flows used in the test for recoverability are less than the carrying amount of these assets, the carrying amount of such assets is reduced to fair value. There were no material impairments of intangible assets or long-lived assets during the fiscal years ended January 31, 2018, 2019 and 2020.

**Goodwill:** Goodwill represents the excess of the purchase price in a business combination over the fair value of net assets acquired. Goodwill is not amortized, but rather the carrying amounts of these assets are assessed for impairment at least annually or whenever events or changes in circumstances indicate that the carrying value of these assets may not be recoverable. Goodwill is tested for impairment annually on November 1, the first day of the fourth quarter of the fiscal year. In the year ended January 31, 2020, the Company elected to early adopt ASU 2017-04, "*Simplifying the Test for Goodwill Impairment*" for its annual goodwill impairment test. ASU 2017-04 removes Step 2 of the goodwill impairment test requiring a hypothetical purchase price allocation. Goodwill impairment, if any, is determined by comparing the reporting unit's fair value to its carrying value. An impairment loss is recognized in an amount equal to the excess of the reporting unit's carrying value over its fair value, up to the amount of goodwill allocated to the reporting unit. There is no goodwill impairment for the years ended January 31, 2018, 2019, and 2020.

The Company determines the fair value of a reporting unit using a discounted cash flow analysis that is corroborated by a market-based approach. Determining fair value requires the exercise of significant judgment, including judgment about appropriate discount rates, perpetual growth rates and the amount and timing of expected future cash flows. The cash flows employed in the discounted cash flow analyses are based on the most recent budget and long-term forecast. The discount rates used in the discounted cash flow analyses are intended to reflect the risks inherent in the future cash flows of the respective reporting units. The market comparable approach estimates fair value using market multiples of various financial measures compared to a set of comparable public companies and recent comparable transactions.

**Business Combinations:** Several valuation methods may be used to determine the fair value of assets acquired and liabilities assumed. The Company uses its best estimates and assumptions to assign fair value to the tangible and intangible assets acquired and liabilities assumed at the acquisition date. The Company's estimates are inherently uncertain and subject to refinement. For intangible assets, the Company typically uses the income method. This method starts with a forecast of all of the expected future net cash flows for each asset. These cash flows are then adjusted to present value by applying an appropriate discount rate that reflects the risk factors associated with the cash flow streams. Some of the more significant estimates and assumptions inherent in the income method or other methods include the amount and timing of projected future cash flows, the discount rate selected to measure the risks inherent in the future cash flows and the assessment of the asset's life cycle and the competitive trends impacting the asset, including consideration of any technical, legal, regulatory or economic barriers to entry. Determining the useful life of an intangible asset also requires judgment as different types of intangible assets will have different useful lives and certain assets may even be considered to have indefinite

**nCino, Inc.****NOTES TO CONSOLIDATED FINANCIAL STATEMENTS**  
**(In thousands, except share and per share amounts and unless otherwise indicated)****Note 2. Summary of Significant Accounting Policies (Continued)**

useful lives. During the measurement period, which may be up to one year from the acquisition date, the Company may record adjustments to the fair value of these tangible and intangible assets acquired and liabilities assumed, with the corresponding offset to goodwill. In addition, uncertain tax positions and tax-related valuation allowances are initially recorded in connection with a business combination as of the acquisition date. The Company continues to collect information and reevaluates these estimates and assumptions quarterly and records any adjustments to the Company's preliminary estimates to goodwill provided that the Company is within the measurement period. Upon the conclusion of the measurement period or final determination of the fair value of assets acquired or liabilities assumed, whichever comes first, any subsequent adjustments are recorded to the Company's consolidated statements of operations.

For acquisitions involving additional consideration to be transferred to the selling parties in the event certain future events occur or conditions are met ("contingent consideration"), the Company recognizes the acquisition-date fair value of contingent consideration as part of the consideration transferred in exchange for the business combination. Contingent consideration meeting the criteria to be classified as equity in the consolidated balance sheets is not remeasured, and its subsequent settlement is recorded within stockholders' equity. Contingent consideration classified as a liability is remeasured to fair value at each reporting date until the contingency is resolved, with any changes in fair value recognized in the Company's consolidated statements of operations.

**Deferred Rent:** Operating leases rent expense is recognized on a straight-line basis over the terms of the leases and the difference between cash rent payments and recognized rent expense is recorded as a deferred rent liability. Landlord-funded leasehold improvements are also recorded as deferred rent liabilities and amortized as a reduction of rent expense over the non-cancelable term of the related operating lease. The Company may receive rent holidays and other incentives. The Company recognizes lease costs on a straight-line basis once control of the space is achieved, without regard to deferred payments such as rent holidays that defer the commencement date of required payments.

**Cost of Revenues:** Cost of subscription and support revenues consist of costs related to hosting the Company's software solution and employee-related costs, including stock-based compensation expenses and allocated overhead associated with customer support. Cost of professional services and other revenues consist of employee-related costs associated with these services, including stock-based compensation expenses, and allocated overhead, and the cost of subcontractors. Allocated overhead includes costs such as information technology infrastructure, rent and occupancy charges, along with employee benefit costs, and taxes based upon a percentage of total compensation expense. As such, general overhead expenses are reflected in each cost of revenues and operating expenses category.

**Advertising:** Advertising costs are expensed as incurred and consist of advertising, third-party marketing, branded marketing, and conference and event expenses. Advertising expenses are recorded in sales and marketing expenses in the consolidated statements of operations and were \$1.2 million, \$1.8 million and \$3.7 million for the fiscal years ended January 31, 2018, 2019 and 2020, respectively.

**Income Taxes:** Deferred income taxes are determined using the asset and liability method, whereby deferred tax assets are recognized for deductible temporary differences and deferred tax liabilities are recognized for taxable temporary differences. Temporary differences are the differences between the reported amounts of assets and liabilities and their tax bases. Deferred tax assets are also recorded for any tax attribute, such as net operating losses. Deferred tax assets and liabilities are adjusted for the effects of the changes in tax laws and rates

nCino, Inc.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS  
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**Note 2. Summary of Significant Accounting Policies (Continued)**

on the date of enactment within income tax expense. The Company reflects the expected amount of income taxes to be paid or refunded during the year as current income tax expense or benefit, as applicable.

Deferred tax assets are reduced by a valuation allowance when, in the opinion of management, it is more-likely-than-not that some portion or all of the deferred tax assets will not be realized.

The Company follows the accounting standards on accounting for uncertainty in income taxes, which addresses the determination of whether tax benefits claimed or expected to be claimed on a tax return should be recorded in the consolidated financial statements. Under this guidance, the Company may recognize the tax benefit from an uncertain tax position only if it is more-likely-than-not that the tax position will be sustained on examination by taxing authorities based on the technical merits of the tax position. The tax benefits recognized in the consolidated financial statements from such a position are measured based on the benefit having a greater than 50% likelihood of being realized upon ultimate settlement. The guidance on accounting for uncertainty in income taxes also addresses de-recognition, classification, interest, and penalties on income taxes, and accounting interim periods.

When and if applicable, potential interest and penalties are accrued as incurred, within income tax expense.

**Other Comprehensive Income (Loss):** Accumulated other comprehensive income (loss) is reported as a component of stockholders' equity and includes unrealized gains and losses on foreign currency translation adjustments.

**Foreign Currency Exchange:** The functional currency of the Company's foreign subsidiaries is generally the local currency. Adjustments resulting from translating foreign functional currency financial statements into U.S. dollars are recorded as a separate component on the consolidated statements of comprehensive loss recorded in foreign currency translation line item. Foreign currency transaction gains and losses due to remeasurement are included in other expense in the consolidated statements of operations and were \$0.005 million, \$0.1 million, and \$0.04 million for the fiscal years ended January 31, 2018, 2019 and 2020, respectively, primarily related to various intercompany loans. All assets and liabilities denominated in a foreign currency are translated into U.S. dollars at the exchange rate on the balance sheet date. Revenues and expenses are translated at the average exchange rate during the period. Equity transactions are translated using historical exchange rates.

**Stock-Based Compensation:** As further described in Note 11, the Company records compensation expense associated with stock options and other equity-based compensation in accordance with ASC 718, *Compensation – Stock Compensation*. The Company establishes fair value as the measurement objective in accounting for share-based payment transactions with employees and recognizes expense on a straight-line basis over the applicable vesting period.

**Basic and Diluted Loss per Common Share:** Basic loss per share is calculated by dividing the net loss attributable to nCino, Inc. by the weighted-average number of shares of common stock outstanding for the period.

Diluted loss per share is calculated by giving effect to all potentially dilutive common stock, which is comprised of stock options and restricted stock units, when determining the weighted-average number of

## nCino, Inc.

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**Note 2. Summary of Significant Accounting Policies (Continued)**

common shares outstanding. For purposes of the diluted loss per share calculation, basic and diluted loss per share were the same, as the effect of all potentially dilutive securities would have been anti-dilutive.

**Recently Adopted Accounting Guidance:**

On May 28, 2014, the FASB issued ASU 2014-09 requiring an entity to recognize the amount of revenues to which it expects to be entitled for the transfer of promised goods or services to customers. ASU 2014-09 also includes Subtopic 340-40, Other Assets and Deferred Costs – Contracts with Customers, which requires the capitalization of incremental costs to obtain a contract with a customer. The new revenue standard replaces most existing revenue recognition guidance in U.S. GAAP and permits the use of either the full retrospective or modified retrospective transition method.

The Company adopted the requirements of ASU 2014-09 as of February 1, 2019 and utilized the modified retrospective transition method. The Company recognized the following cumulative effects of initially applying the new revenue standard:

	As of January 31, 2019	Topic 606 Adjustments	As of February 1, 2019
Accounts receivable, less allowance for doubtful accounts (1)	\$ 25,495	\$ (1,978)	\$ 23,517
Costs capitalized to obtain revenue contracts, current portion, net	—	2,879	2,879
Costs capitalized to obtain revenue contracts, noncurrent, net	—	5,330	5,330
<b>Total assets</b>	<b>\$ 119,966</b>	<b>\$ 6,231</b>	<b>\$ 126,197</b>
Deferred revenue, current portion	34,172	(4,366)	29,806
Deferred revenue, noncurrent	825	(825)	—
<b>Total liabilities</b>	<b>\$ 53,930</b>	<b>\$ (5,191)</b>	<b>\$ 48,739</b>
<b>Stockholders' Equity:</b>			
Accumulated deficit	\$ (104,752)	\$ 11,422	\$ (93,330)

(1) Unbilled accounts receivable previously included in Accounts receivable, less allowance for doubtful accounts before the adoption of Topic 606.

The Company recognized the cumulative effect of initially applying the new revenue standard as a positive adjustment to the opening balance of accumulated deficit on the consolidated balance sheet in the amount of \$11.4 million, which reflects the acceleration of revenues and deferral of costs capitalized to obtain revenue contracts. The following is a summary of the adoption impacts of the new revenue standard:

- The Company capitalized \$8.2 million of contract acquisition costs comprised of sales commissions at the adoption date with a corresponding adjustment to accumulated deficit. The Company is amortizing these costs over their respective expected period of benefit.
- Upon adoption, the Company recorded a decrease in deferred revenue of \$5.2 million and a decrease of \$2.0 million in receivables that were recorded to accumulated deficit.



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**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS**  
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**Note 2. Summary of Significant Accounting Policies (Continued)**

Adoption of the new revenue standard impacted the Company's consolidated statement of operations for the year ended January 31, 2020 as follows:

	<u>As reported</u>	<u>Topic 606 Adjustments</u>	<u>Amounts without Topic 606 adoption impact</u>
Subscription	\$103,265	\$ 2,351	\$ 105,616
Professional services	34,915	(1,901)	33,014
<b>Total revenues</b>	<b>138,180</b>	<b>450</b>	<b>138,630</b>
Subscription	31,062	914	31,976
Professional services	33,008	(8)	33,000
<b>Total cost of revenues</b>	<b>64,070</b>	<b>906</b>	<b>64,976</b>
<b>Gross profit</b>	<b>74,110</b>	<b>(456)</b>	<b>73,654</b>
Sales and marketing	44,440	2,404	46,844
Research and development	35,304	(21)	35,283
<b>Total operating expenses</b>	<b>102,280</b>	<b>2,383</b>	<b>104,663</b>
<b>Net loss attributable to nCino, Inc.</b>	<b>\$ (27,594)</b>	<b>\$ (2,839)</b>	<b>\$ (30,433)</b>
Basic and diluted net loss per share	<u>\$ (0.35)</u>	<u>\$ 0.04</u>	<u>\$ (0.39)</u>

Adoption of the new revenue standard impacted the Company's consolidated balance sheet as of January 31, 2020 as follows:

	<u>As reported</u>	<u>Topic 606 Adjustments</u>	<u>Amounts without Topic 606 adoption impact</u>
Accounts receivable, less allowance for doubtful accounts	\$ 34,205	\$ 260	\$ 34,465
Costs capitalized to obtain revenue contracts, current portion, net	3,608	(3,608)	—
Costs capitalized to obtain revenue contracts, noncurrent, net	7,000	(7,000)	—
<b>Total assets</b>	<b>249,894</b>	<b>(10,348)</b>	<b>239,546</b>
Deferred revenue, current portion	50,929	3,923	54,852
<b>Total liabilities</b>	<b>78,517</b>	<b>3,923</b>	<b>82,440</b>
<b>Stockholders' Equity:</b>			
Accumulated other comprehensive loss	(408)	(10)	(418)
Accumulated deficit	(120,924)	(14,261)	(135,185)

nCino, Inc.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS  
(In thousands, except share and per share amounts and unless otherwise indicated)

**Note 2. Summary of Significant Accounting Policies (Continued)**

The adoption of ASU 2014-09 had no impact on cash provided by or used in operating, investing, or financing activities in the Company's consolidated statement of cash flows. Additionally, the adoption of ASU 2014-09 did not have a material impact on the Company's consolidated statement of comprehensive loss or the provision for income taxes.

The most significant impact of the new revenue standard relates to the capitalization of certain incremental costs to acquire contracts and the requirement to amortize these amounts over the expected period of benefit. Under the previous standard, the Company expensed costs related to the acquisition of revenue generating contracts as incurred. There was impact from arrangements with customers that include subscription services bundled with professional services driven by a change in allocation of transaction value amongst performance obligations under the new standard. Additionally, there was impact from the Company's acquisitions which are not material to the Company's overall revenues. These consisted of principal versus agent consideration (reporting revenues gross vs. net – approximately a \$0.9 million decrease to subscription revenues and cost of revenues to present net under ASU 2014-09) and a perpetual license model (approximately \$0.6 million increase impact to subscription revenues to accelerate revenues).

Other impacts to policies and disclosures include deferred recognition of revenues for certain contracts, the requirement to estimate variable consideration for certain arrangements, increased allocation of revenues to and from professional services and other offerings and changes to financial statement disclosures such as new disclosures related to remaining performance obligations. However, the timing and pattern of revenue recognition related to professional services remain substantially unchanged.

The Company utilized the transitional practical expedient provisions in adopting ASU 2014-09 to apply the new revenue standard and the related changes retrospectively to contracts that were not completed contracts upon initial application. Additionally, the Company did not analyze and separately retrospectively restate each contract modification, but instead reflected the aggregate effect of all modifications occurring before the date of adoption consistent with the transition guidance.

The Company also adopted the following ASUs effective February 1, 2019, none of which had a material impact on the Company's consolidated financial statements.

- ASU 2016-15, *Statement of Cash Flows (Topic 230): Classification of Certain Receipts and Cash Payments*
- ASU No. 2016-16, *Income Taxes (Topic 740): Intra-Entity Transfers of Assets Other Than Inventory*
- ASU 2017-04, *Intangibles – Goodwill and Other (Topic 350): Simplifying the Test for Goodwill Impairment*
- ASU 2018-07, *Compensation – Stock Compensation (Topic 718): Improvements to Nonemployee Share-Based Payment Accounting*

**Recent Accounting Pronouncements Not Yet Adopted:**

In February 2016, the FASB issued ASU 2016-02, *Leases (Topic 842)*. The standard will affect all entities that lease assets and will require lessees to recognize a lease liability and a right-of-use asset for all leases (except for short-term leases that have a duration of less than one year) as of the date on which the lessor makes

nCino, Inc.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS  
(In thousands, except share and per share amounts and unless otherwise indicated)

**Note 2. Summary of Significant Accounting Policies (Continued)**

the underlying asset available to the lessee. For lessors, accounting for leases is substantially the same as in prior periods. In July 2018, the FASB issued ASU 2018-10, *Codification Improvements to Topic 842, Leases*, to clarify how to apply certain aspects of the new leases standard. ASU 2016-02, as subsequently amended for various technical issues, is effective for emerging growth companies following private company adoption dates in fiscal years beginning after December 15, 2020, and interim periods within annual periods beginning after December 15, 2021, and early adoption is permitted. For leases existing at, or entered into after, the beginning of the earliest comparative period presented in the financial statements, lessees and lessors must apply a modified retrospective transition approach. While the Company expects the adoption of this standard to result in an increase to the reported assets and liabilities, it has not yet determined the full impact the adoption of this standard will have on its financial statements and related disclosures.

In June 2016, the FASB issued ASU 2016-13, *Financial Instruments—Credit Losses: Measurement of Credit Losses on Financial Instruments*, which changes the impairment model for most financial assets. The new model uses a forward-looking expected loss method, which will generally result in earlier recognition of allowances for losses. ASU 2016-13, as subsequently amended for various technical issues, is effective for emerging growth companies following private company adoption dates for fiscal years beginning after December 15, 2022 and for interim periods within those fiscal years. The Company is currently evaluating the impact of this standard to the consolidated financial statements.

In August 2018, the FASB issued ASU 2018-13, *Fair Value Measurement (Topic 820): Disclosure Framework – Changes to the Disclosure Requirements for Fair Value Measurement*, which eliminates certain disclosure requirements for fair value measurements for all entities, requires public entities to disclose certain new information and modifies some disclosure requirements. ASU 2018-13 is effective for all entities for fiscal years beginning after December 15, 2019 and for interim periods within those fiscal years, and early adoption is permitted. An entity is permitted to early adopt either the entire standard or only the provisions that eliminate or modify requirements. The Company is currently evaluating the impact of this standard to the consolidated financial statements.

In August 2018, the FASB issued ASU 2018-15, *Intangibles—Goodwill and Other—Internal-Use Software (Subtopic 350-40): Customer’s Accounting for Implementation Costs Incurred in a Cloud Computing Arrangement That is a Service Contract*. This standard aligns the requirements for capitalizing implementation costs incurred in a hosting arrangement that is a service contract with the requirements for capitalizing implementation costs incurred to develop or obtain internal-use software. ASU 2018-15 is effective for emerging growth companies following private company adoption dates in fiscal years beginning after December 15, 2019, and interim periods within annual periods beginning after December 15, 2020, with early adoption permitted. The Company is currently evaluating the impact of this standard to the consolidated financial statements.

In October 2018, the FASB issued Accounting Standards Update (“ASU”) 2018-17, *Consolidation (Topic 810), Targeted Improvements to Related Party Guidance for Variable Interest Entities*, which addresses the cost and complexity of financial reporting associated with consolidation of variable interest entities (“VIE”). ASU 2018-17 is effective for emerging growth companies following private company adoption dates in fiscal years beginning after December 15, 2019, and interim periods within annual periods beginning after December 15, 2020, with early adoption permitted. The new guidance must be applied on a retrospective basis as a cumulative-effect adjustment as of the date of adoption. The Company is evaluating the effect of adopting this new accounting guidance, but does not expect adoption will have a material impact on the Company’s financial statements.

**nCino, Inc.****NOTES TO CONSOLIDATED FINANCIAL STATEMENTS**  
**(In thousands, except share and per share amounts and unless otherwise indicated)****Note 2. Summary of Significant Accounting Policies (Continued)**

In December 2019, the FASB issued ASU 2019-12, *Income Taxes (Topic 740): Simplifying the Accounting for Income Taxes*, 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 emerging growth companies following private company adoption dates in fiscal years beginning after December 15, 2021, and interim periods within annual periods beginning after December 15, 2022, with early adoption permitted, including adoption in an interim period. The Company is evaluating the effect of adopting this new accounting guidance, but does not expect adoption will have a material impact on the Company's financial statements.

**Note 3. Variable Interest Entity and Redeemable Non-Controlling Interest**

In October 2019, the Company entered into an agreement with Japan Cloud Computing, L.P. and M30 LLC (collectively, the "Investors") to engage in the investment, organization, management, and operation of nCino K.K. that is focused on the distribution of the Company's products in Japan. In October 2019, the Company initially contributed approximately \$4.7 million in cash in exchange for 51% of the outstanding common stock of nCino K.K. As of January 31, 2020, the Company controls a majority stake in nCino K.K.

All of the common stock held by the Investors is callable by the Company or puttable by the Investors upon certain contingent events. Should the call or put option be exercised, the redemption value would be determined based on a prescribed formula derived from the discrete revenues of nCino K.K. and the Company and may be settled, at the Company's discretion, with Company stock, if the Company is public at that time, or cash. As a result of the put right available to the redeemable non-controlling interest holders in the future, the redeemable non-controlling interests in nCino K.K. are classified outside of permanent equity in the Company's consolidated balance sheet at January 31, 2020, and the balance is reported at the greater of the initial carrying amount adjusted for the redeemable non-controlling interests' share of earnings, or its estimated redemption value. The resulting changes in the estimated redemption amount are recorded within retained earnings or, in the absence of retained earnings, additional paid-in-capital. The estimated redemption value of the call/put option embedded in the redeemable non-controlling interest was \$0 at January 31, 2020.

The following table summarizes the activity in the redeemable non-controlling interests for the period indicated below:

Balance as of January 31, 2019	\$ —
Investment by redeemable non-controlling interest	4,513
Net loss attributable to redeemable non-controlling interest	(141)
Foreign currency translation	(16)
Balance as of January 31, 2020	<u>\$4,356</u>

**Note 4. Fair Value of Financial Instruments**

The Company uses a three-tier fair value hierarchy, which prioritizes the inputs used in the valuation methodologies in measuring fair value:

**Level 1.** Quoted prices (unadjusted) in active markets for identical assets or liabilities.

nCino, Inc.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS  
(In thousands, except share and per share amounts and unless otherwise indicated)

**Note 4. Fair Value of Financial Instruments (Continued)**

**Level 2.** Significant other inputs that are directly or indirectly observable in the marketplace.

**Level 3.** Significant unobservable inputs which are supported by little or no market activity.

The carrying amounts of cash and cash equivalents, accounts receivable and accounts payable approximate fair value as of January 31, 2019 and 2020 because of the relatively short duration of these instruments.

The Company evaluated its financial assets and liabilities subject to fair value measurements on a recurring basis to determine the appropriate level in which to classify them for each reporting period. The following table summarizes the Company's financial assets measured at fair value as of January 31, 2019 and 2020 and indicates the fair value hierarchy of the valuation:

	Fair value measurements on a recurring basis As of January 31, 2019		
	Level 1	Level 2	Level 3
<b>Assets:</b>			
Money market accounts (included in cash and cash equivalents)	\$ 59,630	\$ —	\$ —
<b>Total assets</b>	<b>\$ 59,630</b>	<b>\$ —</b>	<b>\$ —</b>
	Fair value measurements on a recurring basis As of January 31, 2020		
	Level 1	Level 2	Level 3
<b>Assets:</b>			
Money market accounts (included in cash and cash equivalents)	\$ 67,119	\$ —	\$ —
<b>Total assets</b>	<b>\$ 67,119</b>	<b>\$ —</b>	<b>\$ —</b>
<b>Liabilities:</b>			
Contingent consideration (included in other long-term liabilities)	\$ —	\$ —	\$ 195
<b>Total liabilities</b>	<b>\$ —</b>	<b>\$ —</b>	<b>\$ 195</b>

All of the Company's money market accounts are classified within Level 1 because the Company's money market accounts are valued using quoted market prices in active exchange markets including identical assets.

## nCino, Inc.

**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS**  
**(In thousands, except share and per share amounts and unless otherwise indicated)****Note 4. Fair Value of Financial Instruments (Continued)**

The Company added contingent consideration, a Level 3 measurement, on October 18, 2019 with the acquisition of FinSuite Pty Ltd. Changes in fair value of the contingent consideration are recorded in the consolidated statements of operations within other income. The Company's contingent consideration is valued using a probability weighted discounted cash flow analysis. Refer to Note 7, Business Combinations, for additional detailed discussion. A reconciliation of the beginning and ending balances for contingent consideration obligations are as follows:

Balance as of January 31, 2018	\$—
Acquisitions	—
Change in fair value	—
Translation adjustments	—
Balance as of January 31, 2019	—
Acquisitions	197
Change in fair value	—
Translation adjustments	(2)
Balance as of January 31, 2020	<u>\$195</u>

**Note 5. Revenues****Revenue by Geographic Area**

Revenue by geographic region were as follows:

	Fiscal Year Ended January 31,		
	2018	2019	2020
United States	\$58,075	\$87,328	\$127,192
International	67	4,207	10,988
	<u>\$58,142</u>	<u>\$91,534</u>	<u>\$138,180</u>

Revenues by geography are determined based on the region of the Company's contracting entity, which may be different than the region of the customer. No countries outside the United States represented 10% or more of total revenues.

## nCino, Inc.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS  
(In thousands, except share and per share amounts and unless otherwise indicated)**Note 5. Revenues (Continued)****Contract Amounts**Accounts Receivable

Unbilled accounts receivable were included in accounts receivable before the adoption of ASU 2014-09. Accounts receivable, less allowance for doubtful accounts, is as follows as of January 31, 2019 and 2020:

	As of January 31,	
	2019	2020
Trade accounts receivable	\$21,999	\$32,686
Unbilled accounts receivable	3,589	1,425
Other accounts receivable	30	94
Allowances	(123)	—
Total accounts receivable, net	<u>\$25,495</u>	<u>\$34,205</u>

Deferred Revenue and Remaining Performance Obligation

Significant movements in the deferred revenue balance during the period consisted of increases due to payments received prior to transfer of control of the underlying performance obligations to the customer and deferred revenue assumed through business combinations, which were offset by decreases due to revenue recognized in the period. During the year ended January 31, 2020, approximately \$36.7 million of revenue was recognized that was included in the adjusted opening balance of deferred revenue as of February 1, 2019.

Transaction price allocated to remaining performance obligations represents contracted revenue that has not yet been recognized, which includes deferred revenue and unbilled amounts that will be recognized as revenue in future periods. Transaction price allocated to the remaining performance obligation is influenced by several factors, including the timing of renewals, average contract terms and foreign currency exchange rates. The Company applied practical expedients to exclude amounts related to performance obligations that are billed and recognized as they are delivered, optional purchases that do not represent material rights, and any estimated amounts of variable consideration that are subject to constraint in accordance with the new revenue standard.

Remaining performance obligations were approximately \$431.5 million as of January 31, 2020. The Company expects to recognize approximately 59% of its remaining performance obligation as revenues in the next 24 months, approximately 34% more in the following 25 to 48 months, and the remainder thereafter.

Costs Capitalized to Obtain Revenue Contracts

During the fiscal year ended January 31, 2020, we amortized \$0.01 million of capitalized contract acquisition costs into costs of revenues – professional services, \$0.02 million within research and development and \$3.2 million within sales and marketing expense. We did not incur any impairment losses.

The opening balance of capitalized contract acquisition costs as of February 1, 2019 was \$8.2 million. As of January 31, 2020, the balance of capitalized contract acquisition costs was \$10.6 million, of which \$7.0 million was long-term in the consolidated balance sheets. The remaining balance of the capitalized costs to obtain contracts was current.

## nCino, Inc.

**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS**  
(In thousands, except share and per share amounts and unless otherwise indicated)

**Note 6. Property and Equipment**

Property and equipment, net consisted of the following:

	As of January 31,	
	2019	2020
Furniture and fixtures	\$ 4,407	\$ 5,279
Computers and equipment	2,743	3,907
Leasehold Improvements	6,834	8,436
Construction-in-progress	42	2,055
	<u>14,026</u>	<u>19,677</u>
Less accumulated depreciation	(3,620)	(6,200)
	<u>\$10,406</u>	<u>\$13,477</u>

The Company recognized depreciation expense as follows:

	Fiscal Year Ended January 31,		
	2018	2019	2020
Cost of revenues	\$346	\$ 534	\$ 949
Sales and marketing	238	368	739
Research and development	270	383	835
General and administrative	116	173	338
Total depreciation expense	<u>\$970</u>	<u>\$1,458</u>	<u>\$2,861</u>

Subsequent to January 31, 2020, the Company entered into commitments in the amount of \$1.2 million for additional furniture and fixtures and leasehold improvements.

**Note 7. Business Combinations****Visible Equity, LLC**

On July 8, 2019, the Company acquired all outstanding membership interests of Visible Equity, LLC (“Visible Equity”) which provides financial analytics, portfolio management and compliance solutions to banks and credit unions. The Company acquired Visible Equity for its product offerings and the domain expertise of its employees. Visible Equity is headquartered in Salt Lake City, Utah. The Company has included the financial results of Visible Equity in the consolidated statements of operations from the date of acquisition. The transaction costs associated with the acquisition were approximately \$0.8 million and were primarily recorded in general and administrative expenses.

The acquisition-date fair value of the consideration transferred is as follows:

	Total Consideration
Cash consideration to members	\$ 49,428
Voting common stock issued (1,438,805 shares)	23,812
Total consideration	<u>\$ 73,240</u>



**nCino, Inc.****NOTES TO CONSOLIDATED FINANCIAL STATEMENTS**  
**(In thousands, except share and per share amounts and unless otherwise indicated)****Note 7. Business Combinations (Continued)**

The fair value of the Company's voting common stock was determined by management to be \$16.55 per share with the assistance of a third-party valuation specialist.

The following table summarizes the fair values of assets acquired and liabilities assumed as of the date of acquisition:

	<u>Fair Value</u>
Cash and cash equivalents	\$ 1,209
Accounts receivable	1,177
Other current and noncurrent assets	574
Intangible assets	25,500
Goodwill	46,584
Accounts payable, accrued expenses and other liabilities, current and noncurrent	(1,804)
Net assets acquired	<u>\$73,240</u>

The transaction was accounted for using the acquisition method and as a result, assets acquired and liabilities assumed were recorded at their estimated fair values at the acquisition date. Any excess consideration over the fair value of the assets acquired and liabilities assumed was recognized as goodwill.

The following table sets forth the components of identifiable intangible assets and their estimated useful lives over which the acquired intangible assets will be amortized on a straight-line basis, as this approximates the pattern in which economic benefits of the assets are consumed as of the date of acquisition:

	<u>Fair Value</u>	<u>Useful Life</u>
Developed technology	\$ 3,800	4 years
Customer relationships	21,600	13 years
Trademarks	100	< 1 year
Total intangible assets subject to amortization	<u>\$ 25,500</u>	

Developed technology represents the fair value of Visible Equity's technology. Customer relationships represent the fair value of the underlying relationships with Visible Equity's customers. Trademarks represent the fair value of Visible Equity's company name.

Goodwill is mainly attributable to synergies expected from the acquisition and assembled workforce and is expected to be deductible for tax purposes.

The results of operations of Visible Equity since the acquisition are included in our consolidated statements of operations for the year ended January 31, 2020. The revenues and results of operations attributable to Visible Equity for the period from the date of acquisition, July 8, 2019 through January 31, 2020 were \$5.6 million and a \$1.7 million loss, respectively.

**Finsuite Pty Ltd**

On October 18, 2019, the Company, through its wholly-owned subsidiary, nCino APAC Pty Ltd, acquired all of the outstanding shares of FinSuite Pty Ltd ("FinSuite"). The Company acquired FinSuite to

**nCino, Inc.****NOTES TO CONSOLIDATED FINANCIAL STATEMENTS**  
**(In thousands, except share and per share amounts and unless otherwise indicated)****Note 7. Business Combinations (Continued)**

enhance the Company's data recognition capabilities, including complex, unstructured data. FinSuite is headquartered in Melbourne, Australia. The Company has included the financial results of FinSuite in the consolidated statement of operations from the date of acquisition. The transaction costs associated with the acquisition were approximately \$0.3 million and are included in general and administrative expenses in the consolidated statement of operations for the fiscal year ended January 31, 2020.

The acquisition-date fair value of the consideration transferred is as follows:

	Total Consideration
Cash consideration to shareholders	\$ 3,928
Cash consideration to settle debt	137
Voting common stock issued (63,967 shares)	1,392
Contingent consideration – cash payment	197
Contingent consideration – voting common stock	5,857
Total consideration	<u>\$ 11,511</u>

The fair value of the Company's voting common stock was determined by management to be \$21.75 per share based upon the transaction price of the Company's capital raise in September 2019, which is indicative of an observable price in the Company's principal market at the time of acquisition.

Contingent consideration includes two tranches of earn-out arrangements based upon the attainment of post-acquisition product development milestones. The first tranche includes an earn-out opportunity of \$0.1 million of cash and the issuance of 142,846 shares of voting common stock (together, the "Initial Tranche Earn-Out"). The Initial Tranche Earn-Out is conditioned upon the development of a stated product in accordance with mutually agreed upon functional requirements within a certain period from the date of acquisition. The second tranche includes an earn-out opportunity of \$0.1 million of cash and the issuance of 142,846 shares voting common stock (together, the "Final Tranche Earn-Out"). The Final Tranche Earn-Out is conditioned upon a customer's use of the stated product in a production environment according to the mutually agreed upon functional requirements within a certain period from the date of acquisition. The Final Tranche Earn-Out is not conditioned upon the achievement of the Initial Tranche Earn-Out.

The fair value of the contingent consideration at the date of acquisition, approximately \$6.0 million, was determined based upon a probability-weighted discounted cash flow model. The cash portion of the contingent consideration, \$0.2 million, was recorded as of the acquisition date and is included in other long-term liabilities in the accompanying consolidated balance sheet as of January 31, 2020. The share portion of the contingent consideration was recorded as of the acquisition date and is reflected as a component of stockholders' equity in the accompanying consolidated balance sheet as of January 31, 2020.

**nCino, Inc.****NOTES TO CONSOLIDATED FINANCIAL STATEMENTS**  
**(In thousands, except share and per share amounts and unless otherwise indicated)****Note 7. Business Combinations (Continued)**

The following table summarizes the fair values of assets acquired and liabilities assumed as of the date of acquisition:

	<u>Fair Value</u>
Cash and cash equivalents	\$ 17
Accounts receivable	78
Other current and noncurrent assets	301
Intangible assets	2,376
Goodwill	9,405
Accounts payable, accrued expenses and other liabilities, current and noncurrent	(666)
Net assets acquired	<u>\$11,511</u>

The transaction was accounted for using the acquisition method and as a result, assets acquired and liabilities assumed were recorded at their estimated fair values at the acquisition date. Any excess consideration over the fair value of the assets acquired and liabilities assumed was recognized as goodwill.

The following table sets forth the components of identifiable intangible assets and their estimated useful lives over which the acquired intangible assets will be amortized on a straight-line basis, as this approximates the pattern in which economic benefits of the assets are consumed as of the date of acquisition:

	<u>Fair Value</u>	<u>Useful Life</u>
Developed technology	\$ 2,244	4 years
Customer relationships	107	13 years
Trademarks	25	< 1 year
Total intangible assets subject to amortization	<u>\$ 2,376</u>	

Developed technology represents the fair value of FinSuite's technology. Customer relationships represent the fair value of the underlying relationships with FinSuite's customers. Trademarks represent the fair value of FinSuite's company name.

Goodwill is mainly attributable to synergies expected from the acquisition and assembled workforce and is not expected to be deductible for tax purposes.

The results of operations of FinSuite since the acquisition are included in the Company's consolidated statements of operations for the year ended January 31, 2020. The revenues and results of operations attributable to FinSuite for the period from the date of acquisition, October 18, 2019 through January 31, 2020 were \$0.8 million and \$0.3 million income, respectively.

The pro forma statements of operations for the years ended January 31, 2019 and January 31, 2020, shown in the table below, give effect to the Visible Equity and FinSuite acquisitions, described above, as if they had occurred on February 1, 2018. These amounts have been calculated after applying the Company's accounting policies and adjusting the results of Visible Equity and FinSuite to reflect the intangible amortization, stock-based compensation, and related items, and the adjustments to acquired deferred revenue that would have

nCino, Inc.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS  
(In thousands, except share and per share amounts and unless otherwise indicated)

**Note 7. Business Combinations (Continued)**

occurred assuming the fair value adjustments had been applied and incurred since February 1, 2018. This pro forma data is presented for informational purposes only and is not indicative of future results of operations. The table below shows the pro forma statements of operations for the respective years ending January 31:

	(Unaudited) January 31,	
	2019	2020
Revenues	\$102,244	\$142,958
Net loss attributable to nCino, Inc.	(24,954)	(27,647)

**Note 8. Intangible Assets and Goodwill**

**Intangible assets**

Intangible assets, net are as follows:

	As of January 31, 2020			Weighted Average Remaining Useful Life (Years)
	Gross Amount	Accumulated Amortization	Net Carrying Amount	
Acquired developed technology	\$ 6,008	\$ (695)	\$ 5,313	3.5
Customer relationships	21,706	(937)	20,769	12.4
Trademarks	125	(114)	11	0.2
	<u>\$27,839</u>	<u>\$ (1,746)</u>	<u>\$26,093</u>	<u>10.6</u>

There were no intangible assets as of January 31, 2019.

The Company recognized amortization expense as follows:

	Fiscal Year Ended January 31,		
	2018	2019	2020
Cost of revenues	\$—	\$—	\$ 697
Sales and marketing	—	—	937
General and administrative	—	—	114
Total amortization expense	<u>\$ —</u>	<u>\$—</u>	<u>\$1,748</u>

The expected future amortization expense for intangible assets as of January 31, 2020 is as follows:

<u>Fiscal Year Ending January 31,</u>	
2021	\$ 3,182
2022	3,172
2023	3,172
2024	2,478
2025	1,670
Thereafter	12,419
	<u>\$ 26,093</u>

**nCino, Inc.****NOTES TO CONSOLIDATED FINANCIAL STATEMENTS**  
**(In thousands, except share and per share amounts and unless otherwise indicated)****Note 8. Intangible Assets and Goodwill (Continued)**

The expected amortization expense is an estimate. Actual amounts of amortization expense may differ from estimated amounts due to additional intangible asset acquisitions, changes in foreign currency exchange rates, impairment of intangible assets, future changes to expected asset lives of intangible assets and other events.

**Goodwill**

Goodwill represents the excess of the purchase price in a business combination over the fair value of net assets acquired. Goodwill amounts are not amortized, but rather tested for impairment at least annually during the Company's fourth quarter of each fiscal year. The change in the carrying amounts of goodwill was as follows:

Balance as of January 31, 2018	\$ —
Acquisitions	—
Translation adjustments	—
Balance as of January 31, 2019	—
Acquisitions	55,989
Translation adjustments	(149)
Balance as of January 31, 2020	<u>\$55,840</u>

**Note 9. Reseller Agreement**

The Company has a reseller agreement in place with a related party to utilize their platform and to develop the Company's cloud-based banking software as an application within the related party's hosted environment. This agreement expires in June 2022 unless renegotiated. Cost of subscription revenues in each of the fiscal years ended January 31, 2018, 2019 and 2020 substantially consists of fees paid for access to the related party's platform, including their hosting infrastructure and data center operations. The Company has recorded expenses of \$9.5 million, \$15.4 million and \$22.8 million for the fiscal years ended January 31, 2018, 2019, and 2020, respectively. See also Note 15.

**Note 10. Stockholders' Equity**

On September 16, 2019, the Company amended the Certificate of Incorporation to change the designated number of voting shares of authorized common stock to 99,708,247 and the designated number of non-voting shares of authorized common stock to 10,291,753. On May 25, 2016, the Company amended the Certificate of Incorporation to change the designated number of voting shares of authorized common stock to 89,708,247 and the designated number of non-voting shares of authorized common stock to 10,291,753. During the fiscal years ended January 31, 2018 and 2019, no change was made to the total number of authorized common shares.

In July 2017, January 2018, and September 2019 the Company completed a private placement common stock offering with accredited investors which raised \$17.8 million, \$51.4 million and \$79.9 million, respectively, net of related expenses. During the July 2017 offering, 1,784,700 shares of voting common stock were issued, in January 2018, 3,958,354 shares of voting common stock were issued, and in September 2019, 3,678,161 shares of common stock were issued (3,448,276 shares of voting common stock and 229,885 shares of non-voting common stock).

## nCino, Inc.

**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS**  
**(In thousands, except share and per share amounts and unless otherwise indicated)****Note 10. Stockholders' Equity (Continued)**

Also, during the fiscal years ended January 31, 2018, 2019 and 2020, certain employees exercised vested stock options resulting in 695,384, 2,845,482 and 458,770 shares, respectively, being issued.

During the fiscal year ended January 31, 2020, 1,502,772 shares of voting common stock were issued related to business combinations.

A summary of the rights and key provisions affecting each class of the Company's stock as of January 31, 2020, is as follows:

**Preferred Stock:** The Board of Directors is authorized to establish one or more series of preferred stock and to fix the number of shares constituting such series and the designation of such series, including the voting powers, preferences, limitations, restrictions, and other special rights thereof.

**Common stock:** Each holder of shares of voting common stock is entitled to attend all special and annual stockholder meetings of the Company and to cast one vote for each outstanding share of voting common stock held on any matter or thing properly considered and acted upon by the stockholders in accordance with the Company's by-laws and applicable law. Non-voting common stockholders carry the same rights and privileges as voting common stockholders except they shall not be entitled to vote on any matter. Non-voting common stock can be converted to an equal number of shares of voting common stock provided that certain transfer provisions are met. The non-voting common stock will only be convertible after a transfer from the initial holder of the non-voting common stock to a third party unaffiliated with the initial holder through a permitted transfer. A permitted transfer is defined as being a transfer to an affiliate of the holder or the Company, transfer in a widespread public distribution, in transfers in which no transferee (or group of affiliated transferees) receives 2% or more of any class of the voting securities of the Company, or to a transferee that would control more than 50% of the voting securities of the Company without any transfer from the transferor.

At January 31, 2020, the Company committed a total of 9,579,061 shares of common stock for future issuance as follows:

Issued and outstanding stock options	7,837,023
Nonvested issued and outstanding restricted stock units ("RSU"s)	948,119
Possible issuance under incentive plans	793,919
	<u>9,579,061</u>

**Note 11. Stock-Based Compensation**

The Company has two equity incentive plans: the 2014 Stock Plan ("2014 Plan") and the 2019 Equity Incentive Plan ("2019 Plan"), collectively referred to as the "Incentive Plans." Under the 2014 Plan, the Board of Directors had allotted 15,025,666 shares of common stock for incentive options or non-qualified options as of January 31, 2020. Prior to fiscal 2018, the option pool was increased by an aggregate of 6,797,476 shares with approval from the Board of directors and stockholders. Non-qualified options may be granted to Company employees, non-employee directors, and consultants. The exercise price of options is determined by the Board of

## nCino, Inc.

**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS**  
**(In thousands, except share and per share amounts and unless otherwise indicated)****Note 11. Stock-Based Compensation (Continued)**

Directors, but cannot be less than 100% of the fair market value of the Company's common stock on the date of the grant. The options generally vest in one of two ways:

- In equal annual installments over four years from the grant date.
- Upon a change in control transaction (with respect to certain Incentive Plan participants).

All options expire ten years from the grant date and, with respect to certain Incentive Plan participants, provide for accelerated vesting if there is a change in control of the Company.

In July 2019, the Company established the 2019 Plan. The 2019 Plan is allotted 1,500,000 shares that may be issued in the form of options, stock appreciation rights, restricted stock awards, restricted stock units, performance shares, performance units, cash-based awards and other stock-based awards. The allotted shares can be increased by shares available under the Company's 2014 Plan, described above, however, not to exceed 7,500,000 shares from that 2014 Plan. The maximum number of incentive stock options cannot exceed 9,000,000 shares. All awards shall be granted within ten years from the effective date of the Plan and can only be granted to employees, non-employee directors and consultants and generally vest over four years.

Restricted stock units ("RSU") are subject to time-based and performance-based vesting conditions. RSUs are generally earned over a service period of four years, expire seven years from the grant date and will only vest upon an IPO or change in control. The compensation expense related to these awards is based on the grant date fair value of the RSUs and is recognized on a ratable basis over the applicable service period. No RSUs have vested as of January 31, 2020.

**Stock Options**

The calculated value of each option award is estimated at the date of grant using the Black-Scholes option valuation model that utilizes the assumptions included in the table below. The Company recognizes stock-based expenses related to stock option awards on a straight-line basis over the requisite service period of the awards, which is generally the vesting term of four years. Stock-based expenses are recognized net of estimated forfeiture activity. The estimated forfeiture rate applied is based on historical forfeiture rates. The expected term assumption, using the simplified method, reflects the period for which the Company believes the option will remain outstanding. The Company determined the volatility of its stock by looking at the historic volatility of its peer companies. The risk-free rate reflects the U.S. Treasury yield for a similar expected life instrument in effect at the time of the grant. The assumptions utilized for the fiscal years ended January 31, 2018, 2019, and 2020 are as follows:

	2018	2019	2020
Expected life (in years from vesting)	6.08 - 6.25	6.25	6.10 -6.25
Expected volatility	42% - 44%	40% - 41%	40%
Expected dividends	0.00%	0.00%	0.00%
Risk-free rate	2.07% - 2.27%	2.71% - 3.06%	1.63% - 2.59%

The grant date weighted average calculated fair value of options issued, net of forfeitures, was \$2.13, \$5.36, and \$6.74 per share for the fiscal years ended January 31, 2018, 2019 and 2020, respectively.

nCino, Inc.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS  
(In thousands, except share and per share amounts and unless otherwise indicated)

**Note 11. Stock-Based Compensation (Continued)**

The Company recognized stock-based compensation expense related to the option grants under the Incentive Plans as follows:

	Fiscal Year Ended January 31,		
	2018	2019	2020
Cost of revenues	\$1,357	\$1,487	\$1,517
Sales and marketing	940	1,078	1,260
Research and development	1,070	1,056	1,245
General and administrative (1)	459	474	1,723
<b>Total stock-based compensation expense</b>	<b>\$3,826</b>	<b>\$4,095</b>	<b>\$5,745</b>

- (1) On June 26, 2019, the Company entered into a separation agreement with an executive. The agreement resulted in a modification of the former employee's 334,840 outstanding stock options to purchase voting common stock, which accelerated certain vesting and extended the exercise period, resulting in the recognition of \$1.2 million of additional stock-based compensation expense for the year ended January 31, 2020.

The Company granted 353,900 incentive stock options in the fiscal year ended January 31, 2020, which vest over four years and have a ten-year term.

A summary of option activity under the Incentive Plans during the fiscal years ended January 31, 2018, 2019 and 2020 are as follows:

	Number of Shares	Weighted Average Exercise Price	Weighted Average Remaining Contractual Term (Years)	Aggregate Intrinsic Value (In thousands)
Outstanding, January 31, 2017	6,845,834	\$ 1.94	7.76	
Granted	4,267,151	5.17		
Expired or forfeited	(125,642)	2.93		
Exercised	(695,384)	1.35		\$ 2,617
Outstanding, January 31, 2018	10,291,959	3.31	7.77	
Granted	969,762	13.50		
Expired or forfeited	(209,313)	9.46		
Exercised	(2,845,482)	2.20		\$ 32,365
Outstanding, January 31, 2019	8,206,926	\$ 4.74	7.34	
Granted	353,900	17.54		
Expired or forfeited	(265,033)	6.82		
Exercised	(458,770)	2.27		\$ 7,639
Outstanding, January 31, 2020	7,837,023	\$ 5.39	6.54	\$126,245
Exercisable, January 31, 2020	4,832,586	\$ 3.68	5.88	\$ 86,099
Fully vested or expected to vest, January 31, 2020	7,053,321	\$ 5.39	6.54	\$113,620



nCino, Inc.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS  
(In thousands, except share and per share amounts and unless otherwise indicated)

**Note 11. Stock-Based Compensation (Continued)**

Aggregate intrinsic value represents the total pre-tax intrinsic value, which is computed based on the difference between the option exercise price and the estimated fair value of the Company's common stock at the time such option exercises. This intrinsic value changes based on changes in the fair value of the Company's underlying stock.

As of January 31, 2020, there was \$7.6 million of total unrecognized compensation cost related to unvested stock-based compensation arrangements under the Incentive Plans. That cost is expected to be recognized over a weighted average period of approximately 1.65 years.

**Restricted Stock Units**

The Company granted 948,119 RSUs during the fiscal year ended January 31, 2020 with a weighted-average grant date fair value of \$21.75 per RSU. No RSUs vested, were forfeited or cancelled. As of January 31, 2020, total unrecognized compensation expense cost related to non-vested RSUs was \$19.6 million, adjusted for estimated forfeitures, based on the estimated fair value of the Company's common stock at the time of grant. The weighted-average period to be recognized is indeterminable until an IPO or a change in control occurs. At January 31, 2020, the intrinsic value of unvested restricted stock units was \$0.0 million.

**Note 12. Income Taxes**

The components of loss before income tax expense by domestic and foreign jurisdictions were as follows:

	Fiscal Year Ended January 31,		
	2018	2019	2020
United States	<u>\$(18,757)</u>	<u>\$(17,333)</u>	<u>\$(20,547)</u>
Foreign	<u>218</u>	<u>(4,779)</u>	<u>(6,602)</u>
Income Before Taxes	<u>\$(18,539)</u>	<u>\$(22,112)</u>	<u>\$(27,149)</u>

The provision for income taxes consisted of the following:

	Fiscal Year Ended January 31,		
	2018	2019	2020
Current:			
Federal	<u>\$—</u>	<u>\$—</u>	<u>\$—</u>
State	<u>—</u>	<u>—</u>	<u>21</u>
Foreign	<u>50</u>	<u>194</u>	<u>410</u>
	<u>50</u>	<u>194</u>	<u>431</u>
Deferred:			
Federal	<u>—</u>	<u>—</u>	<u>76</u>
State	<u>—</u>	<u>—</u>	<u>56</u>
Foreign	<u>—</u>	<u>—</u>	<u>23</u>
Deferred tax expense	<u>—</u>	<u>—</u>	<u>155</u>
Total tax expense:	<u>\$ 50</u>	<u>\$194</u>	<u>\$586</u>

nCino, Inc.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS  
(In thousands, except share and per share amounts and unless otherwise indicated)

**Note 12. Income Taxes (Continued)**

The differences between income taxes expected at the US federal statutory income tax rate and the reported income tax expense are summarized as follows:

	Fiscal Year Ended January 31,					
	2018		2019		2020	
Income tax benefit at statutory rate of 21% for 2019 and 2020 (2018: 33.8%)	\$(6,268)	33.8%	\$(4,644)	21.0%	\$(5,701)	21.0%
State income tax benefit, net of federal impact	(780)	4.2%	(1,331)	6.0%	141	-0.5%
Changes in valuation allowance	(3,284)	17.7%	11,627	-52.6%	3,303	-12.2%
Impacts of adoption of the new revenue standard	—	0.0%	—	0.0%	2,389	-8.8%
Nondeductible expenses	66	-0.4%	175	-0.8%	231	-0.8%
Foreign rate differential	(32)	0.2%	96	-0.4%	108	-0.4%
Stock-based compensation	181	-1.0%	(5,753)	26.0%	19	-0.1%
Remeasurement of deferred taxes due to Tax Cuts and Jobs Act	9,958	-53.7%	—	0.0%	—	0.0%
Other	209	-1.1%	24	-0.1%	96	-0.4%
	<u>\$ 50</u>	<u>-0.3%</u>	<u>\$ 194</u>	<u>-0.9%</u>	<u>\$ 586</u>	<u>-2.2%</u>

Significant components of the Company's net deferred tax assets and liabilities were as follows:

	As of January 31,	
	2019	2020
Deferred tax assets:		
Net operating losses	\$ 31,765	\$ 35,608
Equity compensation	876	1,655
Reserves and accrued	342	1,156
Deferred rent	44	416
Transaction costs	—	311
Deferred revenue	—	151
Depreciation	—	126
Other	160	238
Total deferred tax assets	33,187	39,661
Less valuation allowance	(33,121)	(36,425)
Total deferred tax assets, net of valuation allowances	66	3,236
Deferred tax liabilities:		
Contract acquisition costs	—	(2,568)
Remaining performance obligations	—	(497)
Intangibles	—	(316)
Other	(66)	(49)
Total deferred tax liabilities	(66)	(3,430)
Net deferred tax liabilities	\$ —	\$ (194)

nCino, Inc.

**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS**  
**(In thousands, except share and per share amounts and unless otherwise indicated)**

**Note 12. Income Taxes (Continued)**

A valuation allowance has been provided in the U.S. federal and state as well as certain foreign jurisdictions to reduce deferred tax assets to the amount that is more likely than not to be realized. The valuation allowance increased/(decreased) by (\$3.3 million), \$11.6 million and \$3.3 million for the fiscal years ended January 31, 2018, 2019 and 2020, respectively.

The Company continually assesses the realizability of its deferred tax assets based on an evaluative process that considers all available positive and negative evidence. The Company has established a valuation allowance in the amount of \$33.1 million and \$36.4 million as of January 31, 2019 and 2020, respectively, because the Company believes it is not more likely than not the deferred tax asset in jurisdictions excluding Canada will be realized.

On December 22, 2017, President Trump signed into law the statute named the “Tax Cuts and Jobs Act” (“TCJA”) which enacts a broad range of changes to the Internal Revenue Code. The TCJA, among other things, includes changes to U.S. federal tax rates, imposes significant additional limitations on the deductibility of interest and net operating losses, allows for the expensing of certain capital expenditures, and puts into effect a number of changes impacting operations outside of the United States including, but not limited to, the imposition of a one-time tax on accumulated post-1986 deferred foreign income that has not previously been subject to tax, and modifications to the treatment of certain intercompany transactions.

The decrease in the US corporate federal income tax rate to 21 percent was effective on January 1, 2018. For the tax year ended January 31, 2018, the blended federal income tax rate for the Company was 33.8%.

The Company’s net deferred tax assets and liabilities were revalued at the newly enacted U.S. corporate rate of 21%, and the resulting increase to tax expense was offset by a related reduction of the Company’s valuation allowance.

The TCJA also requires companies to pay a one-time transition tax on a mandatory deemed repatriation of earnings of certain foreign subsidiaries that were previously untaxed. The deemed repatriated earnings all relate to the fiscal year ending January 31, 2018 as it was the first year the Company had foreign operations. This deemed repatriation did not result in any additional income tax payable because the deemed repatriation amount was offset by net operating losses. The Company maintains its assertion of the Company’s intent for certain foreign earnings to be indefinitely reinvested. As of January 31, 2020, the Company has not recorded taxes on approximately \$2.5 million of cumulative undistributed earnings of the Company’s non-U.S. subsidiaries. The Company generally does not provide for taxes related to the Company’s undistributed earnings because such earnings either would not be taxable when remitted or they are indefinitely reinvested. If in the foreseeable future, the Company can no longer demonstrate that these earnings are indefinitely reinvested, a deferred tax liability will be recognized. A determination of the amount of the unrecognized deferred tax liability related to these undistributed earnings is not practicable due to the complexity and variety of assumptions necessary based on the manner in which the undistributed earnings would be repatriated.

**nCino, Inc.****NOTES TO CONSOLIDATED FINANCIAL STATEMENTS**  
**(In thousands, except share and per share amounts and unless otherwise indicated)****Note 12. Income Taxes (Continued)**

The Company has federal loss carryforwards totaling \$267,652 that may be offset against future taxable income. If not used, the carryforwards will expire as follows:

<u>Fiscal Year Ending January 31,</u>	
2032 and before	\$ 40,606
2033	7,098
2034	18,355
2035	20,379
2036	9,995
2037	51,551
2038	25,766
2039	13,900
2040	3,291
Indefinite	76,710
	<u>\$267,652</u>

Because of the change of ownership provisions of the Tax Reform Act of 1986, the use of the Company's U.S. federal loss carryforwards may be limited in future periods. Further, a portion of the carryforwards may expire before being applied to reduce future income tax liabilities.

The Company also has foreign net operating losses of \$11.7 million that can be carried forward indefinitely, which are included in the table above.

The Company is subject to taxation in the U.S. federal and various state and foreign jurisdictions. As of January 31, 2020, the Company is no longer subject to U.S. federal and state examinations by tax authorities for years prior to 2016. However, amounts reported as net operating losses and tax credit carryforwards from these tax periods remain subject to review by most tax authorities.

The Company recognizes the income tax benefits of any uncertain tax positions only when, based upon the technical merits of the position, it is more likely than not that the position is sustainable upon examination. With the information available, the Company has performed an analysis and as of January 31, 2019 and 2020, the Company has not recognized any unrecognized tax benefits, interest or penalties for any income tax positions.

On March 27, 2020, President Trump signed into law the "Coronavirus Aid, Relief and Economic Security (CARES) Act." The CARES Act, among other things, includes provisions relating to refundable payroll tax credits, deferment of employer side social security payments, net operating loss carryback periods, alternative minimum tax credit refunds, modifications to the net interest deduction limitations and technical corrections to tax depreciation methods for qualified improvement property. The Company continues to examine the impacts the CARES Act may have on the Company's business.

**Note 13. Defined Contribution Plan**

The Company has a 401(k) plan for its employees in the United States who meet the plan requirements. The Company, at its discretion, may make matching contributions. Employees are immediately vested in their contributions. The Company also has a Registered Retirement Savings Plan covering all eligible employees in Canada. Employer contributions for the fiscal years ended January 31, 2018, 2019 and 2020 were \$0, \$0.1 million and \$0.9 million, respectively.

**nCino, Inc.****NOTES TO CONSOLIDATED FINANCIAL STATEMENTS**  
**(In thousands, except share and per share amounts and unless otherwise indicated)****Note 14. Commitments and Contingencies**

The Company leases its facilities and a portion of its equipment and licenses under various non-cancellable agreements, which expire at various times through July 2028 and require various minimum annual rentals.

The Company's agreements for the facilities and certain services provide the Company with the option to renew. The Company's future contractual obligations would change if the Company exercised these options.

Future minimum lease payments required under operating leases at January 31, 2020 are as follows:

<u>Fiscal Year Ending January 31,</u>	
2021	\$ 6,068
2022	4,523
2023	3,815
2024	3,245
2025	1,276
Thereafter	3,798
	<u>\$ 22,725</u>

The terms of the lease agreements provide for rental payments on a graduated basis. The Company recognizes rent expense on a straight-line basis over the lease period and has accrued for rent expense incurred but not paid.

Total lease expense amounted to \$3.4 million, \$5.8 million, and \$8.7 million for the fiscal years ended January 31, 2018, 2019 and 2020, respectively.

We have recognized liabilities for contingencies related to state sales and use tax deemed probable and estimable, including penalties and interest, totaling \$0.9 million and \$0.2 million at January 31, 2019 and 2020, respectively, which are included in other accrued expenses in the Company's consolidated balance sheets.

**Note 15. Related-Party Transactions**

The Company's main vendor is also an equity holder in the Company. Total payments related to the reseller agreement with the related party are disclosed in Note 9. The Company also purchases services from this related party to assist in managing its own sales cycle, customer relationship management, and other business functions. The Company signed a three-year, non-cancellable agreement with the related party in December 2015 for the purchase of services and renewed in December 2018 for an additional two years. Total payments to the related party for these services recorded to expenses were \$0.5 million, \$0.8 million and \$1.1 million for the fiscal years ended January 31, 2018, 2019 and 2020, respectively, and \$0.7 million and \$1.1 million were in prepaid expenses and other current assets as of January 31, 2019 and 2020, respectively. Accounts payable to the related party were \$2.1 million and \$3.3 million at January 31, 2019 and 2020, respectively, included in accounts payable, related parties.

As discussed in Note 2, there are equity holders who are also customers of the Company. Included in revenues are \$8.1 million, \$9.9 million and \$8.4 million from three equity holder customers for the fiscal years ended January 31, 2018, 2019 and 2020, respectively. Related party balances in current deferred revenue, related parties were \$6.9 million and \$8.0 million as of January 31, 2019 and 2020, respectively.

## nCino, Inc.

**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS**  
(In thousands, except share and per share amounts and unless otherwise indicated)

**Note 15. Related-Party Transactions (Continued)**

The Company has a banking relationship with one of its equity holders. Included in interest income is \$0.2 million, \$0.9 million and \$0.7 million for the fiscal years ended January 31, 2018, 2019 and 2020, respectively.

The Company made an agreement with one of its equity holders in May 2016 to spend an agreed-upon amount of funds over a three-year period to further the alliance between the two companies. As of fiscal year end January 31, 2020, the Company was in compliance with the terms of the agreement. Total consideration amounted to \$0.3 million, \$1.7 million, and \$0.06 million for the fiscal years ended January 31, 2018, 2019 and 2020, respectively. In April 2019, the agreement was extended for an additional three years. As of January 31, 2020, there was a \$0.2 million obligation remaining expected to be fulfilled within one year.

**Note 16. Basic and Diluted Loss per Share**

Basic loss per share is computed by dividing net loss attributable to nCino, Inc. by the weighted-average number of common shares outstanding for the fiscal period. Diluted loss per share is computed by giving effect to all potential weighted average dilutive common stock, including options. The dilutive effect of outstanding awards is reflected in diluted earnings per share by application of the treasury stock method. Diluted loss per share for the fiscal years ended January 31, 2018, 2019, and 2020 is the same as the basic loss per share as there was a net loss for those periods, and inclusion of potentially issuable shares was anti-dilutive.

The components of basic and diluted loss per share for periods presented are as follows (in thousands, except share and per share data):

	Fiscal Year Ended January 31,		
	2018	2019	2020
<b>Basic loss per share:</b>			
Numerator			
Net loss attributable to nCino, Inc.	\$ (18,589)	\$ (22,306)	\$ (27,594)
Denominator			
Weighted-average common shares outstanding	68,290,570	74,593,709	78,316,794
Basic loss per share attributable to nCino, Inc.	\$ (0.27)	\$ (0.30)	\$ (0.35)
<b>Dilutive loss per share:</b>			
Numerator			
Net loss attributable to nCino, Inc.	\$ (18,589)	\$ (22,306)	\$ (27,594)
Denominator			
Weighted-average common shares outstanding	68,290,570	74,593,709	78,316,794
Dilutive loss per share attributable to nCino, Inc.	\$ (0.27)	\$ (0.30)	\$ (0.35)

nCino, Inc.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS  
(In thousands, except share and per share amounts and unless otherwise indicated)

**Note 16. Basic and Diluted Loss per Share (Continued)**

The weighted-average number of shares outstanding used in the computation of diluted loss per share does not include the effect of the following potential outstanding common stock because the effect would have been anti-dilutive for the periods presented:

	Fiscal Year Ended January 31,		
	2018	2019	2020
Stock options issued and outstanding	10,291,959	8,206,926	7,837,023
Nonvested RSUs issued and outstanding	—	—	948,119

**Note 17. Selected Quarterly Financial Data (Unaudited)**

Selected summarized quarterly financial information for fiscal 2019 and 2020 is as follows:

	1st Quarter	2nd Quarter	3rd Quarter	4th Quarter	Fiscal Year
<b>Fiscal Year Ended January 31, 2019</b>					
Revenues	\$19,064	\$22,630	\$23,663	\$26,177	\$ 91,534
Cost of revenues	10,119	11,048	12,210	13,074	46,451
Gross profit	8,945	11,582	11,453	13,103	45,083
Operating expenses:					
Sales and marketing	5,833	7,909	7,844	9,692	31,278
Research and development	4,595	4,941	5,823	6,871	22,230
General and administrative	2,922	4,217	2,806	4,846	14,791
Total operating expenses	13,350	17,067	16,473	21,409	68,299
Loss from operations	(4,405)	(5,485)	(5,020)	(8,306)	(23,216)
Total other income (expense), net	214	206	108	576	1,104
Loss before income tax expense	(4,191)	(5,279)	(4,912)	(7,730)	(22,112)
Income tax expense	60	45	14	75	194
Net loss attributable to nCino, Inc.	<u>\$ (4,251)</u>	<u>\$ (5,324)</u>	<u>\$ (4,926)</u>	<u>\$ (7,805)</u>	<u>\$ (22,306)</u>
Basic and diluted net loss per share attributable to nCino, Inc.	<u>\$ (0.06)</u>	<u>\$ (0.07)</u>	<u>\$ (0.07)</u>	<u>\$ (0.11)</u>	<u>\$ (0.30)</u>
<b>Fiscal Year Ended January 31, 2020</b>					
Revenues	\$29,836	\$31,978	\$37,862	\$38,504	\$138,180
Cost of revenues	14,038	14,770	16,889	18,373	64,070
Gross profit	15,798	17,208	20,973	20,131	74,110
Operating expenses:					
Sales and marketing	8,015	10,453	12,602	13,370	44,440
Research and development	7,366	8,272	9,534	10,132	35,304
General and administrative	3,909	6,430	5,557	6,640	22,536
Total operating expenses	19,290	25,155	27,693	30,142	102,280

## nCino, Inc.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS  
(In thousands, except share and per share amounts and unless otherwise indicated)

## Note 17. Selected Quarterly Financial Data (Unaudited) (Continued)

	1st Quarter	2nd Quarter	3rd Quarter	4th Quarter	Fiscal Year
Loss from operations	(3,492)	(7,947)	(6,720)	(10,011)	(28,170)
Total other income (expense), net	209	(353)	789	376	1,021
Loss before income tax expense	(3,283)	(8,300)	(5,931)	(9,635)	(27,149)
Income tax expense	136	202	158	90	586
Net loss	(3,419)	(8,502)	(6,089)	(9,725)	(27,735)
Net loss attributable to non-controlling interest	—	—	(60)	(81)	(141)
Net loss attributable to nCino, Inc.	<u>\$(3,419)</u>	<u>\$(8,502)</u>	<u>\$(6,029)</u>	<u>\$(9,644)</u>	<u>\$(27,594)</u>
Basic and diluted net loss per share attributable to nCino, Inc.	<u>\$ (0.05)</u>	<u>\$ (0.11)</u>	<u>\$ (0.08)</u>	<u>\$ (0.12)</u>	<u>\$ (0.35)</u>

## Note 18. Subsequent Event

In March 2020, the World Health Organization declared the outbreak of a novel coronavirus disease (“COVID-19”) as a pandemic, which continues to spread throughout the world. COVID-19 is having an unprecedented impact on the global economy as national, state and local governments react to this public health crisis. Due to the COVID-19 outbreak, there is significant uncertainty surrounding the potential impact on the Company’s results of operations and cash flows. Continued impacts of the pandemic could materially adversely affect the Company’s near-term and long-term revenues, earnings, liquidity and cash flows.



NCINO, INC.

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nCino, Inc.

CONDENSED CONSOLIDATED BALANCE SHEETS  
As of January 31, 2020 and April 30, 2020  
(In thousands, except share and per share data)

	January 31, 2020	April 30, 2020 (Unaudited)
<b>Assets</b>		
Current Assets		
Cash and cash equivalents (VIE: \$8,892 and \$8,794 at January 31, 2020 and April 30, 2020, respectively)	\$ 91,184	\$ 99,038
Accounts receivable, less allowance for doubtful accounts of \$0 and \$167 at January 31, 2020 and April 30, 2020, respectively	34,205	43,249
Accounts receivable, related parties	9,201	2,806
Costs capitalized to obtain revenue contracts, current portion, net	3,608	3,939
Prepaid expenses and other current assets	7,079	6,908
<b>Total current assets</b>	<u>145,277</u>	<u>155,940</u>
Property and equipment, net	13,477	13,955
Costs capitalized to obtain revenue contracts, noncurrent, net	7,000	7,706
Goodwill	55,840	55,630
Intangible assets, net	26,093	25,244
Other long-term assets	2,464	2,614
<b>Total assets</b>	<u>\$ 250,151</u>	<u>\$ 261,089</u>
<b>Liabilities, Redeemable Non-Controlling Interest, and Stockholders' Equity</b>		
Current Liabilities		
Accounts payable	\$ 1,258	\$ 1,888
Accounts payable, related parties	3,408	3,770
Accrued commissions	7,862	3,528
Other accrued expenses	4,922	4,303
Deferred rent, current portion	183	217
Deferred revenue, current portion	50,929	69,359
Deferred revenue, current portion, related parties	8,013	8,029
<b>Total current liabilities</b>	76,575	91,094
Deferred income taxes, noncurrent	194	222
Deferred rent, noncurrent	1,558	1,491
Other long-term liabilities	195	—
<b>Total liabilities</b>	<u>78,522</u>	<u>92,807</u>
Commitments and Contingencies (Notes 8, 11 and 12)		
Redeemable non-controlling interest (Note 3)	4,356	4,384
Stockholders' Equity		
Preferred stock, \$0.001 par value; 1,000,000 shares authorized and none issued and outstanding	—	—
Voting common stock, \$0.0005 par value; 99,708,247 shares authorized as of January 31, 2020 and April 30, 2020; 75,596,007 and 75,651,808 shares issued and outstanding as of January 31, 2020 and April 30, 2020, respectively	38	38
Non-voting common stock, \$0.0005 par value; 10,291,753 shares authorized as of January 31, 2019 and 2020; 5,931,319 shares issued and outstanding as of January 31, 2020 and April 30, 2020, respectively	3	3
Additional paid in capital	288,564	289,624
Accumulated other comprehensive loss	(408)	(187)
Accumulated deficit	(120,924)	(125,580)
<b>Total stockholders' equity</b>	<u>167,273</u>	<u>163,898</u>
<b>Total liabilities, redeemable non-controlling interest, and stockholders' equity</b>	<u>\$ 250,151</u>	<u>\$ 261,089</u>

See Notes to Unaudited Condensed Consolidated Financial Statements.

## nCino, Inc.

**UNAUDITED CONDENSED CONSOLIDATED STATEMENTS OF OPERATIONS**  
**Three Months Ended April 30, 2019 and 2020**  
**(In thousands, except share and per share data)**

	<u>Three Months Ended April 30,</u>	
	<u>2019</u>	<u>2020</u>
<b>Revenues</b>		
Subscription (related parties \$1,755 and \$2,439, respectively)	\$ 21,032	\$ 34,831
Professional services	8,804	9,881
Total revenues	<u>29,836</u>	<u>44,712</u>
<b>Cost of Revenues</b>		
Subscription (related party \$5,059 and \$7,510 respectively)	6,502	10,099
Professional services	7,536	8,767
Total cost of revenues	<u>14,038</u>	<u>18,866</u>
<b>Gross profit</b>	<u>15,798</u>	<u>25,846</u>
<b>Operating Expenses</b>		
Sales and marketing	8,015	12,226
Research and development	7,366	10,965
General and administrative	3,909	6,926
Total operating expenses	<u>19,290</u>	<u>30,117</u>
<b>Loss from operations</b>	<u>(3,492)</u>	<u>(4,271)</u>
<b>Non-operating Income (Expense)</b>		
Interest income	318	156
Other	(109)	(520)
<b>Loss before income tax expense</b>	<u>(3,283)</u>	<u>(4,635)</u>
Income tax expense	136	197
<b>Net loss</b>	<u>(3,419)</u>	<u>(4,832)</u>
Net loss attributable to redeemable non-controlling interest (Note 3)	—	(176)
Adjustment attributable to redeemable non-controlling interest (Note 3)	—	113
<b>Net loss attributable to nCino, Inc.</b>	<u>\$ (3,419)</u>	<u>\$ (4,769)</u>
<b>Net loss per share attributable to nCino, Inc.:</b>		
Basic and diluted	<u>\$ (0.05)</u>	<u>\$ (0.06)</u>
<b>Weighted average number of common shares outstanding:</b>		
Basic and diluted	<u>75,986,517</u>	<u>81,560,762</u>

See Notes to Unaudited Condensed Consolidated Financial Statements.

## nCino, Inc.

UNAUDITED CONDENSED CONSOLIDATED STATEMENTS OF COMPREHENSIVE LOSS  
Three Months Ended April 30, 2019 and 2020  
(In thousands)

	<u>Three Months Ended April 30,</u>	
	<u>2019</u>	<u>2020</u>
<b>Net loss</b>	\$ (3,419)	\$ (4,832)
<b>Other comprehensive income (loss):</b>		
Foreign currency translation	58	312
<b>Other comprehensive income</b>	58	312
<b>Comprehensive loss</b>	(3,361)	(4,520)
<b>Less comprehensive loss attributable to redeemable non-controlling interest:</b>		
Net loss attributable to redeemable non-controlling interest	—	(176)
Foreign currency translation attributable to redeemable non-controlling interest	—	91
<b>Comprehensive loss attributable to redeemable non-controlling interest</b>	—	(85)
<b>Comprehensive loss attributable to nCino, Inc.</b>	<u>\$ (3,361)</u>	<u>\$ (4,435)</u>

See Notes to Unaudited Condensed Consolidated Financial Statements.

nCino, Inc.

UNAUDITED CONDENSED CONSOLIDATED STATEMENTS OF  
STOCKHOLDER'S EQUITY

Three Months Ended April 30, 2019 and 2020

(In thousands, except share data)

	Three Months Ended April 30, 2019							
	Voting Common Stock		Non-voting Common Stock		Additional Paid in Capital	Other Comprehensive Income (Loss)	Accumulated Deficit	Total
	Shares	Amount	Shares	Amount				
Balance, January 31, 2019	70,186,189	\$ 35	5,701,435	\$ 3	\$ 170,771	\$ (21)	\$ (104,752)	\$ 66,036
Cumulative-effect adjustment from adoption of accounting standard	—	—	—	—	—	—	11,422	11,422
Exercise of stock options	131,832	—	—	—	272	—	—	272
Stock-based compensation	—	—	—	—	1,109	—	—	1,109
Other comprehensive income	—	—	—	—	—	58	—	58
Net loss attributable to nCino, Inc.	—	—	—	—	—	—	(3,419)	(3,419)
Balance, April 30, 2019	<u>70,318,021</u>	<u>\$ 35</u>	<u>5,701,435</u>	<u>\$ 3</u>	<u>\$ 172,152</u>	<u>\$ 37</u>	<u>\$ (96,749)</u>	<u>\$ 75,478</u>
	Three Months Ended April 30, 2020							
	Voting Common Stock		Non-voting Common Stock		Additional Paid in Capital	Other Comprehensive Income (Loss)	Accumulated Deficit	Total
	Shares	Amount	Shares	Amount				
Balance, January 31, 2020	75,596,007	\$ 38	5,931,319	\$ 3	\$ 288,564	\$ (408)	\$ (120,924)	\$ 167,273
Exercise of stock options	55,801	—	—	—	122	—	—	122
Stock-based compensation	—	—	—	—	1,051	—	—	1,051
Other comprehensive income	—	—	—	—	—	221	—	221
Net loss attributable to nCino, Inc., including adjustment to redeemable non-controlling interest	—	—	—	—	(113)	—	(4,656)	(4,769)
Balance, April 30, 2020	<u>75,651,808</u>	<u>\$ 38</u>	<u>5,931,319</u>	<u>\$ 3</u>	<u>\$ 289,624</u>	<u>\$ (187)</u>	<u>\$ (125,580)</u>	<u>\$ 163,898</u>

See Notes to Unaudited Condensed Consolidated Financial Statements.

nCino, Inc.  
**UNAUDITED CONDENSED CONSOLIDATED STATEMENTS OF CASH FLOWS**  
**Three Months Ended April 30, 2019 and 2020**  
(In thousands)

	Three Months Ended April 30,	
	2019	2020
<b>Cash Flows from Operating Activities</b>		
Net loss attributable to nCino, Inc.	\$ (3,419)	\$ (4,769)
Net loss and adjustment attributable to redeemable non-controlling interest	—	(63)
Net loss	(3,419)	(4,832)
Adjustments to reconcile net loss to net cash provided by operating activities:		
Depreciation and amortization	594	1,743
Amortization of costs capitalized to obtain revenue contracts	758	1,333
Stock-based compensation	1,109	1,051
Deferred income taxes	—	30
Provision for (recovery of) bad debt	(105)	167
Change in operating assets and liabilities:		
Accounts receivable	(5,217)	(9,463)
Accounts receivable, related parties	4,138	6,395
Costs capitalized to obtain revenue contracts	(492)	(2,436)
Prepaid expenses and other assets	710	238
Accounts payable and accrued expenses and other liabilities	(4,180)	(4,774)
Accounts payable, related parties	296	362
Deferred rent	1,077	(31)
Deferred revenue	11,492	18,630
Deferred revenue, related parties	(1,892)	16
<b>Net cash provided by operating activities</b>	<u>4,869</u>	<u>8,429</u>
<b>Cash Flows from Investing Activities</b>		
Purchases of property and equipment	(552)	(1,075)
<b>Net cash used in investing activities</b>	<u>(552)</u>	<u>(1,075)</u>
<b>Cash Flows from Financing Activities</b>		
Exercise of stock options	272	122
Payments of deferred costs	—	(233)
<b>Net cash provided by (used in) financing activities</b>	<u>272</u>	<u>(111)</u>
Effect of foreign currency exchange rate changes on cash and cash equivalents	55	611
<b>Net increase in cash and cash equivalents</b>	<u>4,644</u>	<u>7,854</u>
Cash and Cash Equivalents, beginning of period	74,347	91,184
Cash and Cash Equivalents, end of period	<u>\$ 78,991</u>	<u>\$ 99,038</u>
<b>Supplemental disclosure of cash flow information</b>		
Cash paid during the year for taxes	<u>\$ 246</u>	<u>\$ 3</u>
<b>Supplemental disclosure of noncash investing and financing activities</b>		
Purchase of property and equipment, accrued but not paid	<u>\$ 465</u>	<u>\$ 394</u>

See Notes to Unaudited Condensed Consolidated Financial Statements.

**nCino, Inc.**

**NOTES TO UNAUDITED CONDENSED CONSOLIDATED FINANCIAL STATEMENTS**  
**(In thousands, except share and per share amounts and unless otherwise indicated)**

**Note 1. Organization and Description of Business**

**Description of Business:** nCino, Inc. is a software-as-a-service (SaaS) company that provides software applications to financial institutions to streamline employee and client interactions. The Company is headquartered in Wilmington, North Carolina and has offices in Salt Lake City, London, Sydney, Melbourne, Toronto and Tokyo.

**Fiscal Year End:** The Company's fiscal year ends on January 31.

**Note 2. Summary of Significant Accounting Policies**

**Principles of Consolidation and Basis of Presentation:** The accompanying unaudited condensed consolidated financial statements have been prepared in accordance with generally accepted accounting principles in the United States of America ("GAAP") as set forth in the Financial Accounting Standards Board ("FASB") Accounting Standards Codification ("ASC") and applicable rules and regulations of the Securities and Exchange Commission ("SEC") regarding interim financial reporting. Certain information and disclosures normally included in the financial statements prepared in accordance with GAAP have been condensed or omitted pursuant to such rules and regulations. Therefore, these condensed consolidated financial statements should be read in conjunction with the consolidated financial statements and notes included for the Company's audited January 31, 2020 consolidated financial statements. The unaudited condensed consolidated financial statements include accounts of the Company's wholly-owned subsidiaries, as well as a variable interest entity in which the Company is the primary beneficiary. All intercompany accounts and transactions are eliminated. Refer to disclosures in Note 2 and Note 3 for additional information regarding the Company's variable interest entity.

The Company is subject to the normal risks associated with technology companies that have not demonstrated sustainable income from operations, including product development, the risk of customer acceptance and market penetration of its products and services and, ultimately, the need to attain profitability to generate positive cash resources.

The condensed consolidated balance sheet as of January 31, 2020, included herein, was derived from the audited financial statements as of that date, but does not include all disclosures, including certain notes required by GAAP on an annual reporting basis.

In the opinion of management, the accompanying unaudited condensed consolidated financial statements reflect all normal recurring adjustments necessary to present fairly the financial position, results of operations, comprehensive loss and cash flows for the interim periods, but are not necessarily indicative of the results of operations to be anticipated for the full fiscal year 2021 or any future period.

**Variable Interest Entity:** The Company holds an interest in a Japanese company ("nCino K.K.") that is considered a variable interest entity or VIE. nCino K.K. is considered a VIE as it has insufficient equity capital to finance its activities without additional financial support. The Company is the primary beneficiary of nCino K.K. as it has the power over the activities that most significantly impact the economic performance of nCino K.K. and has the obligation to absorb expected losses and the right to receive expected benefits that could be significant to nCino K.K., in accordance with accounting guidance. As a result, the Company consolidated nCino K.K. and all significant intercompany accounts have been eliminated. The Company will continue to assess whether it has a controlling financial interest and whether it is the primary beneficiary at each reporting period. Other than the Company's equity investment, the Company has not provided financial or other support to nCino K.K. that it was not contractually obligated to provide. The assets of the VIE can only be used to settle the

nCino, Inc.

NOTES TO UNAUDITED CONDENSED CONSOLIDATED FINANCIAL STATEMENTS  
(In thousands, except share and per share amounts and unless otherwise indicated)

**Note 2. Summary of Significant Accounting Policies (Continued)**

obligations of the VIE and the creditors of the VIE do not have recourse to the Company. The assets and liabilities of the VIE were not significant to the Company's consolidated financial statements except for cash which is reflected on the condensed consolidated balance sheets. Refer to Note 3 for additional information regarding the Company's variable interest.

**Redeemable Non-Controlling Interest:** nCino K.K. has a redeemable non-controlling interest. An agreement with the minority investors of nCino K.K. contains redemption features whereby the interest held by the minority investors are redeemable either (i) at the option of the minority investors or (ii) at the option of the Company, both beginning on the eighth anniversary of the initial capital contribution. If the interest of the minority investors were to be redeemed under this agreement, the Company would be required to redeem the interest based on a prescribed formula derived from the relative revenues of nCino K.K. and the Company. The balance of the redeemable non-controlling interest is reported at the greater of the initial carrying amount adjusted for the redeemable non-controlling interest's share of earnings or losses and other comprehensive income or loss, or its estimated redemption value. The resulting changes in the estimated redemption amount (increases or decreases) are recorded with corresponding adjustments against retained earnings or, in the absence of retained earnings, additional paid-in-capital. These interests are presented on the condensed consolidated balance sheets outside of equity under the caption "Redeemable non-controlling interest."

**Use of Estimates:** The preparation of condensed consolidated financial statements in conformity with GAAP requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities as of the date of the condensed consolidated financial statements and the reported amounts of revenues and expenses during the reporting period. Significant estimates and assumptions made by the Company's management are used for, but not limited to, revenue recognition including determining the nature and timing of satisfaction of performance obligations, variable consideration, stand-alone selling price, and other revenue items requiring significant judgement; the average period of benefit associated with costs capitalized to obtain revenue contracts; fair value of assets acquired and liabilities assumed for business combinations; fair value of contingent consideration; the useful lives of intangible assets; the valuation allowance on deferred tax assets and stock-based compensation. The Company assesses these estimates on a regular basis using historical experience and other factors. Actual results could differ from these estimates.

The extent to which COVID-19 impacts the Company's business and financial results will depend on numerous evolving factors. The Company assessed certain accounting matters such as, but were not limited to, the allowance for doubtful accounts and the carrying value of goodwill and other long-lived assets at April 30, 2020 and through the date of this report. While there was no material impact as of and for the quarter ended April 30, 2020, it is possible that the Company's future assessment of the magnitude and duration of COVID-19 could potentially result in impacts that would be material to the condensed consolidated financial statements, particularly with respect to the fair value of the Company's reporting unit in relation to potential goodwill impairment and the fair value of long-lived assets in relation to potential impairment.

**Concentration of Credit Risk and Significant Customers:** The Company's financial instruments that are exposed to concentration of credit risk consist primarily of cash and cash equivalents. The Company's cash and cash equivalents exceed the Federal deposit insurance limit at January 31, 2020 and April 30, 2020. The Company maintains its cash and cash equivalents with high-credit-quality financial institutions.

As of January 31, 2020, two customers represented 22% of accounts receivable, 11% of which was from a customer who is an equity holder. As of April 30, 2020, two customers represented 30% of accounts receivable.



## nCino, Inc.

NOTES TO UNAUDITED CONDENSED CONSOLIDATED FINANCIAL STATEMENTS  
(In thousands, except share and per share amounts and unless otherwise indicated)**Note 2. Summary of Significant Accounting Policies (Continued)**

For the three months ended April 30, 2019 and 2020, no individual customers represented more than 10% of the Company's total revenues.

**Accounts Receivable and Allowances:** A receivable is recorded when an unconditional right to invoice and receive payment exists, such that only the passage of time is required before payment of consideration is due. Timing of revenue recognition may differ from the timing of invoicing to customers. Certain performance obligations may require payment before delivery of the service to the customer. We recognize a contract asset in the form of accounts receivable when we have an unconditional right to payment, and we record a contract asset in the form of unbilled accounts receivable when revenues earned on a contract exceeds the billings. The Company's standard billing terms are annual in advance. An unbilled accounts receivable is a contract asset related to the delivery of the Company's subscription services and professional services for which the related billings will occur in a future period. Unbilled accounts receivable consists of (i) revenues recognized for professional services performed but not yet billed and (ii) revenues recognized from non-cancelable, multi-year orders in which fees increase annually but for which we are not contractually able to invoice until a future period. Accounts receivable are reported at their gross outstanding balance reduced by an allowance for estimated receivable losses.

The Company records allowances for doubtful accounts based upon the credit worthiness of customers, historical experience, the age of the accounts receivable and current market and economic conditions.

A summary of activity in the allowance for doubtful accounts is as follows:

	Three Months Ended April 30,	
	2019	2020
Balance, beginning of period	\$ 123	\$—
Charged to (recovery of) bad debt expense	(105)	167
Write off of uncollectible accounts	(18)	—
Balance, end of period	<u>\$ —</u>	<u>\$167</u>

**Recently Adopted Accounting Guidance:**

In August 2018, the Financial Accounting Standards Board ("FASB") issued Accounting Standards Update ("ASU") 2018-13, *Fair Value Measurement (Topic 820): Disclosure Framework – Changes to the Disclosure Requirements for Fair Value Measurement*, which eliminates certain disclosure requirements for fair value measurements for all entities, requires public entities to disclose certain new information and modifies some disclosure requirements. ASU 2018-13 is effective for all entities for fiscal years beginning after December 15, 2019 and for interim periods within those fiscal years, and early adoption is permitted. An entity is permitted to early adopt either the entire standard or only the provisions that eliminate or modify requirements. The Company adopted the standard effective February 1, 2020. The adoption of this standard did not have a material impact on the Company's condensed consolidated financial statements. In August 2018, the FASB issued ASU 2018-15, *Intangibles-Goodwill and Other-Internal-Use Software (Subtopic 350-40): Customer's Accounting for Implementation Costs Incurred in a Cloud Computing Arrangement That is a Service Contract*. This standard aligns the requirements for capitalizing implementation costs incurred in a hosting arrangement that is a service contract with the requirements for capitalizing implementation costs incurred to develop or

**nCino, Inc.****NOTES TO UNAUDITED CONDENSED CONSOLIDATED FINANCIAL STATEMENTS**  
**(In thousands, except share and per share amounts and unless otherwise indicated)****Note 2. Summary of Significant Accounting Policies (Continued)**

obtain internal-use software. ASU 2018-15 is effective for emerging growth companies following private company adoption dates in fiscal years beginning after December 15, 2019, and interim periods within annual periods beginning after December 15, 2020, with early adoption permitted. The Company prospectively adopted the standard effective February 1, 2020. The adoption of this standard did not have a material impact on the Company's condensed consolidated financial statements.

In October 2018, the FASB issued Accounting Standards Update ("ASU") 2018-17, *Consolidation (Topic 810), Targeted Improvements to Related Party Guidance for Variable Interest Entities*, which addresses the cost and complexity of financial reporting associated with consolidation of variable interest entities ("VIE"). ASU 2018-17 is effective for emerging growth companies following private company adoption dates in fiscal years beginning after December 15, 2019, and interim periods within annual periods beginning after December 15, 2020, with early adoption permitted. The new guidance must be applied on a retrospective basis as a cumulative-effect adjustment as of the date of adoption. The adoption of this standard did not impact the Company's condensed consolidated financial statements or related disclosures upon adoption, because the Company did not, and currently does not, have any indirect interests through related parties under common control for which it receives decision-making fees.

**Recent Accounting Pronouncements Not Yet Adopted:**

In February 2016, the FASB issued ASU 2016-02, *Leases (Topic 842)*. The standard will affect all entities that lease assets and will require lessees to recognize a lease liability and a right-of-use asset for all leases (except for short-term leases that have a duration of less than one year) as of the date on which the lessor makes the underlying asset available to the lessee. For lessors, accounting for leases is substantially the same as in prior periods. In July 2018, the FASB issued ASU 2018-10, *Codification Improvements to Topic 842, Leases*, to clarify how to apply certain aspects of the new leases standard. ASU 2016-02, as subsequently amended for various technical issues, is effective for emerging growth companies following private company adoption dates in fiscal years beginning after December 15, 2020, and interim periods within annual periods beginning after December 15, 2021, and early adoption is permitted. For leases existing at, or entered into after, the beginning of the earliest comparative period presented in the financial statements, lessees and lessors must apply a modified retrospective transition approach. While the Company expects the adoption of this standard to result in an increase to the reported assets and liabilities, it has not yet determined the full impact the adoption of this standard will have on its financial statements and related disclosures.

In June 2016, the FASB issued ASU 2016-13, *Financial Instruments—Credit Losses: Measurement of Credit Losses on Financial Instruments*, which changes the impairment model for most financial assets. The new model uses a forward-looking expected loss method, which will generally result in earlier recognition of allowances for losses. ASU 2016-13, as subsequently amended for various technical issues, is effective for emerging growth companies following private company adoption dates for fiscal years beginning after December 15, 2022 and for interim periods within those fiscal years. The Company is currently evaluating the impact of this standard to the condensed consolidated financial statements.

In December 2019, the FASB issued ASU 2019-12, *Income Taxes (Topic 740): Simplifying the Accounting for Income Taxes*, 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 emerging growth companies following private company adoption dates in fiscal years beginning after December 15, 2021, and

## nCino, Inc.

NOTES TO UNAUDITED CONDENSED CONSOLIDATED FINANCIAL STATEMENTS  
(In thousands, except share and per share amounts and unless otherwise indicated)**Note 2. Summary of Significant Accounting Policies (Continued)**

interim periods within annual periods beginning after December 15, 2022, with early adoption permitted, including adoption in an interim period. The Company is evaluating the effect of adopting this new accounting guidance, but does not expect adoption will have a material impact on the Company's financial statements.

**Note 3. Variable Interest Entity and Redeemable Non-Controlling Interest**

In October 2019, the Company entered into an agreement with Japan Cloud Computing, L.P. and M30 LLC (collectively, the "Investors") to engage in the investment, organization, management, and operation of nCino K.K. that is focused on the distribution of the Company's products in Japan. In October 2019, the Company initially contributed \$4.7 million in cash in exchange for 51% of the outstanding common stock of nCino K.K. As of April 30, 2020, the Company controls a majority of the outstanding common stock in nCino K.K.

All of the common stock held by the Investors is callable by the Company or puttable by the Investors upon certain contingent events. Should the call or put option be exercised, the redemption value would be determined based on a prescribed formula derived from the discrete revenues of nCino K.K. and the Company and may be settled, at the Company's discretion, with Company stock, if the Company is public at that time, or cash. As a result of the put right available to the redeemable non-controlling interest holders in the future, the redeemable non-controlling interests in nCino K.K. are classified outside of permanent equity in the Company's condensed consolidated balance sheet and the balance is reported at the greater of the initial carrying amount adjusted for the redeemable non-controlling interests' share of earnings, or its estimated redemption value. The resulting changes in the estimated redemption amount are recorded within retained earnings or, in the absence of retained earnings, additional paid-in-capital. The estimated redemption value of the call/put option embedded in the redeemable non-controlling interest was \$0.1 million at April 30, 2020.

The following table summarizes the activity in the redeemable non-controlling interests for the period indicated below:

	Three Months Ended April 30,	
	2019	2020
Balance, beginning of period	\$—	\$4,356
Net loss attributable to redeemable non-controlling interest	—	(176)
Foreign currency translation	—	91
Adjustment to redeemable non-controlling interest	—	113
Balance, end of period	<u>\$—</u>	<u>\$4,384</u>

**Note 4. Fair Value of Financial Instruments**

The Company uses a three-tier fair value hierarchy, which prioritizes the inputs used in the valuation methodologies in measuring fair value:

**Level 1.** Quoted prices (unadjusted) in active markets for identical assets or liabilities.

**Level 2.** Significant other inputs that are directly or indirectly observable in the marketplace.

**Level 3.** Significant unobservable inputs which are supported by little or no market activity.

nCino, Inc.

NOTES TO UNAUDITED CONDENSED CONSOLIDATED FINANCIAL STATEMENTS  
(In thousands, except share and per share amounts and unless otherwise indicated)

**Note 4. Fair Value of Financial Instruments (Continued)**

The carrying amounts of cash and cash equivalents, accounts receivable and accounts payable approximate fair value as of January 31, 2020 and April 30, 2020 because of the relatively short duration of these instruments.

The Company evaluated its financial assets and liabilities subject to fair value measurements on a recurring basis to determine the appropriate level in which to classify them for each reporting period. The following table summarizes the Company's financial assets measured at fair value as of January 31, 2020 and April 30, 2020 and indicates the fair value hierarchy of the valuation:

	Fair value measurements on a recurring basis As of January 31, 2020		
	Level 1	Level 2	Level 3
<b>Assets:</b>			
Money market accounts (included in cash and cash equivalents)	\$ 67,119	\$ —	\$ —
<b>Total assets</b>	<b>\$ 67,119</b>	<b>\$ —</b>	<b>\$ —</b>
<b>Liabilities:</b>			
Contingent consideration (included in other long-term liabilities)	\$ —	\$ —	\$ 195
<b>Total liabilities</b>	<b>\$ —</b>	<b>\$ —</b>	<b>\$ 195</b>
	Fair value measurements on a recurring basis As of April 30, 2020		
	Level 1	Level 2	Level 3
<b>Assets:</b>			
Money market accounts (included in cash and cash equivalents)	\$ 67,517	\$ —	\$ —
<b>Total assets</b>	<b>\$ 67,517</b>	<b>\$ —</b>	<b>\$ —</b>
<b>Liabilities:</b>			
Contingent consideration (included in other accrued expenses)	\$ —	\$ —	\$ 190
<b>Total liabilities</b>	<b>\$ —</b>	<b>\$ —</b>	<b>\$ 190</b>

All of the Company's money market accounts are classified within Level 1 because the Company's money market accounts are valued using quoted market prices in active exchange markets including identical assets.

The Company added contingent consideration, a Level 3 measurement, on October 18, 2019 with the acquisition of FinSuite Pty Ltd. Changes in fair value of the contingent consideration are recorded in the condensed consolidated statements of operations within other income. The Company's contingent consideration

## nCino, Inc.

**NOTES TO UNAUDITED CONDENSED CONSOLIDATED FINANCIAL STATEMENTS**  
(In thousands, except share and per share amounts and unless otherwise indicated)

**Note 4. Fair Value of Financial Instruments (Continued)**

is valued using a probability weighted discounted cash flow analysis. A reconciliation of the balance for contingent consideration obligations for the three months ended April 30, 2020 is as follows:

Balance as of January 31, 2020	\$195
Acquisitions	—
Change in fair value	—
Translation adjustments	(5)
Balance as of April 30, 2020	<u>\$190</u>

**Note 5. Revenues****Revenue by Geographic Area**

Revenue by geographic region were as follows:

	Three Months Ended	
	April 30,	
	2019	2020
United States	\$27,679	\$40,471
International	2,157	4,241
	<u>\$29,836</u>	<u>\$44,712</u>

Revenues by geography are determined based on the region of the Company's contracting entity, which may be different than the region of the customer. No countries outside the United States represented 10% or more of total revenues.

**Contract Amounts**Accounts Receivable

Accounts receivable, less allowance for doubtful accounts, is as follows as of January 31, 2020 and 2020:

	As of	As of
	January 31,	April 30,
	2020	2020
Trade accounts receivable	\$32,686	\$40,925
Unbilled accounts receivable	1,425	2,279
Allowance for doubtful accounts	—	(167)
Other accounts receivable	94	212
Total accounts receivable, net	<u>\$34,205</u>	<u>\$43,249</u>

Deferred Revenue and Remaining Performance Obligation

Significant movements in the deferred revenue balance during the period consisted of increases due to payments received prior to transfer of control of the underlying performance obligations to the customer, which

**nCino, Inc.****NOTES TO UNAUDITED CONDENSED CONSOLIDATED FINANCIAL STATEMENTS**  
**(In thousands, except share and per share amounts and unless otherwise indicated)****Note 5. Revenues (Continued)**

were offset by decreases due to revenues recognized in the period. During the three months ended April 30, 2020, \$24.2 million of revenues were recognized that were included in the balance of deferred revenue as of January 31, 2020.

Transaction price allocated to remaining performance obligations represents contracted revenues that have not yet been recognized, which includes deferred revenue and unbilled amounts that will be recognized as revenues in future periods. Transaction price allocated to the remaining performance obligation is influenced by several factors, including the timing of renewals, average contract terms and foreign currency exchange rates. The Company applies practical expedients to exclude amounts related to performance obligations that are billed and recognized as they are delivered, optional purchases that do not represent material rights, and any estimated amounts of variable consideration that are subject to constraint.

Remaining performance obligation were \$434.2 million as of April 30, 2020. The Company expects to recognize 63% of its remaining performance obligation as revenues in the next 24 months, 31% more in the following 25 to 48 months, and the remainder thereafter.

**Note 6. Business Combinations****Visible Equity, LLC**

On July 8, 2019, the Company acquired all outstanding membership interests of Visible Equity, LLC (“Visible Equity”) which provides financial analytics, portfolio management and compliance solutions to banks and credit unions. The Company acquired Visible Equity for its product offerings and the domain expertise of its employees. Visible Equity is headquartered in Salt Lake City, Utah. The acquisition-date fair value of the consideration transferred is as follows:

	Total Consideration
Cash consideration to members	\$ 49,428
Voting common stock issued (1,438,805 shares)	23,812
Total consideration	<u>\$ 73,240</u>

The transaction was accounted for using the acquisition method and as a result, assets acquired and liabilities assumed were recorded at their estimated fair values at the acquisition date. Any excess consideration over the fair value of the assets acquired and liabilities assumed was recognized as goodwill.

**Finsuite Pty Ltd**

On October 18, 2019, the Company, through its wholly-owned subsidiary, nCino APAC Pty Ltd, acquired all of the outstanding shares of FinSuite Pty Ltd (“FinSuite”). The Company acquired FinSuite to enhance the Company’s data recognition capabilities, including of complex, unstructured data. FinSuite is headquartered in Melbourne, Australia.

**nCino, Inc.**

**NOTES TO UNAUDITED CONDENSED CONSOLIDATED FINANCIAL STATEMENTS**  
(In thousands, except share and per share amounts and unless otherwise indicated)

**Note 6. Business Combinations (Continued)**

The acquisition-date fair value of the consideration transferred is as follows:

	Total Consideration
Cash consideration to shareholders	\$ 3,928
Cash consideration to settle debt	137
Voting common stock issued (63,967 shares)	1,392
Contingent consideration - cash payment	197
Contingent consideration - voting common stock	5,857
Total consideration	\$ 11,511

Contingent consideration includes two tranches of earn-out arrangements based upon the attainment of post-acquisition product development milestones. The first tranche includes an earn-out opportunity of \$0.1 million of cash and the issuance of 142,846 shares of voting common stock (together, the “Initial Tranche Earn-Out”).

The Initial Tranche Earn-Out is conditioned upon the development of a stated product in accordance with mutually agreed upon functional requirements within a certain period from the date of acquisition. The second tranche includes an earn-out opportunity of \$0.1 million of cash and the issuance of 142,846 shares of voting common stock (together, the “Final Tranche Earn-Out”). The Final Tranche Earn-Out is conditioned upon a customer’s use of the stated product in a production environment according to the mutually agreed upon functional requirements within a certain period from the date of acquisition. The Final Tranche Earn-Out is not conditioned upon the achievement of the Initial Tranche Earn-Out.

The cash portion of the contingent consideration of \$0.2 million is included in other long-term liabilities and other accrued expenses in the accompanying condensed consolidated balance sheet as of January 31, 2020 and April 30, 2020, respectively. The \$6.0 share portion of the contingent consideration was recorded as of the acquisition date and is reflected as a component of stockholders’ equity in the accompanying condensed consolidated balance sheet as of January 31, 2020 and April 30, 2020.

**Note 7. Intangible Assets and Goodwill**

**Intangible assets**

Intangible assets, net are as follows:

	As of January 31, 2020			As of April 30, 2020		
	Gross Amount	Accumulated Amortization	Net Carrying Amount	Gross Amount	Accumulated Amortization	Net Carrying Amount
Acquired developed technology	\$ 6,008	\$ (695)	\$ 5,313	\$ 5,958	\$ (1,062)	\$ 4,896
Customer relationships	21,706	(937)	20,769	21,703	(1,355)	20,348
Trademarks	125	(114)	11	124	(124)	—
	\$27,839	\$ (1,746)	\$ 26,093	\$27,785	\$ (2,541)	\$ 25,244

## nCino, Inc.

NOTES TO UNAUDITED CONDENSED CONSOLIDATED FINANCIAL STATEMENTS  
(In thousands, except share and per share amounts and unless otherwise indicated)**Note 7. Intangible Assets and Goodwill (Continued)**

The Company recognized amortization expense as follows:

	Three Months Ended	
	April 30,	
	2019	2020
Cost of revenues	\$—	\$369
Sales and marketing	—	417
General and administrative	—	10
Total depreciation expense	<u>\$—</u>	<u>\$796</u>

The expected future amortization expense for intangible assets as of April 30, 2020 is as follows:

<u>Fiscal Year Ending January 31,</u>	
2021 (remaining)	2,369
2022	3,159
2023	3,159
2024	2,469
2025	1,669
Thereafter	<u>12,419</u>
	<u>\$ 25,244</u>

The expected amortization expense is an estimate. Actual amounts of amortization expense may differ from estimated amounts due to additional intangible asset acquisitions, changes in foreign currency exchange rates, impairment of intangible assets, future changes to expected asset lives of intangible assets and other events.

**Goodwill**

The carrying amount of goodwill was \$55.8 million and \$55.6 million as of January 31, 2020 and April 30, 2020, respectively. The change in goodwill is due to translation adjustments and was \$0.0 million and \$(0.2) million for the three months ended April 30, 2019 and 2020, respectively.

**Note 8. Reseller Agreement**

The Company has a reseller agreement in place with a related party to utilize their platform and to develop the Company's cloud-based banking software as an application within the related party's hosted environment. In June 2020, this agreement was renegotiated and expires in June 2027 and will automatically renew in annual increments thereafter unless either party gives notice of non-renewal before the end of the initial term or the respective renewal term. Cost of subscription revenues in each of the three months ended April 30, 2019 and 2020 substantially consists of fees paid for access to the related party's platform, including their hosting infrastructure and data center operations. The Company has recorded expenses of \$5.1 million and \$7.5 million for the three months ended April 30, 2019, and 2020, respectively. See also Note 12.



nCino, Inc.

NOTES TO UNAUDITED CONDENSED CONSOLIDATED FINANCIAL STATEMENTS  
(In thousands, except share and per share amounts and unless otherwise indicated)

**Note 9. Stockholders' Equity**

At April 30, 2020, the Company committed a total of 9,523,260 shares of common stock for future issuance as follows:

Issued and outstanding stock options	7,744,722
Nonvested issued and outstanding restricted stock units ("RSU"s)	972,494
Possible issuance under stock plans	806,044
	<u>9,523,260</u>

**Note 10. Stock-Based Compensation**

The Company recognized stock-based compensation expense as follows:

	Three Months Ended April 30,	
	2019	2020
Cost of revenues	\$ 389	\$ 327
Sales and marketing	292	315
Research and development	306	309
General and administrative	122	100
Total stock-based compensation expense	<u>\$ 1,109</u>	<u>\$ 1,051</u>

**Stock Options**

Stock option activity during the three months ended April 30, 2020 was as follows:

	Number of Shares	Weighted Average Exercise Price
Outstanding, January 31, 2020	7,837,023	\$ 5.39
Granted	—	—
Expired or forfeited	(36,500)	10.18
Exercised	(55,801)	2.19
Outstanding, April 30, 2020	<u>7,744,722</u>	\$ 5.39
Exercisable, April 30, 2020	<u>5,512,951</u>	\$ 3.89
Fully vested or expected to vest, April 30, 2020	<u>6,970,250</u>	\$ 5.39

As of April 30, 2020, there was \$6.5 million of total unrecognized compensation cost related to unvested stock-based compensation arrangements under the Incentive Plans. That cost is expected to be recognized over a weighted average period of 1.60 years.

## nCino, Inc.

NOTES TO UNAUDITED CONDENSED CONSOLIDATED FINANCIAL STATEMENTS  
(In thousands, except share and per share amounts and unless otherwise indicated)**Note 10. Stock-Based Compensation (Continued)****Restricted Stock Units**

Restricted stock unit (“RSU”) activity during the three months ended April 30, 2020 was as follows:

	Number of Shares	Weighted Average Grant Date Fair Value
Nonvested, January 31, 2020	948,119	\$ 21.75
Granted	31,875	21.50
Vested	—	—
Forfeited	(7,500)	21.75
Nonvested, April 30, 2020	<u>972,494</u>	<u>\$ 20.65</u>

As of April 30, 2020, total unrecognized compensation expense cost related to non-vested RSUs was \$20.1 million, adjusted for estimated forfeitures, based on the estimated fair value of the Company’s common stock at the time of grant. The weighted-average period to be recognized is indeterminable until an IPO or a change in control occurs.

**Note 11. Commitments and Contingencies**

The Company leases its facilities and a portion of its equipment and licenses under various non-cancellable agreements, which expire at various times through July 2028 and require various minimum annual rentals.

The Company’s agreements for the facilities and certain services provide the Company with the option to renew. The Company’s future contractual obligations would change if the Company exercised these options.

The terms of the lease agreements provide for rental payments on a graduated basis. The Company recognizes rent expense on a straight-line basis over the lease period and has accrued for rent expense incurred but not paid.

Total lease expense amounted to \$1.8 million and \$2.7 million for the three months ended April 30, 2019 and 2020, respectively.

**Note 12. Related-Party Transactions**

The Company’s main vendor is also an equity holder in the Company. Total payments related to the agreement with the related party are disclosed in Note 8. The Company also purchases services from this related party to assist in managing its own sales cycle, customer relationship management, and other business functions. The Company signed a three-year, non-cancellable agreement with the related party in December 2015 for the purchase of services and renewed in December 2018 for an additional two years. Total payments to the related party for these services recorded to expenses were \$0.2 million and \$0.3 million for the three months ended April 30, 2019 and 2020, respectively, and \$1.1 million and \$0.8 million were in prepaid expenses and other current assets as of January 31, 2020 and April 30, 2020, respectively. Accounts payable to the related party were \$3.3 million and \$3.7 million at January 31, 2020 and April 30, 2020, respectively, included in accounts payable, related parties.

## nCino, Inc.

**NOTES TO UNAUDITED CONDENSED CONSOLIDATED FINANCIAL STATEMENTS**  
(In thousands, except share and per share amounts and unless otherwise indicated)

**Note 12. Related-Party Transactions (Continued)**

Included in revenues from three equity holders, who are also customers of the Company, are \$2.2 million and \$2.8 million for the three months ended April 30, 2019 and 2020, respectively. Deferred revenues, related parties were \$8.0 million as of January 31, 2020 and April 30, 2020.

The Company has a banking relationship with one of its equity holders. Included in interest income is \$0.2 million and \$0.1 million for the three months ended April 30, 2019 and 2020, respectively.

The Company made an agreement with one of its equity holders in May 2016 to spend an agreed-upon amount of funds over a three-year period to further the alliance between the two companies. In April 2019, the agreement was extended for an additional three years. As of April 30, 2020, the Company was in compliance with the terms of the agreement. Total amounts spent were \$0.02 million and \$0.0 million for the three months ended April 30, 2019 and 2020, respectively. As of April 30, 2020, there was a \$0.2 million obligation remaining expected to be fulfilled within one year.

**Note 13. Basic and Diluted Loss per Share**

Basic loss per share is computed by dividing net loss attributable to nCino, Inc. by the weighted-average number of common shares outstanding for the fiscal period. Diluted loss per share is computed by giving effect to all potential weighted average dilutive common stock, including options. The dilutive effect of outstanding awards is reflected in diluted earnings per share by application of the treasury stock method. Diluted loss per share for the three months ended April 30, 2019 and 2020 is the same as the basic loss per share as there was a net loss for those periods, and inclusion of potentially issuable shares was anti-dilutive.

The components of basic and diluted loss per share for periods presented are as follows (in thousands, except share and per share data):

	Three Months Ended	
	2019	2020
<b>Basic loss per share:</b>		
Numerator		
Net loss attributable to nCino, Inc.	\$ (3,419)	\$ (4,769)
Denominator		
Weighted-average common shares outstanding	75,986,517	81,560,762
Basic loss per share attributable to nCino, Inc.	\$ (0.05)	\$ (0.06)
<b>Dilutive loss per share:</b>		
Numerator		
Net loss attributable to nCino, Inc.	\$ (3,419)	\$ (4,769)
Denominator		
Weighted-average common shares outstanding	75,986,517	81,560,762
Dilutive loss per share attributable to nCino, Inc.	\$ (0.05)	\$ (0.06)

**nCino, Inc.****NOTES TO UNAUDITED CONDENSED CONSOLIDATED FINANCIAL STATEMENTS**  
**(In thousands, except share and per share amounts and unless otherwise indicated)****Note 13. Basic and Diluted Loss per Share (Continued)**

The weighted-average number of shares outstanding used in the computation of diluted loss per share does not include the effect of the following potential outstanding common stock because the effect would have been anti-dilutive for the periods presented:

	Three Months Ended	
	April 30,	
	2019	2020
Stock options issued and outstanding	8,064,569	7,744,722
Nonvested RSUs issued and outstanding	—	972,494

**Note 14. Subsequent Event**

In June 2020, the 2019 Equity Incentive Plan was amended to increase the allotted number of shares that may be issued from 1,500,000 shares to 2,500,000 shares.

On June 8, 2020, the Company granted 1,068,429 RSUs subject to time-based and performance-based (IPO or change in control) vesting conditions. The grant date fair value was \$20.00 per RSU based on the estimated fair value of the Company's common stock at the time of grant. 115,000 of these RSUs were granted to the Company's non-employee Board of Directors, some of which vest in less than a year, some annually and some of which vest over three years. 953,429 of these RSUs were awarded to executives and employees and are generally earned over a service period of four years.



**nCino was built on a foundation of culture. As a company, we are in the business of fundamentally changing the way financial institutions operate. In order to transform an entire industry, we believe it is essential to have a company culture that not only empowers its employees to challenge the status quo, but emboldens them to drive change, trusts them to do the right thing, and fosters collaboration across all stakeholders.**

**- PIERRE NAUDÉ, PRESIDENT & CEO**



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**PART II****INFORMATION NOT REQUIRED IN PROSPECTUS****Item 13. Other Expenses of Issuance and Distribution**

The following table sets forth all expenses to be paid by the registrant, other than estimated underwriting discounts and commissions, in connection with this offering. All amounts shown are estimates except for the Securities and Exchange Commission registration fee, the FINRA filing fee and the exchange listing fee:

	<b>Amount to be Paid</b>
Securities and Exchange Commission registration fee	\$ 27,317
FINRA filing fee	32,068
Nasdaq listing fee	295,000
Printing and engraving expenses	400,000
Legal fees and expenses	1,800,000
Accounting fees and expenses	1,300,000
Transfer agent and registrar fees	3,500
Miscellaneous	42,115
Total	<u>\$ 3,900,000</u>

\* To be filed by amendment.

**Item 14. Indemnification of Directors and Officers**

nCino, Inc. is incorporated under the laws of the State of Delaware. Reference is made to Section 102(b)(7) of the General Corporation Law of the State of Delaware, as amended (the "DGCL"), which enables a corporation in its original certificate of incorporation or an amendment thereto to eliminate or limit the personal liability of a director for violations of the director's fiduciary duty, except (1) for any breach of the director's duty of loyalty to the corporation or its stockholders, (2) for acts or omissions not in good faith or which involve intentional misconduct or a knowing violation of law, (3) pursuant to Section 174 of the DGCL, which provides for liability of directors for unlawful payments of dividends or unlawful stock purchase or redemptions or (4) for any transaction from which the director derived an improper personal benefit.

Section 145(a) of the DGCL provides, in general, that a corporation may indemnify 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 (other than an action by or in the right of the corporation), because he or she is or was a director, officer, employee or agent of the corporation, or is or was serving at the request of the corporation as a director, officer, employee or agent of another corporation, partnership, joint venture, trust or other enterprise, against expenses (including attorneys' fees), judgments, fines and amounts paid in settlement actually and reasonably incurred by the person in connection with such action, suit or proceeding, if he or she acted in good faith and in a manner he or she reasonably believed to be in or not opposed to the best interests of the corporation and, with respect to any criminal action or proceeding, had no reasonable cause to believe his or her conduct was unlawful.

Section 145(b) of the DGCL provides, in general, that a corporation may indemnify any person who was or is a party or is threatened to be made a party to any threatened, pending or completed action or suit by or in the right of the corporation to procure a judgment in its favor because the person is or was a director, officer, employee or agent of the corporation, or is or was serving at the request of the corporation as a director, officer, employee or agent of another corporation, partnership, joint venture, trust or other enterprise, against expenses (including attorneys' fees) actually and reasonably incurred by the person in connection with the defense or

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settlement of such action or suit if he or she acted in good faith and in a manner he or she reasonably believed to be in or not opposed to the best interests of the corporation, except that no indemnification shall be made with respect to any claim, issue or matter as to which he or she shall have been adjudged to be liable to the corporation unless and only to the extent that the adjudicating court determines that, despite the adjudication of liability but in view of all of the circumstances of the case, he or she is fairly and reasonably entitled to indemnity for such expenses which the adjudicating court shall deem proper.

Section 145(g) of the DGCL provides, in general, that a corporation may purchase and maintain insurance on behalf of any person who is or was a director, officer, employee or agent of the corporation, or is or was serving at the request of the corporation as a director, officer, employee or agent of another corporation, partnership, joint venture, trust or other enterprise against any liability asserted against such person and incurred by such person in any such capacity, or arising out of his or her status as such, whether or not the corporation would have the power to indemnify the person against such liability under Section 145 of the DGCL.

We expect that the amended and restated certificate of incorporation adopted by us prior to the completion of this offering will provide that no director of our company shall be personally liable to us or our stockholders for monetary damages for any breach of fiduciary duty as a director, except for liability (1) for any breach of the director's duty of loyalty to us or our stockholders, (2) for acts or omissions not in good faith or which involve intentional misconduct or a knowing violation of law, (3) in respect of unlawful dividend payments or stock redemptions or repurchases or other distributions pursuant to Section 174 of the DGCL, or (4) for any transaction from which the director derived an improper personal benefit. In addition, our charter will provide that if the DGCL is amended to authorize the further elimination or limitation of the liability of directors, then the liability of a director of our company shall be eliminated or limited to the fullest extent permitted by the DGCL, as so amended.

We also expect our charter will further provide that any amendment, repeal or modification of such article unless otherwise required by law will not adversely affect any right or protection existing at the time of such repeal or modification with respect to any acts or omissions occurring before such repeal or amendment of a director serving at the time of such repeal or modification.

We expect that our amended and restated certificate of incorporation adopted by us prior to the completion of this offering, will provide that we shall indemnify each of our directors and executive officers, and shall have power to indemnify our other officers, employees and agents, to the fullest extent permitted by the DGCL as the same may be amended (except that in the case of an amendment, only to the extent that the amendment permits us to provide broader indemnification rights than the DGCL permitted us to provide prior to such the amendment) against any and all expenses, judgments, penalties, fines and amounts reasonably paid in settlement that are incurred by the director, officer or such employee or on the director's, officer's or employee's behalf in connection with any threatened, pending or completed proceeding or any claim, issue or matter therein, to which he or she is or is threatened to be made a party because he or she is or was serving as a director, officer or employee of our company, or at our request as a director, partner, trustee, officer, employee or agent of another corporation, partnership, joint venture, trust, employee benefit plan or other enterprise, if he or she acted in good faith and in a manner he or she reasonably believed to be in or not opposed to the best interests of our company and, with respect to any criminal proceeding, had no reasonable cause to believe his or her conduct was unlawful. We expect the amended and restated certificate of incorporation will further provide for the advancement of expenses to each of our directors and, in the discretion of the board of directors, to certain officers and employees, in advance of the final disposition of such action, suit or proceeding only upon receipt of an undertaking by such person to repay all amounts advanced if it shall ultimately be determined by final judicial decision from which there is no further right to appeal that such person is not entitled to be indemnified for such expenses.

In addition, we expect the amended and restated certificate of incorporation will provide that the right of each of our directors and officers to indemnification and advancement of expenses shall not be exclusive of any



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other right now possessed or hereafter acquired under any statute, provision of the charter or bylaws, agreement, vote of stockholders or otherwise. Furthermore, our amended and restated certificate of incorporation will authorize us to provide insurance for our directors, officers, employees and agents against any liability, whether or not we would have the power to indemnify such person against such liability under the DGCL or the bylaws.

We have entered into indemnification agreements with each of our directors and our executive officers. These agreements will provide that we will indemnify each of our directors and such officers to the fullest extent permitted by law and our amended and restated certificate of incorporation.

We also maintain a general liability insurance policy which covers certain liabilities of directors and officers of our company arising out of claims based on acts or omissions in their capacities as directors or officers.

In any underwriting agreement we will enter into in connection with the sale of the common stock being registered hereby, the underwriters will agree to indemnify, under certain conditions, us, our directors, our officers and persons who control us within the meaning of the Securities Act, against certain liabilities.

### **Item 15. Recent Sales of Unregistered Securities**

#### ***Common Stock Issuances***

In the three years preceding the filing of this registration statement, the registrant has sold and issued the following unregistered securities:

#### ***Equity Issuances***

In May 2016, we sold an aggregate of 3,482,399 shares of our common stock to 12 accredited investors at a purchase price of \$4.50 per share for an aggregate purchase price of \$15.7 million.

In July 2017, we sold an aggregate of 1,784,700 shares of our common stock to three accredited investors at a purchase price of \$10.00 per share for an aggregate purchase price of \$17.8 million.

In January 2018, we sold an aggregate of 3,958,354 shares of our common stock to two accredited investors at a purchase price of \$13.00 per share for an aggregate purchase price of \$51.5 million.

In September 2019, we sold an aggregate of 3,678,161 shares of our common stock to two accredited investors at a purchase price of \$21.75 per share for an aggregate purchase price of \$80.0 million.

The issuances described above were exempt from registration under the Securities Act (or Regulation D promulgated thereunder) by virtue of Section 4(a)(2) of the Securities Act as transactions by an issuer not involving a public offering. 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 upon the stock 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.

#### ***Option and RSU Issuances***

From January 1, 2017 through the filing date of this registration statement, we granted to our directors, officers, employees, consultants and other service providers options to purchase an aggregate of 7,658,986 shares of our common stock under our equity compensation plans at exercise prices ranging from approximately \$4.98 to \$21.75 per share.

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The option and RSU issuances described above were exempt from registration under the Securities Act under either (1) Rule 701 in that the transactions were under compensatory benefit plans and contracts relating to compensation as provided under Rule 701 or (2) Section 4(a)(2) of the Securities Act as transactions by an issuer not involving any public offering. The recipients of such securities were the registrant's employees, consultants or directors and received the securities under the registrant's equity compensation plans. The recipients of securities in each of these transactions represented their intention to acquire the securities for investment only and not with view to or for sale in connection with any distribution thereof and appropriate legends were affixed to the securities issued in these transactions

### **Item 16. Exhibits and Financial Statement Schedules**

#### (a) Exhibits

See the Exhibit Index immediately preceding the signature page hereto for a list of exhibits filed as part of this registration statement on Form S-1, which Exhibit Index is incorporated herein by reference.

#### (b) Financial Statement Schedules

Schedules not listed have been omitted because the information required to be set forth therein is not applicable, not material or is shown in the financial statements or 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 of 1933, as amended, (the "Act"), may be permitted to directors, officers and controlling persons of the registrant pursuant to the foregoing provisions or otherwise, the registrant has been advised that in the opinion of the Securities and Exchange Commission such indemnification is against public policy as expressed in the Act and is, therefore, unenforceable. In the event that a claim for indemnification against such liabilities (other than the payment by the registrant of expenses incurred or paid by a director, officer or controlling person of the registrant in the successful defense of any action, suit or proceeding) is asserted by such director, officer or controlling person in connection with the securities being registered, the registrant will, unless in the opinion of its counsel the matter has been settled by controlling precedent, submit to a court of appropriate jurisdiction the question whether such indemnification by it is against public policy as expressed in the 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 Act, the information omitted from the form of prospectus filed as part of this registration statement in reliance upon Rule 430A and contained in a form of prospectus filed by the registrant pursuant to Rule 424(b)(1) or (4) or 497(h) under the Securities Act shall be deemed to be part of this registration statement as of the time it was declared effective.
- (2) For the purpose of determining any liability under the Act, each post-effective amendment that contains a form of prospectus shall be deemed to be a new registration statement relating to the securities offered therein, and the offering of such securities at that time shall be deemed to be the initial bona fide offering thereof.

## EXHIBIT INDEX

<u>Exhibit Number</u>	<u>Description</u>
1.1	<a href="#">Form of Underwriting Agreement.</a>
3.1	<a href="#">Form of Amended and Restated Certificate of Incorporation of nCino, Inc., to be in effect on the completion of the offering.</a>
3.2	<a href="#">Form of Amended and Restated Bylaws of nCino, Inc., to be in effect on the completion of the offering.</a>
4.1	<a href="#">Form of Common Stock Certificate.</a>
4.2#	<a href="#">First Amended and Restated Investors' Rights Agreement, dated February 12, 2015, among nCino, Inc. and certain holders of its capital stock.</a>
4.3	<a href="#">First Amendment to First Amended and Restated Investors' Rights Agreement, dated May 25, 2016, among nCino, Inc. and certain holders of its capital stock.</a>
4.4	<a href="#">Second Amendment to First Amended and Restated Investors' Rights Agreement, dated November 23, 2016, among nCino, Inc. and certain holders of its capital stock.</a>
4.5	<a href="#">Third Amendment to First Amended and Restated Investors' Rights Agreement, dated July 31, 2017, among nCino, Inc. and certain holders of its capital stock.</a>
4.6	<a href="#">Fourth Amendment to First Amended and Restated Investors' Rights Agreement, dated January 16, 2018, among nCino, Inc. and certain holders of its capital stock.</a>
4.7	<a href="#">Fifth Amendment to First Amended and Restated Investors' Rights Agreement, dated July 12, 2018, among nCino, Inc. and certain holders of its capital stock.</a>
4.8	<a href="#">Sixth Amendment to First Amended and Restated Investors' Rights Agreement, dated September 16, 2019, among nCino, Inc. and certain holders of its capital stock.</a>
4.9	<a href="#">Seventh Amendment to First Amended and Restated Investors' Rights Agreement, dated September 30, 2019, among nCino, Inc. and certain holders of its capital stock.</a>
5.1	<a href="#">Opinion of Sidley Austin LLP.</a>
10.1+#	<a href="#">nCino, Inc. 2014 Omnibus Stock Ownership and Long Term Incentive Plan and related form agreements.</a>
10.2+	<a href="#">nCino, Inc. 2019 Amended and Restated Equity Incentive Plan and related form agreements.</a>
10.3+	<a href="#">nCino, Inc. Employee Stock Purchase Plan.</a>
10.4+	<a href="#">Amended and Restated Employment Agreement with Pierre Naudé.</a>
10.5+	<a href="#">Amended and Restated Employment Agreement with David Rudow.</a>
10.6+	<a href="#">Amended and Restated Employment Agreement with Joshua Glover.</a>
10.7++#	<a href="#">Partner Application Distribution Agreement by and between Salesforce and the Company, dated June 19, 2020.</a>
10.8+	<a href="#">Form of Indemnification Agreement entered into by and between nCino, Inc. and its directors and executive officers.</a>
23.1	<a href="#">Consent of Ernst &amp; Young LLP, independent registered public accounting firm.</a>
23.2	<a href="#">Consent of Sidley Austin LLP (included in Exhibit 5.1).</a>
24.1#	<a href="#">Power of Attorney (included on the signature page to this Registration Statement).</a>

# Previously filed

+ Indicates management contract or compensatory plan.

++ Portions of this exhibit have been redacted in accordance with Item 601(b)(10)(iv) of Regulation S-K.

**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 Wilmington, North Carolina, on the 6th day of July, 2020.

**nCino, Inc.**

By: /s/ Pierre Naudé  
Pierre Naudé  
President and Chief Executive Officer

Pursuant to the requirements of the Securities Act of 1933, this Registration Statement has been signed by the following persons in the capacities and on the dates indicated:

<u>Signature</u>	<u>Title</u>	<u>Date</u>
<u>/s/ Pierre Naudé</u> Pierre Naudé	President and Chief Executive Officer; Director (Principal Executive Officer)	July 6, 2020
<u>/s/ David Rudow</u> David Rudow	Chief Financial Officer and Treasurer (Principal Financial Officer)	July 6, 2020
<u>/s/ Jeanette Sellers</u> Jeanette Sellers	Vice President of Accounting (Principal Accounting Officer)	July 6, 2020
<u>*</u> Steven Collins	Director	July 6, 2020
<u>*</u> Jon Doyle	Director	July 6, 2020
<u>*</u> Jeffrey Horing	Director	July 6, 2020
<u>*</u> Pam Kilday	Director	July 6, 2020
<u>*</u> Spencer Lake	Director	July 6, 2020
<u>*</u> Jeffrey Lunsford	Director	July 6, 2020
<u>*</u> William Ruh	Director	July 6, 2020

\*By: /s/ Pierre Naudé  
Pierre Naudé  
Attorney-in-Fact

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NCINO, INC.

(a Delaware corporation)

[ ] Shares of Common Stock

UNDERWRITING AGREEMENT

Dated: [ ], 2020

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NCINO, INC.

(a Delaware corporation)

[ ] Shares of Common Stock

**UNDERWRITING AGREEMENT**

[ ], 2020

BofA Securities, Inc.,  
Barclays Capital Inc.,

as Representatives of the several Underwriters

c/o BofA Securities, Inc.  
One Bryant Park  
New York, New York 10036

c/o Barclays Capital Inc.  
745 Seventh Avenue  
New York, New York 10019

Ladies and Gentlemen:

nCino, Inc., a Delaware corporation (the "Company"), confirms its agreement with BofA Securities, Inc. ("BofAS"), Barclays Capital Inc. ("Barclays") and each of the other Underwriters named in Schedule A hereto (collectively, the "Underwriters," which term shall also include any underwriter substituted as hereinafter provided in Section 10 hereof), for whom BofAS and Barclays are acting as Representatives (in such capacity, the "Representatives"), with respect to (i) the sale by the Company and the purchase by the Underwriters, acting severally and not jointly, of the respective numbers of shares of Common Stock, par value \$0.0005 per share, of the Company ("Common Stock") set forth in Schedule A hereto and (ii) the grant by the Company to the Underwriters, acting severally and not jointly, of the option described in Section 2(b) hereof to purchase all or any part of [ ] additional shares of Common Stock. The aforesaid [ ] shares of Common Stock (the "Initial Securities") to be purchased by the Underwriters and all or any part of the [ ] shares of Common Stock subject to the option described in Section 2(b) hereof (the "Option Securities") are herein called, collectively, the "Securities."

The Company understands that the Underwriters propose to make a public offering of the Securities as soon as the Representatives deem advisable after this Agreement has been executed and delivered.

The Company and Merrill Lynch, Pierce, Fenner & Smith Incorporated, (an affiliate of BofA Securities, Inc., a participating Underwriter, hereafter referred to as "Merrill Lynch") agree that up to [ ] shares of the Initial Securities to be purchased by the Underwriters (the "Reserved Securities") shall be reserved for sale by Merrill Lynch to certain persons designated by the Company (the "Invitees"), as part of the distribution of the Securities by the Underwriters (the "Reserved Share Program"), subject to the terms of this Agreement, the applicable rules, regulations and interpretations of the Financial Industry Regulatory Authority, Inc. ("FINRA") and all other applicable laws, rules and regulations. The Company solely determined, without any direct or indirect participation

by the Underwriters or Merrill Lynch, the Invitees who will purchase Reserved Securities (including the amount to be purchased by such persons) sold by Merrill Lynch. To the extent that such Reserved Securities are not orally confirmed for purchase by Invitees by 11:59 P.M. (New York City time) on the first business day after the date of this Agreement, such Reserved Securities may be offered to the public as part of the public offering contemplated hereby. In connection with the extension of the Reserved Share Program to directors, officers and employees of the Company and its affiliates who are located or resident in certain provinces of Canada, the Company hereby confirms that the Reserved Share Program constitutes a plan established by the Company to provide for the acquisition of Reserved Securities by such persons, and appoints BofA Securities, Inc. and its affiliate Merrill Lynch, Pierce, Fenner & Smith Incorporated, to act as administrators of such plan on behalf of such persons.

The Company has filed with the Securities and Exchange Commission (the "Commission") a registration statement on Form S-1 (No. 333-●), including the related preliminary prospectus or prospectuses, covering the registration of the sale of the Securities under the Securities Act of 1933, as amended (the "1933 Act"). Promptly after execution and delivery of this Agreement, the Company will prepare and file a prospectus in accordance with the provisions of Rule 430A ("Rule 430A") of the rules and regulations of the Commission under the 1933 Act (the "1933 Act Regulations") and Rule 424(b) ("Rule 424(b)") of the 1933 Act Regulations. The information included in such prospectus that was omitted from such registration statement at the time it became effective but that is deemed to be part of such registration statement at the time it became effective pursuant to Rule 430A(b) is herein called the "Rule 430A Information." Such registration statement, including the amendments thereto, the exhibits thereto and any schedules thereto, at the time it became effective, and including the Rule 430A Information, is herein called the "Registration Statement." Any registration statement filed pursuant to Rule 462(b) of the 1933 Act Regulations is herein called the "Rule 462(b) Registration Statement" and, after such filing, the term "Registration Statement" shall include the Rule 462(b) Registration Statement. Each prospectus used prior to the effectiveness of the Registration Statement, and each prospectus that omitted the Rule 430A Information that was used after such effectiveness and prior to the execution and delivery of this Agreement, is herein called a "preliminary prospectus." The final prospectus, in the form first furnished to the Underwriters for use in connection with the offering of the Securities, is herein called the "Prospectus." For purposes of this Agreement, all references to the Registration Statement, any preliminary prospectus, the Prospectus or any amendment or supplement to any of the foregoing shall be deemed to include the copy filed with the Commission pursuant to its Electronic Data Gathering, Analysis and Retrieval system or any successor system ("EDGAR").

As used in this Agreement:

"Applicable Time" means [\_\_:00 P./A.M.], New York City time, on [ ] or such other time as agreed by the Company and the Representatives.

"General Disclosure Package" means any Issuer General Use Free Writing Prospectuses issued at or prior to the Applicable Time, the most recent preliminary prospectus that is distributed to investors prior to the Applicable Time and the information included on Schedule B-1 hereto, all considered together.

"Issuer Free Writing Prospectus" means any "issuer free writing prospectus," as defined in Rule 433 of the 1933 Act Regulations ("Rule 433"), including without limitation any "free writing prospectus" (as defined in Rule 405 of the 1933 Act Regulations ("Rule 405")) relating to the Securities that is (i) required to be filed with the Commission by the Company, (ii) a "road show for an offering that is a written communication" within the meaning of Rule 433(d)(8)(i), whether or not required to be filed with the Commission, or (iii) exempt from filing with the Commission pursuant to Rule 433(d)(5)(i) because it contains a description of the Securities or of the offering that does not reflect the final terms, in each case in the form filed or required to be filed with the Commission or, if not required to be filed, in the form retained in the Company's records pursuant to Rule 433(g).

“Issuer General Use Free Writing Prospectus” means any Issuer Free Writing Prospectus that is intended for general distribution to prospective investors (other than a “*bona fide* electronic road show,” as defined in Rule 433 (the “Bona Fide Electronic Road Show”)), as evidenced by its being specified in Schedule B-2 hereto.

“Issuer Limited Use Free Writing Prospectus” means any Issuer Free Writing Prospectus that is not an Issuer General Use Free Writing Prospectus.

“Testing-the-Waters Communication” means any oral or written communication with potential investors in connection with the offer and sale of the Securities undertaken in reliance on Section 5(d) of the 1933 Act.

“Written Testing-the-Waters Communication” means any Testing-the-Waters Communication that is a written communication within the meaning of Rule 405 under the 1933 Act.

#### SECTION 1. Representations and Warranties.

(a) *Representations and Warranties by the Company.* The Company represents and warrants to each Underwriter as of the date hereof and the Applicable Time, the Closing Time (as defined below) and any Date of Delivery (as defined below), and agrees with each Underwriter, as follows:

(i) Registration Statement and Prospectuses. Each of the Registration Statement and any post-effective amendment thereto has been declared effective by the Commission under the 1933 Act. No stop order suspending the effectiveness of the Registration Statement or any post-effective amendment thereto has been issued by the Commission under the 1933 Act, no order preventing or suspending the use of any preliminary prospectus or the Prospectus has been issued by the Commission and no proceedings for any of those purposes have been instituted or are pending or, to the Company’s knowledge, threatened by the Commission. The Company has complied with each request (if any) from the Commission for additional information.

Each of the Registration Statement and any post-effective amendment thereto, at the time it became effective, the Applicable Time, the Closing Time and any Date of Delivery complied and will comply in all material respects with the requirements of the 1933 Act and the 1933 Act Regulations. Each preliminary prospectus, the Prospectus and any amendment or supplement thereto, at the time each was filed with the Commission, and, in each case, at the Applicable Time, the Closing Time and any Date of Delivery complied and will comply in all material respects with the requirements of the 1933 Act and the 1933 Act Regulations. Each preliminary prospectus delivered to the Underwriters for use in connection with this offering and the Prospectus was or will be identical to the electronically transmitted copies thereof filed with the Commission pursuant to EDGAR, except to the extent permitted by Regulation S-T.

(ii) Accurate Disclosure. Neither the Registration Statement nor any post-effective amendment thereto, when considered together with the Registration Statement, at its effective time, on the date hereof, at the Closing Time or at any Date of Delivery, contained, contains or will contain an untrue statement of a material fact or omitted, omits or will omit to state a material fact required to be stated therein or necessary to make the statements therein not misleading. As of the Applicable Time and any Date of Delivery, none of (A) the General Disclosure Package, (B) any individual Issuer Limited Use Free Writing Prospectus, when considered together with the General Disclosure Package and (C) any individual Written Testing-the-Waters Communication, when considered together with the General Disclosure Package, included, includes or will include an



untrue statement of a material fact or omitted, omits or will omit to state a material fact necessary in order to make the statements therein, in the light of the circumstances under which they were made, not misleading. Neither the Prospectus nor any amendment or supplement thereto, when considered together with the General Disclosure Package, as of its issue date, at the time of any filing with the Commission pursuant to Rule 424(b), at the Closing Time or at any Date of Delivery, included, includes or will include an untrue statement of a material fact or omitted, omits or will omit to state a material fact necessary in order to make the statements therein, in the light of the circumstances under which they were made, not misleading.

The representations and warranties in this Section 1(a)(ii) shall not apply to statements in or omissions from the Registration Statement (or any post-effective amendment thereto), the General Disclosure Package, any Issuer Limited Use Free Writing Prospectus, any Written Testing-the-Waters Communication or the Prospectus (or any amendment or supplement thereto) made in reliance upon and in conformity with written information furnished to the Company by or on behalf of any Underwriter through the Representatives expressly for use therein. For purposes of this Agreement, the only information so furnished shall be the information in the first paragraph under the heading “Underwriting–Commissions and Discounts,” the information in the second, third and fourth paragraphs under the heading “Underwriting–Price Stabilization, Short Positions and Penalty Bids” and the information under the heading “Underwriting–Electronic Distribution” in each case contained in the Prospectus (collectively, the “Underwriter Information”).

(iii) Issuer Free Writing Prospectuses. No Issuer Free Writing Prospectus conflicts or will conflict with the information contained in the Registration Statement or the Prospectus, and any preliminary or other prospectus deemed to be a part thereof that has not been superseded or modified. The foregoing sentence does not apply to statements in or omissions from any Issuer Free Writing Prospectus made in reliance upon and in conformity with the Underwriter Information. The Company has made available a Bona Fide Electronic Road Show in compliance with Rule 433(d)(8)(ii) such that no filing of any “road show” (as defined in Rule 433(h)) is required in connection with the offering of the Securities.

(iv) Testing-the-Waters Materials. The Company (A) has not alone engaged in any Testing-the-Waters Communication other than Testing-the-Waters Communications with the consent of the Representatives with entities that are qualified institutional buyers within the meaning of Rule 144A under the 1933 Act or institutions that are accredited investors within the meaning of Rule 501 under the 1933 Act and (B) has not authorized anyone other than the Representatives to engage in Testing-the-Waters Communications. The Company reconfirms that the Representatives have been authorized to act on its behalf in undertaking Testing-the-Waters Communications as specifically authorized by the Company. The Company has not distributed any Written Testing-the-Waters Communications other than those listed on Schedule [ ] hereto.

(v) Company Not Ineligible Issuer. At the time of filing the Registration Statement and any post-effective amendment thereto, at the earliest time thereafter that the Company or another offering participant made a *bona fide* offer (within the meaning of Rule 164(h)(2) of the 1933 Act Regulations) of the Securities and at the date hereof, the Company was not and is not an “ineligible issuer,” as defined in Rule 405, without taking account of any determination by the Commission pursuant to Rule 405 that it is not necessary that the Company be considered an ineligible issuer.

(vi) Emerging Growth Company Status. From the time of the initial confidential submission of the Registration Statement to the Commission (or, if earlier, the first date on which the Company engaged directly or through any Person authorized to act on its behalf in any Testing-the-Waters Communication) through the date hereof, the Company has been and is an “emerging growth company,” as defined in Section 2(a) of the 1933 Act (an “Emerging Growth Company”).

(vii) Independent Accountants. The accountants who certified the audited financial statements included in the Registration Statement, the General Disclosure Package and the Prospectus are independent registered public accountings as required by the 1933 Act, the 1933 Act Regulations and the Public Company Accounting Oversight Board.

(viii) Financial Statements; Non-GAAP Financial Measures. The financial statements included in the Registration Statement, the General Disclosure Package and the Prospectus, together with the related schedules and notes, present fairly in all material respects the financial position of the Company and its consolidated subsidiaries at the dates indicated and the statements of comprehensive loss, stockholders' equity and cash flows of the Company and its consolidated subsidiaries for the periods specified; said financial statements have been prepared in conformity with U.S. generally accepted accounting principles ("GAAP") applied on a consistent basis throughout the periods involved, except, in the case of unaudited interim financial statements, subject to normal year-end audit adjustments and the exclusion of certain footnotes as permitted by the applicable rules of the Commission. The selected financial data and the summary financial information included in the Registration Statement, the General Disclosure Package and the Prospectus present fairly in all material respects the information shown therein and have been compiled on a basis consistent with that of the audited financial statements included therein. Except as included therein, no historical or pro forma financial statements or supporting schedules are required to be included or incorporated by reference in the Registration Statement, the General Disclosure Package or the Prospectus under the 1933 Act or the 1933 Act Regulations. All disclosures contained in the Registration Statement, the General Disclosure Package or the Prospectus regarding "non-GAAP financial measures" (as such term is defined by the rules and regulations of the Commission) comply in all material respects with Regulation G of the Securities Exchange Act of 1934, as amended (the "1934 Act") and Item 10 of Regulation S-K of the 1933 Act, to the extent applicable.

(ix) No Material Adverse Change in Business. Except as otherwise stated therein, since the respective dates as of which information is given in the Registration Statement, the General Disclosure Package or the Prospectus, (A) there has been no material adverse change in the condition, financial or otherwise, or in the earnings, business affairs, or business prospects of the Company and its subsidiaries considered as one enterprise, whether or not arising in the ordinary course of business (a "Material Adverse Effect"), (B) there have been no transactions entered into by the Company or any of its subsidiaries, other than those in the ordinary course of business, which are material with respect to the Company and its subsidiaries considered as one enterprise, and (C) there has been no dividend or distribution of any kind declared, paid or made by the Company on any class of its capital stock.

(x) Good Standing of the Company. The Company has been duly incorporated and is validly existing as a corporation in good standing under the laws of the State of Delaware and has corporate power and authority to own, lease and operate its properties and to conduct its business as described in the Registration Statement, the General Disclosure Package and the Prospectus and to enter into and perform its obligations under this Agreement; and the Company is duly qualified as a foreign corporation to transact business and is in good standing in each other jurisdiction in which such qualification is required, whether by reason of the ownership or leasing of property or the conduct of business, except where the failure to so qualify or to be in good standing would not reasonably be expected to result in a Material Adverse Effect.

(xi) Good Standing of Subsidiaries. Each “significant subsidiary” of the Company (as such term is defined in Rule 1-02 of Regulation S-X) and Visible Equity, LLC (each, a “Subsidiary” and, collectively, the “Subsidiaries”) has been duly organized and is validly existing in good standing under the laws of the jurisdiction of its incorporation or organization (or such equivalent concept to the extent it exists under the laws of such jurisdiction), has corporate or similar power and authority to own, lease and operate its properties and to conduct its business as described in the Registration Statement, the General Disclosure Package and the Prospectus and is duly qualified to transact business and is in good standing (or such equivalent concept to the extent it exists under the laws of such jurisdiction) in each jurisdiction in which such qualification is required, whether by reason of the ownership or leasing of property or the conduct of business, except where the failure to so qualify or to be in good standing would not reasonably be expected to result in a Material Adverse Effect. Except as otherwise disclosed in the Registration Statement, the General Disclosure Package and the Prospectus, all of the issued and outstanding capital stock of each Subsidiary has been duly authorized and validly issued, is fully paid and non-assessable (or such equivalent concept to the extent it exists under the laws of such jurisdiction) and is owned by the Company, directly or through subsidiaries, free and clear of any security interest, mortgage, pledge, lien, encumbrance, claim or equity, except to the extent any such security interest, mortgage, pledge, lien, encumbrance or claim would not, in the aggregate, reasonably be expected to result in a Material Adverse Effect. None of the outstanding shares of capital stock of any Subsidiary were issued in violation of the preemptive or similar rights of any securityholder of such Subsidiary. The only subsidiaries of the Company are (A) the subsidiaries listed on Exhibit 21 to the Registration Statement and (B) any other subsidiaries which, considered in the aggregate as a single subsidiary, do not constitute a “significant subsidiary” as defined in Rule 1-02 of Regulation S-X.

(xii) Capitalization. The authorized, issued and outstanding shares of capital stock of the Company are as set forth in the Registration Statement, the General Disclosure Package and the Prospectus in the column entitled “Actual” under the caption “Capitalization” (except for subsequent issuances, if any, pursuant to this Agreement, pursuant to reservations, agreements or employee benefit plans referred to in the Registration Statement, the General Disclosure Package and the Prospectus or pursuant to the exercise of convertible securities or options referred to in the Registration Statement, the General Disclosure Package and the Prospectus). The outstanding shares of capital stock of the Company have been duly authorized and validly issued and are fully paid and non-assessable. None of the outstanding shares of capital stock of the Company were issued in violation of the preemptive or other similar rights of any securityholder of the Company.

(xiii) Authorization of Agreement. This Agreement has been duly authorized, executed and delivered by the Company.

(xiv) Authorization and Description of Securities. The Securities to be purchased by the Underwriters from the Company have been duly authorized for issuance and sale to the Underwriters pursuant to this Agreement and, when issued and delivered by the Company pursuant to this Agreement against payment of the consideration set forth herein, will be validly issued and fully paid and non-assessable; and the issuance of the Securities is not subject to the preemptive or other similar rights of any securityholder of the Company, except as have been waived in writing as of the date of this Agreement. The Common Stock conforms in all material respects to all statements relating thereto contained in the Registration Statement, the General Disclosure Package and the Prospectus and such description conforms in all material respects to the rights set forth in the instruments defining the same. No holder of Securities will be subject to personal liability by reason of being such a holder.

(xv) Registration Rights. There are no persons with registration rights or other similar rights to have any securities registered for sale pursuant to the Registration Statement or otherwise registered for sale or sold by the Company under the 1933 Act pursuant to this Agreement, other than those rights that have been disclosed in the Registration Statement, the General Disclosure Package and the Prospectus and have been waived.

(xvi) Absence of Violations, Defaults and Conflicts. Neither the Company nor any of its subsidiaries is (A) in violation of its charter, by-laws or similar organizational document, (B) in default in the performance or observance of any obligation, agreement, covenant or condition contained in any contract, indenture, mortgage, deed of trust, loan or credit agreement, note, lease or other agreement or instrument to which the Company or any of its subsidiaries is a party or by which it or any of them may be bound or to which any of the properties or assets of the Company or any subsidiary is subject (collectively, "Agreements and Instruments"), except for such defaults that would not reasonably be expected to, singly or in the aggregate, result in a Material Adverse Effect, or (C) in violation of any law, statute, rule, regulation, judgment, order, writ or decree of any arbitrator, court, governmental body, regulatory body, administrative agency or other authority, body or agency having jurisdiction over the Company or any of its subsidiaries or any of their respective properties, assets or operations (each, a "Governmental Entity"), except for such violations that would not reasonably be expected to, singly or in the aggregate, result in a Material Adverse Effect. The execution, delivery and performance of this Agreement and the consummation of the transactions contemplated herein and in the Registration Statement, the General Disclosure Package and the Prospectus (including the issuance and sale of the Securities and the use of the proceeds from the sale of the Securities as described therein under the caption "Use of Proceeds") and compliance by the Company with its obligations hereunder have been duly authorized by all necessary corporate action and do not and will not, whether with or without the giving of notice or passage of time or both, conflict with or constitute a breach of, or default or Repayment Event (as defined below) under, or result in the creation or imposition of any lien, charge or encumbrance upon any properties or assets of the Company or any subsidiary pursuant to, the Agreements and Instruments (except for such conflicts, breaches, defaults or Repayment Events or liens, charges or encumbrances that would not reasonably be expected to, singly or in the aggregate, result in a Material Adverse Effect), nor will such action result in any violation of (x) the provisions of the charter, by-laws or similar organizational document of the Company or any of its subsidiaries or (y) any law, statute, rule, regulation, judgment, order, writ or decree of any Governmental Entity, except, with respect to clause (y), such violations as would not reasonably be expected to, singly or in the aggregate, result in a Material Adverse Effect. As used herein, a "Repayment Event" means any event or condition which gives the holder of any note, debenture or other evidence of indebtedness (or any person acting on such holder's behalf) the right to require the repurchase, redemption or repayment of all or a portion of such indebtedness by the Company or any of its subsidiaries.

(xvii) Absence of Labor Dispute. No labor dispute with the employees of the Company or any of its subsidiaries exists or, to the knowledge of the Company, is threatened, and the Company is not aware of any existing or imminent labor disturbance by the employees of any of its or any subsidiary's principal suppliers, manufacturers, customers or contractors, which, in either case, would reasonably be expected to result in a Material Adverse Effect.

(xviii) Absence of Proceedings. Except as disclosed in the Registration Statement, the General Disclosure Package and the Prospectus, there is no action, suit, proceeding, inquiry or investigation before or brought by any Governmental Entity now pending or, to the knowledge of the Company, threatened, against or affecting the Company or any of its subsidiaries, which would reasonably be expected to result in a Material Adverse Effect, or which would reasonably be

expected to materially and adversely affect their respective properties or assets or the consummation of the transactions contemplated in this Agreement or the performance by the Company of its obligations hereunder; and the aggregate of all pending legal or governmental proceedings to which the Company or any such subsidiary is a party or of which any of their respective properties or assets is the subject which are not described in the Registration Statement, the General Disclosure Package and the Prospectus, including ordinary routine litigation incidental to the business, would not reasonably be expected to result in a Material Adverse Effect.

(xix) Accuracy of Exhibits. There are no contracts or documents which are required under the 1933 Act or the 1933 Act Regulations to be described in the Registration Statement, the General Disclosure Package or the Prospectus or to be filed as exhibits to the Registration Statement which have not been so described and filed as required.

(xx) Absence of Further Requirements. No filing with, or authorization, approval, consent, license, order, registration, qualification or decree of, any Governmental Entity is necessary or required for the performance by the Company of its obligations hereunder, in connection with the offering, issuance or sale of the Securities hereunder or the consummation of the transactions contemplated by this Agreement, except (A) such as have been already obtained or as may be required under the 1933 Act, the 1933 Act Regulations, the 1934 Act, the rules of the New York Stock Exchange (the "NYSE"), state securities laws or the rules of FINRA, (B) where the failure to obtain such filing, authorization, approval, consent, license, order, registration, qualification or decree would not, individually or in the aggregate, have a Material Adverse Effect or materially affect the ability to consummate the transactions contemplated by this Agreement, and (C) such as have been obtained under the laws and regulations of jurisdictions outside the United States in which the Reserved Securities were offered.

(xxi) Possession of Licenses and Permits. The Company and its subsidiaries possess such permits, licenses, approvals, consents and other authorizations (collectively, "Governmental Licenses") issued by the appropriate Governmental Entities necessary to conduct the business now operated by them as disclosed in the Registration Statement, the General Disclosure Package and the Prospectus, except where the failure so to possess would not reasonably be expected to, singly or in the aggregate, result in a Material Adverse Effect. The Company and its subsidiaries are in compliance with the terms and conditions of all Governmental Licenses, except where the failure so to comply would not reasonably be expected to, singly or in the aggregate, result in a Material Adverse Effect. All of the Governmental Licenses are valid and in full force and effect, except when the invalidity of such Governmental Licenses or the failure of such Governmental Licenses to be in full force and effect would not reasonably be expected to, singly or in the aggregate, result in a Material Adverse Effect. Neither the Company nor any of its subsidiaries has received any notice of proceedings relating to the revocation or modification of any Governmental Licenses which, singly or in the aggregate, if the subject of an unfavorable decision, ruling or finding, would reasonably be expected to result in a Material Adverse Effect.

(xxii) Title to Property. The Company and its subsidiaries have good and marketable title to all real property owned by them and good title to all other properties owned by them, in each case, free and clear of all mortgages, pledges, liens, security interests, claims, restrictions or encumbrances of any kind except such as (A) are described in the Registration Statement, the General Disclosure Package and the Prospectus or (B) do not, singly or in the aggregate, materially and adversely affect the value of such property and do not materially and adversely interfere with the use made and proposed to be made of such property by the Company or any of its subsidiaries; and all of the leases and subleases of the Company and its subsidiaries, considered as one enterprise, and under which the Company or any of its subsidiaries holds properties described in the

Registration Statement, the General Disclosure Package or the Prospectus, are in full force and effect, except to the extent that any such failure to be in full force and effect would not, singly or in the aggregate, result in a Material Adverse Effect, and neither the Company nor any such subsidiary has any notice of any material claim of any sort that has been asserted by anyone adverse to the rights of the Company or any subsidiary under any of the leases or subleases mentioned above, or affecting or questioning the rights of the Company or such subsidiary to the continued possession of the leased or subleased premises under any such lease or sublease.

(xxiii) Possession of Intellectual Property. Except as would not, in the aggregate, reasonably be expected to result in a Material Adverse Effect, the Company and its subsidiaries own or possess, or can acquire on reasonable terms, adequate patents, patent rights, licenses, inventions, copyrights, know-how (including trade secrets and other unpatented and/or unpatentable proprietary or confidential information, systems or procedures), trademarks, service marks, trade names or other intellectual property (collectively, "Intellectual Property") necessary to carry on the business now operated by them, and neither the Company nor any of its subsidiaries has received any notice or is otherwise aware of any infringement of or conflict with asserted rights of others with respect to any Intellectual Property or of any facts or circumstances which would render any Intellectual Property invalid or inadequate to protect the interest of the Company or any of its subsidiaries therein, and which infringement or conflict (if the subject of any unfavorable decision, ruling or finding) or invalidity or inadequacy, singly or in the aggregate, would result in a Material Adverse Effect.

(xxiv) Environmental Laws. Except as described in the Registration Statement, the General Disclosure Package and the Prospectus or would not, singly or in the aggregate, reasonably be expected to result in a Material Adverse Effect, (A) neither the Company nor any of its subsidiaries is in violation of any federal, state, local or foreign statute, law, rule, regulation, ordinance, code, policy or rule of common law or any judicial or administrative interpretation thereof, including any judicial or administrative order, consent, decree or judgment, relating to pollution or protection of human health, the environment (including, without limitation, ambient air, surface water, groundwater, land surface or subsurface strata) or wildlife, including, without limitation, laws and regulations relating to the release or threatened release of chemicals, pollutants, contaminants, wastes, toxic substances, hazardous substances, petroleum or petroleum products, asbestos-containing materials or mold (collectively, "Hazardous Materials") or to the manufacture, processing, distribution, use, treatment, storage, disposal, transport or handling of Hazardous Materials (collectively, "Environmental Laws"), (B) the Company and its subsidiaries have all permits, authorizations and approvals required under any applicable Environmental Laws and are each in compliance with their requirements, (C) there are no pending or, to the Company's knowledge, threatened administrative, regulatory or judicial actions, suits, demands, demand letters, claims, liens, notices of noncompliance or violation, investigations or proceedings relating to any Environmental Law against the Company or any of its subsidiaries and (D) to the Company's knowledge, there are no events or circumstances that would reasonably be expected to form the basis of an order for clean-up or remediation, or an action, suit or proceeding by any private party or Governmental Entity, against or affecting the Company or any of its subsidiaries relating to Hazardous Materials or any Environmental Laws.

(xxv) Accounting Controls. The Company and its subsidiaries, on a consolidated basis, maintain a system of effective internal control over financial reporting (as defined under Rule 13-a15 and 15d-15 under the 1934 Act Regulations) and a system of internal accounting controls sufficient to provide reasonable assurances that (A) transactions are executed in accordance with management's general or specific authorization; (B) transactions are recorded as necessary to permit preparation of financial statements in conformity with GAAP and to maintain accountability

for assets; (C) access to assets is permitted only in accordance with management's general or specific authorization; and (D) the recorded accountability for assets is compared with the existing assets at reasonable intervals and appropriate action is taken with respect to any differences. Except as described in the Registration Statement, the General Disclosure Package and the Prospectus, since the end of the Company's most recent audited fiscal year, there has been (1) no material weakness in the Company's internal control over financial reporting (whether or not remediated) and (2) no change in the Company's internal control over financial reporting that has materially and adversely affected, or is reasonably likely to materially and adversely affect, the Company's internal control over financial reporting.

(xxvi) Compliance with the Sarbanes-Oxley Act. The Company has taken all necessary actions to ensure that, upon the effectiveness of the Registration Statement, it will be in compliance with all provisions of the Sarbanes-Oxley Act of 2002 and all rules and regulations promulgated thereunder or implementing the provisions thereof (the "Sarbanes-Oxley Act") that are then in effect and with which the Company is required to comply as of the effectiveness of the Registration Statement, and is, or will be, taking steps to enable it to be in compliance with other provisions of the Sarbanes-Oxley Act not currently in effect, upon the effectiveness of such provisions, or which will become applicable to the Company at all times after the effectiveness of the Registration Statement.

(xxvii) Payment of Taxes. All United States federal income tax returns of the Company and its subsidiaries required by law to be filed by them have been filed or a timely extension has been requested thereof and all taxes shown by such returns, which are due and payable, have been paid, except taxes against which appeals have been or will be promptly taken and as to which adequate reserves have been provided in accordance with GAAP or to the extent any failure to file or pay such taxes or assessments would not result in a Material Adverse Effect. The United States federal income tax returns of the Company through fiscal year ended January 31, 2019 have been filed, and to the Company's knowledge and no assessment in connection therewith has been made against the Company. The Company and its subsidiaries have filed all other tax returns that are required to have been filed by them pursuant to applicable foreign, state, local or other law except insofar as the failure to do so would not reasonably be expected to result in a Material Adverse Effect, and has paid all taxes due pursuant to such returns or pursuant to any assessment received by the Company and its subsidiaries, except for such taxes, if any, as are being contested in good faith and as to which adequate reserves have been established by the Company in accordance with GAAP or where the failure to do so would not result in a Material Adverse Effect. The charges, accruals and reserves on the books of the Company in respect of any income or corporation tax liability for any years not finally determined are adequate to meet any assessments or re-assessments for additional income tax for any years not finally determined, except to the extent of any inadequacy that would not reasonably be expected to result in a Material Adverse Effect.

(xxviii) Insurance. The Company and its subsidiaries carry or are entitled to the benefits of insurance, with financially sound and reputable insurers, in such amounts and covering such risks as the Company reasonably believes is generally maintained by companies of established repute engaged in the same or similar business, and all such insurance is in full force and effect. The Company has no reason to believe that it or any of its subsidiaries will not be able (A) to renew its existing insurance coverage as and when such policies expire or (B) to obtain comparable coverage from similar institutions as may be necessary or appropriate to conduct its business as now conducted and at a cost that would not reasonably be expected to result in a Material Adverse Effect. The Company has not been denied any material insurance coverage which has been sought or for which it has applied.

(xxix) Investment Company Act. The Company is not required, and upon the issuance and sale of the Securities as herein contemplated and the application of the net proceeds therefrom as described in the Registration Statement, the General Disclosure Package and the Prospectus will not be required, to register as an “investment company” under the Investment Company Act of 1940, as amended (the “1940 Act”).

(xxx) Absence of Manipulation. Neither the Company nor any of its controlled affiliates has taken, nor will the Company take or cause any affiliate to take, directly or indirectly, any action which is designed, or would reasonably be expected, to cause or result in, or which constitutes, the stabilization or manipulation of the price of any security of the Company to facilitate the sale or resale of the Securities or to result in a violation of Regulation M under the 1934 Act.

(xxxi) Foreign Corrupt Practices Act. None of the Company, any of its subsidiaries, any director, officer, or to the knowledge of the Company, any agent, employee, affiliate or other person acting on behalf of the Company or any of its subsidiaries is aware of or has taken any action, directly or indirectly, that would result in a violation by such persons of the Foreign Corrupt Practices Act of 1977, as amended, and the rules and regulations thereunder (the “FCPA”), including, without limitation, making use of the mails or any means or instrumentality of interstate commerce corruptly in furtherance of an offer, payment, promise to pay or authorization of the payment of any money, or other property, gift, promise to give, or authorization of the giving of anything of value to any “foreign official” (as such term is defined in the FCPA) or any foreign political party or official thereof or any candidate for foreign political office, in contravention of the FCPA and the Company and, to the knowledge of the Company, its affiliates have conducted their businesses in compliance with the FCPA and have instituted and maintain policies and procedures designed to ensure, and which are reasonably expected to continue to ensure, continued compliance therewith.

(xxxii) Money Laundering Laws. The operations of the Company and its subsidiaries are and have been conducted at all times in compliance in all material respects with applicable financial recordkeeping and reporting requirements of the Currency and Foreign Transactions Reporting Act of 1970, as amended, the money laundering statutes of all applicable jurisdictions, the rules and regulations thereunder and any related or similar rules, regulations or guidelines, issued, administered or enforced by any Governmental Entity (collectively, the “Money Laundering Laws”); and no action, suit or proceeding by or before any Governmental Entity involving the Company or any of its subsidiaries with respect to the Money Laundering Laws is pending or, to the knowledge of the Company, threatened.

(xxxiii) OFAC. None of the Company, any of its subsidiaries, any director, officer, or to the knowledge of the Company, any agent, employee, affiliate or representative of the Company or any of its subsidiaries is an individual or entity (“Person”) currently the subject or target of any sanctions administered or enforced by the United States Government, including, without limitation, the U.S. Department of the Treasury’s Office of Foreign Assets Control (“OFAC”), the United Nations Security Council (“UNSC”), the European Union, Her Majesty’s Treasury (“HMT”), or other relevant sanctions authority (collectively, “Sanctions”), nor is the Company located, organized or resident in a country or territory that is the subject of Sanctions; and the Company will not directly or indirectly use the proceeds of the sale of the Securities, or lend, contribute or otherwise make available such proceeds to any subsidiaries, joint venture partners or other Person, to fund any activities of or business with any Person, or in any country or territory, that, at the time of such funding, is the subject of Sanctions or in any other manner that will result in a violation by any Person (including any Person participating in the transaction, whether as underwriter, advisor, investor or otherwise) of Sanctions.



(xxxiv) Sales of Reserved Securities. In connection with any offer and sale of Reserved Securities outside the United States, each preliminary prospectus, the Prospectus and any amendment or supplement thereto, at the time it was filed, complied and will comply in all material respects with any applicable laws or regulations of foreign jurisdictions in which the same is distributed. The Company has not offered, or caused Merrill Lynch to offer, Reserved Securities to any person where the Company's specific intent was to unlawfully influence (i) a customer or supplier of the Company or any of its affiliates to alter the customer's or supplier's level or type of business with any such entity or (ii) a trade journalist or publication to write or publish favorable information about the Company or any of its affiliates, or their respective businesses or products.

(xxxv) Lending Relationship. Except as disclosed in the Registration Statement, the General Disclosure Package and the Prospectus, the Company (i) does not have any material lending relationship with any bank or lending affiliate of any Underwriter and (ii) does not intend to use any of the proceeds from the sale of the Securities to repay any outstanding debt owed to any affiliate of any Underwriter.

(xxxvi) Statistical and Market-Related Data. Any statistical and market-related data included in the Registration Statement, the General Disclosure Package or the Prospectus are based on or derived from sources that the Company believes, after reasonable inquiry, to be reliable and accurate and, to the extent required, the Company has obtained the written consent to the use of such data from such sources.

(xxxvii) Data Privacy and Security Laws. The Company and its subsidiaries have taken commercially reasonable actions to prepare to comply with the European Union General Data Protection Regulation ("GDPR") (EU 2016/679) and all other applicable laws and regulations with respect to Personal Data (defined below) that have been announced as of the date hereof as becoming effective within 12 months after the date hereof, and for which any non-compliance with same would be reasonably likely to create a material liability (collectively, the "Privacy Laws"). To the Company's knowledge, since May 25, 2018, the Company and its subsidiaries have been and currently are in material compliance with the GDPR. To support material compliance with the Privacy Laws, the Company and its subsidiaries have taken, and currently take, commercially reasonable steps reasonably designed to ensure compliance in all material respects with Privacy Laws relating to data privacy and security and the collection, storage, use, disclosure, handling, and analysis of Personal Data that the Company has collected, and collects, or is in the Company's possession. "Personal Data" means (i) a natural person's name, street address, telephone number, e-mail address, photograph, social security number or tax identification number, driver's license number, passport number, credit card number, bank information, or customer or account number; (ii) any information which would qualify as "personally identifying information" under the Federal Trade Commission Act, as amended; (iii) "personal data" as defined by GDPR, and (iv) any other piece of information that allows the identification of such natural person. The Company and its subsidiaries since inception have at all times made all disclosures to customers required by applicable Privacy Laws, except where the failure to do so would not, individually or in the aggregate, have a Material Adverse Effect. None of such disclosures made have been inaccurate, misleading, deceptive or in violation of any Privacy Laws in any material respect. The execution, delivery and performance of this Agreement or any other agreement referred to in this Agreement will not result in a breach of violation of any Privacy Laws. The Company further certifies that neither it nor any subsidiary: (i) has received notice of any actual or potential liability under or relating to, or actual or potential violation of, any of the Privacy Laws, and has no knowledge of any event or condition that would reasonably be expected to result in any such notice; (ii) is currently conducting or paying for, in whole or in part, any investigation, remediation, or other

corrective action pursuant to any Privacy Law; or (iii) is a party to any order, decree, or agreement that imposes any obligation or liability under any Privacy Law, except, in the case of (i), (ii), or (iii), where such violation, investigation, remediation, order, decree or agreement would not, individually or in the aggregate, reasonably be expected to have a Material Adverse Effect.

(xxxviii) Cybersecurity. (A) To the Company's knowledge, there has been no security breach or incident, attack, or other compromise of or relating to any of the Company or its subsidiaries information technology and computer systems, networks, hardware, software, data and databases (including the data of their respective customers, employees, suppliers, vendors and any third party data maintained, processed or stored by the Company and its subsidiaries, and any such data processed or stored by third parties on behalf of the Company and its subsidiaries), equipment or technology (collectively, "IT Systems and Data"); (B) neither the Company nor its subsidiaries have been notified of, and each of them have no knowledge of any event or condition that could result in, any security breach or incident, attack or other compromise to their IT Systems and Data and (C) the Company and its subsidiaries have implemented appropriate controls, policies, procedures, and technological safeguards reasonably likely to maintain and protect the integrity, continuous operation, redundancy and security of their IT Systems and Data reasonably consistent with industry standards and practices, or as required by applicable regulatory standards, except in the case of (A), (B) or (C) where the breach, incident attack or other compromise, event or condition or failure to implement appropriate controls, policies, procedures and technological safeguards would not, individually or in the aggregate, have a Material Adverse Effect. The Company and its subsidiaries are presently in material compliance with all applicable laws or statutes and all judgments, orders, rules and regulations of any court or arbitrator or governmental or regulatory authority, internal policies and contractual obligations relating to the privacy and security of IT Systems and Data and to the protection of such IT Systems and Data from unauthorized use, access, misappropriation or modification, except as would not be reasonably expected to result in a Material Adverse Effect.

(b) *Officer's Certificates*. Any certificate signed by any officer of the Company or any of its subsidiaries delivered to the Representatives or to counsel for the Underwriters pursuant to this Agreement shall be deemed a representation and warranty by the Company to each Underwriter as to the matters covered thereby.

## SECTION 2. Sale and Delivery to Underwriters; Closing.

(a) *Initial Securities*. On the basis of the representations and warranties herein contained and subject to the terms and conditions herein set forth, the Company agrees to sell to each Underwriter, severally and not jointly, and each Underwriter, severally and not jointly, agrees to purchase from the Company, at the price per share set forth in Schedule A, that number of Initial Securities set forth in Schedule A opposite the name of such Underwriter, plus any additional number of Initial Securities which such Underwriter may become obligated to purchase pursuant to the provisions of Section 10 hereof, subject, in each case, to such adjustments among the Underwriters as the Representatives in their sole discretion shall make to eliminate any sales or purchases of fractional shares.

(b) *Option Securities*. In addition, on the basis of the representations and warranties herein contained and subject to the terms and conditions herein set forth, the Company hereby grants an option to the Underwriters, severally and not jointly, to purchase up to an additional [ ] shares of Common Stock, at the price per share set forth in Schedule A, less an amount per share equal to any dividends or distributions declared by the Company and payable on the Initial Securities but not payable on the Option Securities. The option hereby granted may be exercised for 30 days after the date hereof and may be exercised in whole or in part at any time from time to time upon notice by the Representatives to

the Company setting forth the number of Option Securities as to which the several Underwriters are then exercising the option and the time and date of payment and delivery for such Option Securities. Any such time and date of delivery (a "Date of Delivery") shall be determined by the Representatives, but shall not be later than seven full business days after the exercise of said option, nor in any event prior to the Closing Time. If the option is exercised as to all or any portion of the Option Securities, each of the Underwriters, acting severally and not jointly, will purchase that proportion of the total number of Option Securities then being purchased which the number of Initial Securities set forth in Schedule A opposite the name of such Underwriter bears to the total number of Initial Securities, subject, in each case, to such adjustments as the Representatives in their sole discretion shall make to eliminate any sales or purchases of fractional shares.

(c) *Payment.* Payment of the purchase price for, and delivery of certificates or security entitlements for, the Initial Securities shall be made at the offices of Ropes & Gray LLP, 1211 Avenue of the Americas, New York, NY 10036, or at such other place as shall be agreed upon by the Representatives and the Company, at 9:00 A.M. (New York City time) on the second (third, if the pricing occurs after 4:30 P.M. (New York City time) on any given day) business day after the date hereof (unless postponed in accordance with the provisions of Section 10), or such other time not later than ten business days after such date as shall be agreed upon by the Representatives and the Company (such time and date of payment and delivery being herein called "Closing Time").

In addition, in the event that any or all of the Option Securities are purchased by the Underwriters, payment of the purchase price for, and delivery of certificates or security entitlements for, such Option Securities shall be made at the above-mentioned offices, or at such other place as shall be agreed upon by the Representatives and the Company, on each Date of Delivery as specified in the notice from the Representatives to the Company.

Payment shall be made to the Company by wire transfer of immediately available funds to a bank account designated by the Company against delivery to the Representatives for the respective accounts of the Underwriters of certificates or security entitlements for the Securities to be purchased by them. It is understood that each Underwriter has authorized the Representatives, for its account, to accept delivery of, receipt for, and make payment of the purchase price for, the Initial Securities and the Option Securities, if any, which it has agreed to purchase. BofAS, individually and not as representative of the Underwriters, may (but shall not be obligated to) make payment of the purchase price for the Initial Securities or the Option Securities, if any, to be purchased by any Underwriter whose funds have not been received by the Closing Time or the relevant Date of Delivery, as the case may be, but such payment shall not relieve such Underwriter from its obligations hereunder.

SECTION 3. Covenants of the Company. The Company covenants with each Underwriter as follows:

(a) *Compliance with Securities Regulations and Commission Requests.* The Company, subject to Section 3(b), will comply with the requirements of Rule 430A, and will notify the Representatives promptly, and confirm the notice in writing, (i) when any post-effective amendment to the Registration Statement shall become effective or any amendment or supplement to the Prospectus shall have been filed, (ii) of the receipt of any comments from the Commission, (iii) of any request by the Commission for any amendment to the Registration Statement or any amendment or supplement to the Prospectus or for additional information, (iv) of the issuance by the Commission of any stop order suspending the effectiveness of the Registration Statement or any post-effective amendment or of any order preventing or suspending the use of any preliminary prospectus or the Prospectus, or of the suspension of the qualification of the Securities for offering or sale in any jurisdiction, or of the initiation or threatening of any proceedings for any of such purposes or of any examination pursuant to Section 8(d) or 8(e) of the 1933 Act concerning the Registration Statement and (v) if the Company becomes the subject of a proceeding under Section 8A

of the 1933 Act in connection with the offering of the Securities. The Company will effect all filings required under Rule 424(b), in the manner and within the time period required by Rule 424(b) (without reliance on Rule 424(b)(8)), and will take such steps as it deems necessary to ascertain promptly whether the form of prospectus transmitted for filing under Rule 424(b) was received for filing by the Commission and, in the event that it was not, it will promptly file such prospectus. The Company will make every reasonable effort to prevent the issuance of any stop order, prevention or suspension and, if any such order is issued, to obtain the lifting thereof as soon as reasonably practicable.

(b) *Continued Compliance with Securities Laws.* The Company will comply with the 1933 Act and the 1933 Act Regulations so as to permit the completion of the distribution of the Securities as contemplated in this Agreement and in the Registration Statement, the General Disclosure Package and the Prospectus. If at any time when a prospectus relating to the Securities is (or, but for the exception afforded by Rule 172 of the 1933 Act Regulations (“Rule 172”), would be) required by the 1933 Act to be delivered in connection with sales of the Securities, any event shall occur or condition shall exist as a result of which it is necessary, in the opinion of counsel for the Underwriters or for the Company, to (i) amend the Registration Statement in order that the Registration Statement will not include an untrue statement of a material fact or omit to state a material fact required to be stated therein or necessary to make the statements therein not misleading, (ii) amend or supplement the General Disclosure Package or the Prospectus in order that the General Disclosure Package or the Prospectus, as the case may be, will not include any untrue statement of a material fact or omit to state a material fact necessary in order to make the statements therein not misleading in the light of the circumstances existing at the time it is delivered to a purchaser or (iii) amend the Registration Statement or amend or supplement the General Disclosure Package or the Prospectus, as the case may be, in order to comply with the requirements of the 1933 Act or the 1933 Act Regulations, the Company will promptly (A) give the Representatives notice of such event, (B) prepare any amendment or supplement as may be necessary to correct such statement or omission or to make the Registration Statement, the General Disclosure Package or the Prospectus comply with such requirements and, a reasonable amount of time prior to any proposed filing or use, furnish the Representatives with copies of any such amendment or supplement and (C) file with the Commission any such amendment or supplement; provided that the Company shall not file or use any such amendment or supplement to which the Representatives or counsel for the Underwriters shall reasonably object. The Company will furnish to the Underwriters such number of copies of such amendment or supplement as the Underwriters may reasonably request.

(c) *Delivery of Registration Statements.* The Company has furnished or will deliver to the Representatives and counsel for the Underwriters, without charge, conformed copies of the Registration Statement as originally filed and each amendment thereto (including exhibits filed therewith) and conformed copies of all consents and certificates of experts, and will also deliver to the Representatives, without charge, a conformed copy of the Registration Statement as originally filed and each amendment thereto (without exhibits) for each of the Underwriters. The copies of the Registration Statement and each amendment thereto furnished to the Underwriters will be identical to the electronically transmitted copies thereof filed with the Commission pursuant to EDGAR, except to the extent permitted by Regulation S-T.

(d) *Delivery of Prospectuses.* The Company has delivered to each Underwriter, without charge, as many copies of each preliminary prospectus as such Underwriter reasonably requested, and the Company hereby consents to the use of such copies for purposes permitted by the 1933 Act. The Company will furnish to each Underwriter, without charge, during the period when a prospectus relating to the Securities is (or, but for the exception afforded by Rule 172, would be) required to be delivered under the 1933 Act, such number of copies of the Prospectus (as amended or supplemented) as such Underwriter may reasonably request. The Prospectus and any amendments or supplements thereto furnished to the Underwriters will be identical to the electronically transmitted copies thereof filed with the Commission pursuant to EDGAR, except to the extent permitted by Regulation S-T.

(e) *Blue Sky Qualifications.* If required by applicable law, the Company will use its commercially reasonable efforts, in cooperation with the Underwriters, to qualify the Securities for offering and sale under the applicable securities laws of such states and other jurisdictions (domestic or foreign) as the Representatives may designate and to maintain such qualifications in effect so long as required to complete the distribution of the Securities; provided, however, that the Company shall not be obligated to file any general consent to service of process or to qualify as a foreign corporation or as a dealer in securities in any jurisdiction in which it is not so qualified or to subject itself to taxation in respect of doing business in any jurisdiction in which it is not otherwise so subject.

(f) *Rule 158.* The Company will timely file such reports pursuant to the 1934 Act as are necessary in order to make generally available (which may be satisfied by filing with the Commission pursuant to EDGAR) to its securityholders as soon as practicable an earnings statement for the purposes of, and to provide to the Underwriters the benefits contemplated by, the last paragraph of Section 11(a) of the 1933 Act.

(g) *Use of Proceeds.* The Company will use the net proceeds received by it from the sale of the Securities in the manner specified in the Registration Statement, the General Disclosure Package and the Prospectus under “Use of Proceeds.”

(h) *Listing.* The Company will use its reasonable best efforts to effect and maintain the listing of the Common Stock (including the Securities) on the NYSE.

(i) *Restriction on Sale of Securities.* During a period of 180 days from the date of the Prospectus, the Company will not, without the prior written consent of the Representatives, (i) directly or indirectly, 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 any shares of Common Stock or any securities convertible into or exercisable or exchangeable for Common Stock or file or confidentially submit any registration statement under the 1933 Act with respect to any of the foregoing or (ii) enter into any swap or any other agreement or any transaction that transfers, in whole or in part, directly or indirectly, the economic consequence of ownership of the Common Stock, whether any such swap or 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 sentence shall not apply to (A) the Securities to be sold hereunder, (B) any shares of Common Stock issued by the Company upon the exercise of an option, warrant, or vesting of any restricted stock units, or the conversion of a security outstanding on the date hereof and referred to in the Registration Statement, the General Disclosure Package and the Prospectus, (C) any shares of Common Stock issued or options to purchase Common Stock or restricted stock units covering shares of Common Stock granted pursuant to existing employee benefit plans or equity incentive plans of the Company referred to in the Registration Statement, the General Disclosure Package and the Prospectus, (D) any shares of Common Stock issued, options to purchase shares of Common Stock granted, or restricted stock units covering shares of Common Stock granted, pursuant to any non-employee director stock plan or dividend reinvestment plan referred to in the Registration Statement, the General Disclosure Package and the Prospectus, (E) the filing by the Company of a registration statement on Form S-8 or any successor form thereto with respect to the registration of securities to be offered under any employee benefit or equity incentive plans of the Company referred to in the Registration Statement, the General Disclosure Package and the Prospectus or (F) the sale or issuance of or entry into an agreement to sell or issue shares of Common Stock or other securities issued in connection with any (1) merger, (2) acquisition of securities, businesses, properties or other assets, (3) joint venture or (4) strategic alliance or relationship; provided, that the aggregate number of shares issued pursuant to this clause (F) shall not exceed 10.0% of the total number of outstanding shares of Common Stock immediately following the issuance and sale of the Securities; provided further that the recipient of any such shares of Common Stock or securities issued pursuant to clauses (B), (C), (D) and (F) during the 180-day restricted period shall enter

into an agreement substantially in the form of Exhibit A hereto with respect to (and not in excess of) the 180-day restricted period and only if such recipient did not previously enter into such an agreement with the Representatives.

(j) If the Representatives, in their sole discretion, agree to release or waive the restrictions set forth in a lock-up agreement described in Section 5(i) hereof for an officer or director of the Company and provides the Company with notice of the impending release or waiver at least three business days before the effective date of the release or waiver, the Company agrees to announce the impending release or waiver by a press release substantially in the form of Exhibit B hereto through a major news service at least two business days before the effective date of the release or waiver.

(k) *Reporting Requirements.* The Company, during the period when a Prospectus relating to the Securities is (or, but for the exception afforded by Rule 172, would be) required to be delivered under the 1933 Act, will file all documents required to be filed with the Commission pursuant to the 1934 Act within the time periods required by the 1934 Act and 1934 Act Regulations. Additionally, the Company shall report the use of proceeds from the issuance of the Securities as may be required under Rule 463 under the 1933 Act.

(l) *Issuer Free Writing Prospectuses.* The Company agrees that, unless it obtains the prior written consent of the Representatives, it will not make any offer relating to the Securities that would constitute an Issuer Free Writing Prospectus or that would otherwise constitute a "free writing prospectus," or a portion thereof, required to be filed by the Company with the Commission or retained by the Company under Rule 433; provided that the Representatives will be deemed to have consented to the Issuer Free Writing Prospectuses listed on Schedule B-2 hereto and any "road show for an offering that is a written communication" within the meaning of Rule 433(d)(8)(i) that has been reviewed by the Representatives. The Company represents that it has treated or agrees that it will treat each such free writing prospectus consented to, or deemed consented to, by the Representatives as an "issuer free writing prospectus," as defined in Rule 433, and that it has complied and will comply with the applicable requirements of Rule 433 with respect thereto, including timely filing with the Commission where required, legending and record keeping. If at any time following issuance of an Issuer Free Writing Prospectus there occurred or occurs an event or development as a result of which such Issuer Free Writing Prospectus conflicted or would conflict with the information contained in the Registration Statement, any preliminary prospectus or the Prospectus or included or would include an untrue statement of a material fact or omitted or would omit to state a material fact necessary in order to make the statements therein, in the light of the circumstances existing at that subsequent time, not misleading, the Company will promptly notify the Representatives and will promptly amend or supplement, at its own expense, such Issuer Free Writing Prospectus to eliminate or correct such conflict, untrue statement or omission.

(m) *Certification Regarding Beneficial Owners.* The Company will deliver to the Representatives, on the date of execution of this Agreement, a properly completed and executed Certification Regarding Beneficial Owners of Legal Entity Customers, together with copies of identifying documentation, and the Company undertakes to provide such additional supporting documentation as the Representatives may reasonably request in connection with the verification of the foregoing certification.

(n) *Compliance with FINRA Rules.* The Company hereby agrees that it will ensure that the Reserved Securities will be restricted as required by FINRA or the FINRA rules from sale, transfer, assignment, pledge or hypothecation for a period of three months following the date of this Agreement. Merrill Lynch will notify the Company as to which persons will need to be so restricted. Should the Company release, or seek to release, from such restrictions any of the Reserved Securities, the Company agrees to reimburse Merrill Lynch for any reasonable expenses (including, without limitation, legal expenses) they incur in connection with such release.

(o) *Testing-the-Waters Materials*. If at any time following the distribution of any Written Testing-the-Waters Communication there occurred or occurs an event or development as a result of which such Written Testing-the-Waters Communication included or would include an untrue statement of a material fact or omitted or would omit to state a material fact necessary in order to make the statements therein, in the light of the circumstances existing at that subsequent time, not misleading, the Company will promptly notify the Representatives and will promptly amend or supplement, at its own expense, such Written Testing-the-Waters Communication to eliminate or correct such untrue statement or omission.

(p) *Emerging Growth Company Status*. The Company will promptly notify the Representatives if the Company ceases to be an Emerging Growth Company at any time prior to the later of (i) completion of the distribution of the Securities within the meaning of the Securities Act and (ii) completion of the 180-day restricted period referred to in Section 3(i).

#### SECTION 4. Payment of Expenses.

(a) *Expenses*. The Company will pay or cause to be paid all expenses incident to the performance of its obligations under this Agreement, including (i) the preparation, printing and filing of the Registration Statement (including financial statements and exhibits) as originally filed and each amendment thereto, (ii) the preparation, printing and delivery to the Underwriters of copies of each preliminary prospectus, each Issuer Free Writing Prospectus and the Prospectus and any amendments or supplements thereto and any costs associated with electronic delivery of any of the foregoing by the Underwriters to investors, (iii) the preparation, issuance and delivery of the certificates or security entitlements for the Securities to the Underwriters, including any stock or other transfer taxes and any stamp or other duties payable upon the sale, issuance or delivery of the Securities to the Underwriters, (iv) the fees and disbursements of the Company's counsel, accountants and other advisors, (v) the qualification of the Securities under securities laws in accordance with the provisions of Section 3(e) hereof, including filing fees and the reasonable fees and disbursements of counsel for the Underwriters in connection therewith and in connection with the preparation of the Blue Sky Survey and any supplement thereto, (vi) the fees and expenses of any transfer agent or registrar for the Securities, (vii) the costs and expenses of the Company relating to investor presentations on any "road show" undertaken in connection with the marketing of the Securities, including without limitation, expenses associated with the production of road show slides and graphics, fees and expenses of any consultants engaged by the Company or with the Company's prior written consent (which may be by email) in connection with the road show presentations, travel and lodging expenses of the representatives and officers of the Company and any such consultants, provided that the travel and lodging expenses of the Representatives shall be paid for by the Underwriters, and 50% of the cost of any aircraft and other transportation chartered in connection with the road show (with the Underwriters paying for the other 50% of the cost of such chartered aircraft and other transportation chartered in connection with the roadshow), (viii) the filing fees incident to, and the reasonable fees and disbursements of counsel to the Underwriters in connection with, the review by FINRA of the terms of the sale of the Securities, which fees and expenses, taken together with the legal fees described in clause (v), shall not exceed \$40,000, (ix) the fees and expenses incurred in connection with the listing of the Securities on the NYSE, (x) the costs and expenses (including, without limitation, any damages or other amounts payable in connection with legal or contractual liability) associated with the reforming of any contracts for sale of the Securities made by the Underwriters caused by a breach of the representation contained in the third sentence of Section 1(a)(ii) and (xi) all costs and expenses of Merrill Lynch, including the fees and disbursements of counsel for Merrill Lynch, in connection with matters related to the Reserved Securities which are designated by the Company for sale to Invitees. Except as provided in this Section 4(a) or 4(b), the Underwriters will pay all of their own costs and expenses, including the fees and disbursements of their counsel, stock transfer taxes payable on the resale of any of the Securities by them and any advertising expenses in connection with any offers they may make.

(b) *Termination of Agreement.* If this Agreement is terminated by the Representatives in accordance with the provisions of Section 5, Section 9(a)(i), 9(a)(iii) or Section 10 hereof, the Company shall reimburse the Underwriters for all of their reasonable out-of-pocket expenses actually incurred, including the reasonable fees and disbursements of counsel for the Underwriters; provided that in the case of a termination pursuant to Section 10, the Company shall have no obligation to reimburse a defaulting Underwriter for such costs and expenses.

SECTION 5. Conditions of Underwriters' Obligations. The obligations of the several Underwriters hereunder are subject to the accuracy of the representations and warranties of the Company contained herein or in certificates of any officer of the Company or any of its subsidiaries delivered pursuant to the provisions hereof, to the performance by the Company of its covenants and other obligations hereunder, and to the following further conditions:

(a) *Effectiveness of Registration Statement; Rule 430A Information.* The Registration Statement, including any Rule 462(b) Registration Statement, has become effective and, at the Closing Time, no stop order suspending the effectiveness of the Registration Statement or any post-effective amendment thereto has been issued under the 1933 Act, no order preventing or suspending the use of any preliminary prospectus or the Prospectus has been issued and no proceedings for any of those purposes have been instituted or are pending or, to the Company's knowledge, contemplated; and the Company has complied with each request (if any) from the Commission for additional information. A prospectus containing the Rule 430A Information shall have been filed with the Commission in the manner and within the time frame required by Rule 424(b) without reliance on Rule 424(b)(8) or a post-effective amendment providing such information shall have been filed with, and declared effective by, the Commission in accordance with the requirements of Rule 430A.

(b) *Opinion of Counsel for Company.* At the Closing Time, the Representatives shall have received the favorable opinion (including negative assurance statements), dated the Closing Time, of Sidley Austin LLP, counsel for the Company, in form and substance satisfactory to counsel for the Underwriters.

(c) *Opinion of Counsel for Underwriters.* At the Closing Time, the Representatives shall have received the favorable opinion and negative assurance letter, dated the Closing Time, of Ropes & Gray LLP, counsel for the Underwriters.

(d) *Officers' Certificate.* At the Closing Time, there shall not have been, since the date hereof or since the respective dates as of which information is given in the Registration Statement, the General Disclosure Package or the Prospectus, any material adverse change in the condition, financial or otherwise, or in the earnings, business affairs or business prospects of the Company and its subsidiaries considered as one enterprise, whether or not arising in the ordinary course of business, and the Representatives shall have received a certificate of the Chief Executive Officer or the President of the Company and of the Chief Financial Officer of the Company, dated the Closing Time, to the effect that (i) there has been no such material adverse change, (ii) the representations and warranties of the Company in this Agreement are true and correct with the same force and effect as though expressly made at and as of the Closing Time, (iii) the Company has complied with all agreements and satisfied all conditions on its part to be performed or satisfied at or prior to the Closing Time, and (iv) no stop order suspending the effectiveness of the Registration Statement under the 1933 Act has been issued, no order preventing or suspending the use of any preliminary prospectus or the Prospectus has been issued and no proceedings for any of those purposes have been instituted or are pending or, to their knowledge, contemplated.



(e) *CFO Certificate*. At the time of execution of this Agreement and at the Closing Time, a certificate, in form and substance reasonably satisfactory to counsel for the Underwriters, signed by the chief financial officer of the Company.

(f) *Accountant's Comfort Letter*. At the time of the execution of this Agreement, the Representatives shall have received from Ernst & Young a letter, dated such date, in form and substance satisfactory to the Representatives, together with signed or reproduced copies of such letter for each of the other Underwriters containing statements and information of the type ordinarily included in accountants' "comfort letters" to underwriters with respect to the financial statements and certain financial information contained in the Registration Statement, the General Disclosure Package and the Prospectus.

(g) *Bring-down Comfort Letter*. At the Closing Time, the Representatives shall have received from Ernst & Young a letter, dated as of the Closing Time, to the effect that they reaffirm the statements made in the letter furnished pursuant to subsection (e) of this Section, except that the specified date referred to shall be a date not more than three business days prior to the Closing Time.

(h) *Approval of Listing*. At the Closing Time, the Securities shall have been approved for listing on the NYSE, subject only to official notice of issuance.

(i) *No Objection*. FINRA has confirmed that it has not raised any objection with respect to the fairness and reasonableness of the underwriting terms and arrangements relating to the offering of the Securities.

(j) *Lock-up Agreements*. At the date of this Agreement, the Representatives shall have received an agreement substantially in the form of Exhibit A hereto signed by (i) each of the Company's directors and officers, and (ii) holders of substantially all of the shares of Common Stock or any security convertible or exercisable for shares of Common Stock.

(k) *No Rated Securities*. Neither the Company nor any of its subsidiaries have any debt securities or preferred stock that are rated by any "nationally recognized statistical rating agency" (as defined in Section 3(a)(62) of the 1934 Act).

(l) *Conditions to Purchase of Option Securities*. In the event that the Underwriters exercise their option provided in Section 2(b) hereof to purchase all or any portion of the Option Securities, the representations and warranties of the Company contained herein and the statements in any certificates furnished by the Company and any of its subsidiaries hereunder shall be true and correct as of each Date of Delivery and, at the relevant Date of Delivery, the Representatives shall have received:

(i) Officers' Certificate. A certificate, dated such Date of Delivery, of the President or a Vice President of the Company and of the Chief Financial Officer of the Company confirming that the certificate delivered at the Closing Time pursuant to Section 5(d) hereof remains true and correct as of such Date of Delivery.

(ii) Opinion of Counsel for Company. If requested by the Representatives, the favorable opinion and negative assurance letter of Sidley Austin LLP, counsel for the Company, in form and substance satisfactory to counsel for the Underwriters, dated such Date of Delivery, relating to the Option Securities to be purchased on such Date of Delivery and otherwise to the same effect as the opinion required by Section 5(b) hereof.

(iii) Opinion of Counsel for Underwriters. If requested by the Representatives, the favorable opinion and negative assurance letter of Ropes & Gray LLP, counsel for the

Underwriters, dated such Date of Delivery, relating to the Option Securities to be purchased on such Date of Delivery and otherwise to the same effect as the opinion required by Section 5(c) hereof.

(v) Bring-down Comfort Letter. If requested by the Representatives, a letter from Ernst & Young, in form and substance satisfactory to the Representatives and dated such Date of Delivery, substantially in the same form and substance as the letter furnished to the Representatives pursuant to Section 5(e) hereof, except that the “specified date” in the letter furnished pursuant to this paragraph shall be a date not more than three business days prior to such Date of Delivery.

(vi) CFO Certificate. A certificate, dated such Date of Delivery, of the chief financial officer of the Company confirming that the certificate at the Closing Time pursuant to Section 5(e) hereof remains true and correct as of such Date of Delivery.

(m) Additional Documents. At the Closing Time and at each Date of Delivery (if any) counsel for the Underwriters shall have been furnished with such documents and opinions as they may reasonably require for the purpose of enabling them to pass upon the issuance and sale of the Securities as herein contemplated, or in order to evidence the accuracy of any of the representations or warranties, or the fulfillment of any of the conditions, herein contained; and all proceedings taken by the Company in connection with the issuance and sale of the Securities as herein contemplated shall be reasonably satisfactory in form and substance to the Representatives and counsel for the Underwriters.

(n) Termination of Agreement. If any condition specified in this Section shall not have been fulfilled when and as required to be fulfilled and such failure to be fulfilled when and as required to be fulfilled was not caused by a breach of this Agreement by any of the Underwriters, this Agreement, or, in the case of any condition to the purchase of Option Securities on a Date of Delivery which is after the Closing Time, the obligations of the several Underwriters to purchase the relevant Option Securities, may be terminated by the Representatives by notice to the Company at any time at or prior to Closing Time or such Date of Delivery, as the case may be, and such termination shall be without liability of any party to any other party except as provided in Section 4 and except that Sections 1, 6, 7, 8, 14, 15, 16 and 17 shall survive any such termination and remain in full force and effect, regardless of the reason for such termination.

#### SECTION 6. Indemnification.

(a) Indemnification of Underwriters. The Company agrees to indemnify and hold harmless each Underwriter, its affiliates (as such term is defined in Rule 501(b) under the 1933 Act (each, an “Affiliate”)), its selling agents and each person, if any, who controls any Underwriter within the meaning of Section 15 of the 1933 Act or Section 20 of the 1934 Act as follows:

(i) against any and all loss, liability, claim, damage and reasonable and documented expense whatsoever, as incurred, arising out of any untrue statement or alleged untrue statement of a material fact contained in the Registration Statement (or any amendment thereto), including the Rule 430A Information, or the omission or alleged omission therefrom of a material fact required to be stated therein or necessary to make the statements therein not misleading or arising out of any untrue statement or alleged untrue statement of a material fact included (A) in any preliminary prospectus, any Issuer Free Writing Prospectus, any Written Testing-the-Waters Communication, the General Disclosure Package or the Prospectus (or any amendment or supplement thereto), or (B) in any materials or information provided to investors by, or with the approval of, the Company in connection with the marketing of the offering of the Securities (“Marketing Materials”), including any roadshow (as defined under Rule 433(h) under the 1933 Act) or investor

presentations made to investors by the Company (whether in person or electronically), or the omission or alleged omission in any preliminary prospectus, Issuer Free Writing Prospectus, any Written Testing-the-Waters Communication, Prospectus or in any Marketing Materials of a material fact necessary in order to make the statements therein, in the light of the circumstances under which they were made, not misleading;

(ii) against any and all loss, liability, claim, damage and reasonable and documented expense whatsoever, as incurred, to the extent of the aggregate amount paid in settlement of any litigation, or any investigation or proceeding by any governmental agency or body, commenced or threatened, or of any claim whatsoever based upon any such untrue statement or omission, or any such alleged untrue statement or omission; provided that (subject to Section 6(d) below) any such settlement is effected with the written consent of the Company;

(iii) against any and all reasonable and documented out-of-pocket expenses as incurred (including the reasonable and documented fees and disbursements of counsel chosen by BofAS, provided however, that the Company shall not be liable for the expenses of more than one separate counsel in the aggregate for all Underwriters (in addition to a single local counsel), reasonably incurred in investigating, preparing or defending against any litigation, or any investigation or proceeding by any governmental agency or body, commenced or threatened, or any claim whatsoever based upon any such untrue statement or omission, or any such alleged untrue statement or omission, to the extent that any such expense is not paid under (i) or (ii) above;

provided, however, that this indemnity agreement shall not apply to any loss, liability, claim, damage or expense to the extent arising out of any untrue statement or omission or alleged untrue statement or omission made in the Registration Statement (or any amendment thereto), including the Rule 430A Information, the General Disclosure Package, any preliminary prospectus, any Issuer Free Writing Prospectus, any Written Testing-the-Waters Communication, the Prospectus (or any amendment or supplement thereto) or any Marketing Materials, including any roadshow or investor presentations made to investors by the Company (whether in person or electronically) in reliance upon and in conformity with the Underwriter Information.

(b) *Indemnification of Company, Directors and Officers.* Each Underwriter severally agrees to indemnify and hold harmless the Company, its directors, each of its officers who signed the Registration Statement, and each person, if any, who controls the Company within the meaning of Section 15 of the 1933 Act or Section 20 of the 1934 Act, against any and all loss, liability, claim, damage and reasonable and documented expense described in the indemnity contained in subsection (a) of this Section, as incurred, but only with respect to untrue statements or omissions, or alleged untrue statements or omissions, made in the Registration Statement (or any amendment thereto), including the Rule 430A Information, the General Disclosure Package, any preliminary prospectus, any Issuer Free Writing Prospectus, any Written Testing-the-Waters Communication, the Prospectus (or any amendment or supplement thereto) or any Marketing Materials, including any roadshow or investor presentations made to investors by the Company (whether in person or electronically) in reliance upon and in conformity with the Underwriter Information.

(c) *Actions against Parties; Notification.* Each indemnified party shall give notice as promptly as reasonably practicable to each indemnifying party of any action commenced against it in respect of which indemnity may be sought hereunder, but failure to so notify an indemnifying party shall not relieve such indemnifying party from any liability hereunder to the extent it is not materially prejudiced as a result thereof and in any event shall not relieve it from any liability which it may have otherwise than on account of this indemnity agreement. In the case of parties indemnified pursuant to Section 6(a) above, counsel to the indemnified parties shall be selected by BofAS, and, in the case of parties indemnified pursuant to Section 6(b) above, counsel to the indemnified parties shall be selected by the Company. An indemnifying party may participate at its own expense in the defense of any such action; provided, however, that counsel

to the indemnifying party shall not (except with the consent of the indemnified party) also be counsel to the indemnified party. In no event shall the indemnifying parties be liable for fees and expenses of more than one counsel (in addition to any local counsel) separate from their own counsel for all indemnified parties in connection with any one action or separate but similar or related actions in the same jurisdiction arising out of the same general allegations or circumstances. No indemnifying party shall, without the prior written consent of the indemnified parties, settle or compromise or consent to the entry of any judgment with respect to any litigation, or any investigation or proceeding by any governmental agency or body, commenced or threatened, or any claim whatsoever in respect of which indemnification or contribution could be sought under this Section 6 or Section 7 hereof (whether or not the indemnified parties are actual or potential parties thereto), unless such settlement, compromise or consent (i) includes an unconditional release of each indemnified party from all liability arising out of such litigation, investigation, proceeding or claim and (ii) does not include a statement as to or an admission of fault, culpability or a failure to act by or on behalf of any indemnified party.

(d) *Settlement without Consent if Failure to Reimburse.* If at any time an indemnified party shall have requested an indemnifying party to reimburse the indemnified party for fees and expenses of counsel, such indemnifying party agrees that it shall be liable for any settlement of the nature contemplated by Section 6(a)(ii) or settlement of any claim in connection with any violation referred to in Section 6(e) effected without its written consent if (i) such settlement is entered into more than 45 days after receipt by such indemnifying party of the aforesaid request, (ii) such indemnifying party shall have received notice of the terms of such settlement at least 30 days prior to such settlement being entered into and (iii) such indemnifying party shall not have reimbursed such indemnified party in accordance with such request prior to the date of such settlement.

(e) *Indemnification for Reserved Securities.* In connection with the offer and sale of the Reserved Securities, the Company agrees to indemnify and hold harmless Merrill Lynch, its Affiliates and selling agents and each person, if any, who controls Merrill Lynch within the meaning of either Section 15 of the 1933 Act or Section 20 of the 1934 Act, from and against any and all loss, liability, claim, damage and expense (including, without limitation, any legal or other expenses reasonably incurred in connection with defending, investigating or settling any such action or claim), as incurred, (i) arising out of the violation of any applicable laws or regulations of foreign jurisdictions where Reserved Securities have been offered, (ii) arising out of any untrue statement or alleged untrue statement of a material fact contained in any material prepared by or with the consent of the Company for distribution to Invitees in connection with the offering of the Reserved Securities or caused by any omission or alleged omission to state therein a material fact required to be stated therein or necessary to make the statements therein not misleading, (iii) caused by the failure of any Invitee to pay for and accept delivery of Reserved Securities which have been orally confirmed for purchase by any Invitee by 11:59 P.M. (New York City time) on the first business day after the date of the Agreement or (iv) related to, or arising out of or in connection with, the offering of the Reserved Securities.

SECTION 7. Contribution. If the indemnification provided for in Section 6 hereof is for any reason unavailable to or insufficient to hold harmless an indemnified party in respect of any losses, liabilities, claims, damages or expenses referred to therein, then each indemnifying party shall contribute to the aggregate amount of such losses, liabilities, claims, damages and expenses incurred by such indemnified party, as incurred, (i) in such proportion as is appropriate to reflect the relative benefits received by the Company, on the one hand, and the Underwriters, on the other hand, from the offering of the Securities pursuant to this Agreement or (ii) if the allocation provided by clause (i) is not permitted by applicable law, in such proportion as is appropriate to reflect not only the relative benefits referred to in clause (i) above but also the relative fault of the Company, on the one hand, and of the Underwriters, on the other hand, in connection with the statements or omissions, or in connection with any violation of the nature referred to in Section 6(e) hereof, which resulted in such losses, liabilities, claims, damages or expenses, as well as any other relevant equitable considerations.

The relative benefits received by the Company, on the one hand, and the Underwriters, on the other hand, in connection with the offering of the Securities pursuant to this Agreement shall be deemed to be in the same respective proportions as the total net proceeds from the offering of the Securities pursuant to this Agreement (before deducting expenses) received by the Company, on the one hand, and the total underwriting discount received by the Underwriters, on the other hand, in each case as set forth on the cover of the Prospectus, bear to the aggregate initial public offering price of the Securities as set forth on the cover of the Prospectus.

The relative fault of the Company, on the one hand, and the Underwriters, on the other hand, shall be determined by reference to, among other things, whether any such untrue or alleged untrue statement of a material fact or omission or alleged omission to state a material fact relates to information supplied by the Company or by the Underwriters and the parties' relative intent, knowledge, access to information and opportunity to correct or prevent such statement or omission or any violation of the nature referred to in Section 6(e) hereof.

The Company and the Underwriters agree that it would not be just and equitable if contribution pursuant to this Section 7 were determined by pro rata allocation (even if the Underwriters were treated as one entity for such purpose) or by any other method of allocation which does not take account of the equitable considerations referred to above in this Section 7. The aggregate amount of losses, liabilities, claims, damages and expenses incurred by an indemnified party and referred to above in this Section 7 shall be deemed to include any legal or other expenses reasonably incurred by such indemnified party in investigating, preparing or defending against any litigation, or any investigation or proceeding by any governmental agency or body, commenced or threatened, or any claim whatsoever based upon any such untrue or alleged untrue statement or omission or alleged omission.

Notwithstanding the provisions of this Section 7, no Underwriter shall be required to contribute any amount in excess of the underwriting commissions received by such Underwriter in connection with the Shares underwritten by it and distributed to the public.

No person guilty of fraudulent misrepresentation (within the meaning of Section 11(f) of the 1933 Act) shall be entitled to contribution from any person who was not guilty of such fraudulent misrepresentation.

For purposes of this Section 7, each person, if any, who controls an Underwriter within the meaning of Section 15 of the 1933 Act or Section 20 of the 1934 Act and each Underwriter's Affiliates and selling agents shall have the same rights to contribution as such Underwriter, and each director of the Company, each officer of the Company who signed the Registration Statement, and each person, if any, who controls the Company within the meaning of Section 15 of the 1933 Act or Section 20 of the 1934 Act shall have the same rights to contribution as the Company. The Underwriters' respective obligations to contribute pursuant to this Section 7 are several in proportion to the number of Initial Securities set forth opposite their respective names in Schedule A hereto and not joint.

**SECTION 8. Representations, Warranties and Agreements to Survive.** All representations, warranties and agreements contained in this Agreement or in certificates of officers of the Company or any of its subsidiaries submitted pursuant hereto, shall remain operative and in full force and effect regardless of (i) any investigation made by or on behalf of any Underwriter or its Affiliates or selling agents, any person controlling any Underwriter, its officers or directors or any person controlling the Company and (ii) delivery of and payment for the Securities.

SECTION 9. Termination of Agreement.

(a) *Termination.* The Representatives may terminate this Agreement, by notice to the Company, at any time at or prior to the Closing Time (i) if there has been, in the judgment of the Representatives, since the time of execution of this Agreement or since the respective dates as of which information is given in the Registration Statement, the General Disclosure Package or the Prospectus, any material adverse change in the condition, financial or otherwise, or in the earnings, business affairs or business prospects of the Company and its subsidiaries considered as one enterprise, whether or not arising in the ordinary course of business, or (ii) if there has occurred any material adverse change in the financial markets in the United States or the international financial markets, any outbreak of hostilities or escalation thereof or other calamity or crisis or any change or development involving a prospective change in national or international political, financial or economic conditions, in each case the effect of which is such as to make it, in the judgment of the Representatives, impracticable or inadvisable to proceed with the completion of the offering or to enforce contracts for the sale of the Securities, or (iii) if trading in any securities of the Company has been suspended or materially limited by the Commission or the NYSE, or (iv) if trading generally in the NYSE has been suspended or materially limited, or minimum or maximum prices for trading have been fixed, or maximum ranges for prices have been required, by any of said exchanges or by order of the Commission, FINRA or any other governmental authority, or (v) a material disruption has occurred in commercial banking or securities settlement or clearance services in the United States or with respect to Clearstream or Euroclear systems in Europe, or (vi) if a banking moratorium has been declared by either Federal or New York authorities.

(b) *Liabilities.* If this Agreement is terminated pursuant to this Section, such termination shall be without liability of any party to any other party except as provided in Section 4 hereof, and provided further that Sections 1, 6, 7, 8, 14, 15, 16 and 17 shall survive such termination and remain in full force and effect.

SECTION 10. Default by One or More of the Underwriters. If one or more of the Underwriters shall fail at the Closing Time or a Date of Delivery to purchase the Securities which it or they are obligated to purchase under this Agreement (the "Defaulted Securities"), the Representatives shall have the right, within 24 hours thereafter, to make arrangements for one or more of the non-defaulting Underwriters, or any other underwriters, to purchase all, but not less than all, of the Defaulted Securities in such amounts as may be agreed upon and upon the terms herein set forth; if, however, the Representatives shall not have completed such arrangements within such 24-hour period, then:

(i) if the number of Defaulted Securities does not exceed 10% of the number of Securities to be purchased on such date, each of the non-defaulting Underwriters shall be obligated, severally and not jointly, to purchase the full amount thereof in the proportions that their respective underwriting obligations hereunder bear to the underwriting obligations of all non-defaulting Underwriters, or

(ii) if the number of Defaulted Securities exceeds 10% of the number of Securities to be purchased on such date, this Agreement or, with respect to any Date of Delivery which occurs after the Closing Time, the obligation of the Underwriters to purchase, and the Company to sell, the Option Securities to be purchased and sold on such Date of Delivery shall terminate without liability on the part of any non-defaulting Underwriter.

No action taken pursuant to this Section shall relieve any defaulting Underwriter from liability in respect of its default.

In the event of any such default which does not result in a termination of this Agreement or, in the case of a Date of Delivery which is after the Closing Time, which does not result in a termination of the obligation of the Underwriters to purchase and the Company to sell the relevant Option Securities, as the case may be, either the (i) Representatives or (ii) the Company shall have the right to postpone Closing Time or the relevant Date of Delivery, as the case may be, for a period not exceeding seven days in order to effect any required changes in the Registration Statement, the General Disclosure Package or the Prospectus or in any other documents or arrangements. As used herein, the term “Underwriter” includes any person substituted for an Underwriter under this Section 10.

SECTION 11. Notices. All notices and other communications hereunder shall be in writing and shall be deemed to have been duly given if mailed or transmitted by any standard form of telecommunication. Notices to the Underwriters shall be directed to BofAS at One Bryant Park, New York, New York 10036, attention of Syndicate Department (facsimile: (646) 855-3073), with a copy to ECM Legal (facsimile: (212) 230-8730) or to Barclays Capital Inc., 745 Seventh Avenue, New York, New York 10019, Attention: Syndicate Registration (Fax: (646) 834-8133); notices to the Company shall be directed to it at 6770 Parker Farm Drive, Wilmington, NC 28405, attention of General Counsel.

SECTION 12. No Advisory or Fiduciary Relationship. The Company acknowledges and agrees that (a) the purchase and sale of the Securities pursuant to this Agreement, including the determination of the initial public offering price of the Securities and any related discounts and commissions, is an arm’s-length commercial transaction between the Company, on the one hand, and the several Underwriters, on the other hand, (b) in connection with the offering of the Securities and the process leading thereto, each Underwriter is and has been acting solely as a principal and is not the agent or fiduciary of the Company, any of its subsidiaries or their respective stockholders, creditors, employees or any other party, (c) no Underwriter has assumed or will assume an advisory or fiduciary responsibility in favor of the Company with respect to the offering of the Securities or the process leading thereto (irrespective of whether such Underwriter has advised or is currently advising the Company or any of its subsidiaries on other matters) and no Underwriter has any obligation to the Company with respect to the offering of the Securities except the obligations expressly set forth in this Agreement, (d) the Underwriters and their respective affiliates may be engaged in a broad range of transactions that involve interests that differ from those of the Company and (e) the Underwriters have not provided any legal, accounting, regulatory or tax advice with respect to the offering of the Securities and the Company has consulted its own respective legal, accounting, regulatory and tax advisors to the extent it deemed appropriate.

SECTION 13. Recognition of the U.S. Special Resolution Regimes.

(a) In the event that any Underwriter that is a Covered Entity becomes subject to a proceeding under a U.S. Special Resolution Regime, the transfer from such Underwriter of this Agreement, and any interest and obligation in or under this Agreement, will be effective to the same extent as the transfer would be effective under the U.S. Special Resolution Regime if this Agreement, and any such interest and obligation, were governed by the laws of the United States or a state of the United States.

(b) In the event that any Underwriter that is a Covered Entity or a BHC Act Affiliate of such Underwriter becomes subject to a proceeding under a U.S. Special Resolution Regime, Default Rights under this Agreement that may be exercised against such Underwriter are permitted to be exercised to no greater extent than such Default Rights could be exercised under the U.S. Special Resolution Regime if this Agreement were governed by the laws of the United States or a state of the United States.

For purposes of this Section 13, a “BHC Act Affiliate” has the meaning assigned to the term “affiliate” in, and shall be interpreted in accordance with, 12 U.S.C. § 1841(k). “Covered Entity” means any of the following: (i) a “covered entity” as that term is defined in, and interpreted in accordance with, 12 C.F.R. §

252.82(b); (ii) a “covered bank” as that term is defined in, and interpreted in accordance with, 12 C.F.R. § 47.3(b); or (iii) a “covered FSI” as that term is defined in, and interpreted in accordance with, 12 C.F.R. § 382.2(b). “Default Right” has the meaning assigned to that term in, and shall be interpreted in accordance with, 12 C.F.R. §§ 252.81, 47.2 or 382.1, as applicable. “U.S. Special Resolution Regime” means each of (i) the Federal Deposit Insurance Act and the regulations promulgated thereunder and (ii) Title II of the Dodd-Frank Wall Street Reform and Consumer Protection Act and the regulations promulgated thereunder.

SECTION 14. Parties. This Agreement shall each inure to the benefit of and be binding upon the Underwriters and the Company and their respective successors. Nothing expressed or mentioned in this Agreement is intended or shall be construed to give any person, firm or corporation, other than the Underwriters and the Company and their respective successors and the controlling persons and officers and directors referred to in Sections 6 and 7 and their heirs and legal representatives, any legal or equitable right, remedy or claim under or in respect of this Agreement or any provision herein contained. This Agreement and all conditions and provisions hereof are intended to be for the sole and exclusive benefit of the Underwriters and the Company and their respective successors, and said controlling persons and officers and directors and their heirs and legal representatives, and for the benefit of no other person, firm or corporation. No purchaser of Securities from any Underwriter shall be deemed to be a successor by reason merely of such purchase.

SECTION 15. Trial by Jury. The Company (on its behalf and, to the extent permitted by applicable law, on behalf of its stockholders and affiliates) and each of the Underwriters hereby irrevocably waives, to the fullest extent permitted by applicable law, any and all right to trial by jury in any legal proceeding arising out of or relating to this Agreement or the transactions contemplated hereby.

SECTION 16. GOVERNING LAW. THIS AGREEMENT AND ANY CLAIM, CONTROVERSY OR DISPUTE ARISING UNDER OR RELATED TO THIS AGREEMENT SHALL BE GOVERNED BY, AND CONSTRUED IN ACCORDANCE WITH THE LAWS OF, THE STATE OF NEW YORK WITHOUT REGARD TO ITS CHOICE OF LAW PROVISIONS.

SECTION 17. Consent to Jurisdiction; Waiver of Immunity. Any legal suit, action or proceeding arising out of or based upon this Agreement or the transactions contemplated hereby (“Related Proceedings”) shall be instituted in (i) the federal courts of the United States of America located in the City and County of New York, Borough of Manhattan or (ii) the courts of the State of New York located in the City and County of New York, Borough of Manhattan (collectively, the “Specified Courts”), and each party irrevocably submits to the exclusive jurisdiction (except for proceedings instituted in regard to the enforcement of a judgment of any such court (a “Related Judgment”), as to which such jurisdiction is non-exclusive) of such courts in any such suit, action or proceeding. Service of any process, summons, notice or document by mail to such party’s address set forth above shall be effective service of process for any suit, action or other proceeding brought in any such court. The parties irrevocably and unconditionally waive any objection to the laying of venue of any suit, action or other proceeding in the Specified Courts and irrevocably and unconditionally waive and agree not to plead or claim in any such court that any such suit, action or other proceeding brought in any such court has been brought in an inconvenient forum.

SECTION 18. TIME. TIME SHALL BE OF THE ESSENCE OF THIS AGREEMENT. EXCEPT AS OTHERWISE SET FORTH HEREIN, SPECIFIED TIMES OF DAY REFER TO NEW YORK CITY TIME.

SECTION 19. Counterparts. This Agreement may be executed in any number of counterparts, each of which shall be deemed to be an original, but all such counterparts shall together constitute one and the same Agreement.





If the foregoing is in accordance with your understanding of our agreement, please sign and return to the Company a counterpart hereof, whereupon this instrument, along with all counterparts, will become a binding agreement among the Underwriters and the Company in accordance with its terms.

Very truly yours,

NCINO, INC.

By \_\_\_\_\_  
Title:

CONFIRMED AND ACCEPTED,  
as of the date first above written:

BOFA SECURITIES, INC.  
BARCLAYS CAPITAL, INC.

By: BOFA SECURITIES, INC.

By \_\_\_\_\_  
Authorized Signatory

By: BARCLAYS CAPITAL, INC.

By \_\_\_\_\_  
Authorized Signatory

For themselves and as Representatives of the other Underwriters named in Schedule A hereto.

SCHEDULE A

The initial public offering price per share for the Securities shall be \$[      ].

The purchase price per share for the Securities to be paid by the several Underwriters shall be \$[      ], being an amount equal to the initial public offering price set forth above less \$[      ] per share, subject to adjustment in accordance with Section 2(b) for dividends or distributions declared by the Company and payable on the Initial Securities but not payable on the Option Securities.

Name of Underwriter	<u>Number of Initial Securities</u>
BofA Securities, Inc.	
Barclays Capital Inc.	
KeyBanc Capital Markets Inc.	
Macquarie Capital (USA) Inc.	
Piper Sandler & Co.	
Raymond James & Associates, Inc.	
SunTrust Robinson Humphrey, Inc. .	
Total	<u>                    </u>

Sch A-1

SCHEDULE B-1

Pricing Terms

1. The Company is selling [ ] shares of Common Stock.
2. The Company has granted an option to the Underwriters, severally and not jointly, to purchase up to an additional [ ] shares of Common Stock.
3. The initial public offering price per share for the Securities shall be \$[ ].

Sch B - 1

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SCHEDULE B-2

Free Writing Prospectuses

Sch B - 2

Form of Lock-up Agreement

\_\_\_\_\_, 2020

BofA Securities, Inc.,  
Barclays Capital Inc.,

as Representatives of the several  
Underwriters to be named in the  
within-mentioned Underwriting Agreement

c/o BofA Securities, Inc.  
One Bryant Park  
New York, New York 10036

c/o Barclays Capital Inc.  
745 Seventh Avenue  
New York, New York 10019

Re: Proposed Public Offering by nCino, Inc.

Dear Sirs:

The undersigned, a stockholder and/or an officer and/or director of nCino, Inc., a Delaware corporation (the "Company"), understands that BofA Securities, Inc. ("BofAS") and Barclays Capital Inc. ("Barclays" and together with BofAS, the "Representatives") propose to enter into an Underwriting Agreement (the "Underwriting Agreement") with the Company providing for the public offering (the "Offering") of shares of the Company's common stock, par value \$0.0005 per share (the "Common Stock"). In recognition of the benefit that such an offering will confer upon the undersigned as a stockholder and/or an officer and/or director, as applicable, of the Company, and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the undersigned agrees with each underwriter to be named in the Underwriting Agreement that, during the period beginning on the date hereof and ending on the date that is 180 days from the date of the Underwriting Agreement (the "Lock-Up Period"), the undersigned will not, without the prior written consent of the Representatives, (i) directly or indirectly, 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 any shares of the Company's Common Stock or any securities convertible into or exercisable or exchangeable for Common Stock, whether now owned or hereafter acquired by the undersigned or with respect to which the undersigned has or hereafter acquires the power of disposition, provided that the foregoing shall not include any issuer-directed Common Stock purchased in the Offering by the undersigned if the undersigned is not a director or an officer of the Company (collectively, the "Lock-Up Securities"), or exercise any right with respect to the registration of any of the Lock-up Securities, or file, cause to be filed or cause to be confidentially submitted any registration statement in connection therewith, under the Securities Act of 1933, as amended, or (ii) enter into any swap or any other agreement or any transaction that transfers, in whole or in part, directly or indirectly, the economic consequence of ownership of the Lock-Up Securities, whether any such swap or transaction is to be settled by delivery of Common Stock or other securities, in

cash or otherwise. Notwithstanding anything contained herein to the contrary, if the undersigned is an officer or director of the Company, the undersigned further agrees that the foregoing provisions shall be equally applicable to any issuer-directed Common Stock the undersigned may purchase in the Offering, if applicable.

If the undersigned is an officer or director of the Company, (1) the Representatives agree that, at least three business days before the effective date of any release or waiver of the foregoing restrictions in connection with a transfer of shares of the Common Stock, the Representatives will notify the Company of the impending release or waiver, and (2) the Company has agreed, or will agree in the Underwriting Agreement, to announce the impending release or waiver (A) by press release through a major news service at least two business days before the effective date of the release or waiver or (B) any other method reasonably acceptable to the Representatives that satisfies the obligations described in Financial Industry Regulatory Authority, Inc. Rule 5131(d)(2). Any release or waiver granted by the Representatives hereunder to any such officer or director shall only be effective two business days after the publication date of such press release. The provisions of this paragraph will not apply if (i) the release or waiver is effected solely to permit a transfer not for consideration and (ii) the transferee has agreed in writing to be bound by the same terms described in this lock-up agreement to the extent and for the duration that such terms remain in effect at the time of the transfer.

Notwithstanding the foregoing, and subject to the applicable conditions below, the undersigned may transfer the Lock-Up Securities without the prior written consent of the Representatives:

(a) provided that (1) the Representatives receive a signed lock-up agreement for the balance of the Lockup Period from each donee, trustee, distributee, or transferee, as the case may be, (2) any such transfer shall not involve a disposition for value, (3) any such transfer is not required to be reported with the Securities and Exchange Commission on Form 4 in accordance with Section 16 of the Securities Exchange Act of 1934, as amended (the "Exchange Act"), and (4) the undersigned does not otherwise voluntarily effect any public filing or report regarding such transfers during the Lock-Up Period:

- (i) as a *bona fide* gift or gifts or for bona fide estate purposes; or
- (ii) by will or intestate succession upon the death of the undersigned, including to the transferee's nominee or custodian; or
- (iii) to any trust or other similar entity for the direct or indirect benefit of the undersigned or the immediate family of the undersigned (for purposes of this lockup agreement, "immediate family" shall mean any relationship by blood, marriage or adoption, not more remote than first cousin) or if the undersigned is a trust, to any beneficiary of the undersigned (including such beneficiary's estate); or
- (iv) as a distribution to limited partners, general partners, limited liability company members, stockholders or other equity holders of the undersigned; or
- (v) to the undersigned's affiliates or to any investment fund or other entity controlled or managed by the undersigned; or

(b) to the underwriters in the Offering; or

(c) to the Company upon exercise of any right in respect of any option granted under any incentive plan of the Company described in the final prospectus relating to the Offering or any warrant to purchase securities of the Company described in the final prospectus relating to the Offering including the surrender of shares of Common Stock to the Company in "net" or "cashless" exercise of any option or warrant; provided that (i) the shares of Common Stock received by the undersigned upon exercise continue to be subject to the restrictions on transfer set forth in this lockup agreement, and (ii) no filings are required or made pursuant to Section 16 of the Exchange Act during the Lock-Up Period; or

(d) to convert shares of preferred stock of the Company into shares of Common Stock of the Company, provided that any shares of Common Stock received upon such conversion remain subject to the terms of this lock-up agreement, provided that any filings required to be made pursuant to Section 16 of the Exchange Act will indicate by footnote disclosure or otherwise the nature of the transaction; or

(e) pursuant to a bona fide third-party tender offer, merger, consolidation or other similar transaction approved or recommended by the Company's board of directors, made to all holders of Lock-Up Securities involving a Change of Control (as defined below) of the Company, provided that in the event that such tender offer, merger, consolidation or other such transaction is not completed, the Lock-Up Securities owned by the undersigned shall remain subject to the provisions of this lockup agreement; or

(f) pursuant to an order of a court of competent jurisdiction in connection with a divorce settlement, provided that the undersigned shall use its commercially reasonable efforts to cause the transferee to agree in writing to be bound by the terms of this lock-up agreement prior to such transfer, provided further that any filings required to be made pursuant to Section 16 of the Exchange Act will indicate by footnote disclosure or otherwise the nature of the transaction.

For purposes of clause (e) above, "Change of Control" shall mean the consummation of any bona fide third party tender offer, merger, consolidation or other similar transaction the result of which is that any "person" (as defined in Section 13(d)(3) of the Exchange Act), or group of persons, becomes the beneficial owner (as defined in Rules 13d-3 and 13d-5 of the Exchange Act) of more than 90% of total voting power of the voting stock of the Company.

Furthermore, during the Lock-Up Period, the undersigned may sell shares of Common Stock of the Company purchased by the undersigned in the Offering or in open market transactions following the Offering if and only if (i) such sales are not required to be reported in any public report or filing with the Securities and Exchange Commission, or otherwise and (ii) the undersigned does not otherwise voluntarily effect any public filing or report regarding such sales during the Lock-Up Period.

Nothing herein shall prevent the undersigned from establishing a 10b5-1 trading plan that complies with Rule 10b5-1 under the Exchange Act ("10b5-1 trading plan") so long as there are no sales of Lock-Up Securities under such plans during the Lock-Up Period; and provided that the establishment of a 10b5-1 trading plan or the amendment of a 10b5-1 trading plan shall only be permitted if (i) the establishment of such plan is not required to be reported in any public report or filing with the SEC, or otherwise and (ii) the undersigned does not otherwise voluntarily effect any public filing or report regarding the establishment of such plan during the Lock-Up Period.

The undersigned also agrees and consents to the entry of stop transfer instructions with the Company's transfer agent and registrar against the transfer of the Lock-Up Securities except in compliance with the foregoing restrictions.

Notwithstanding anything to the contrary contained herein, this lock-up agreement will automatically terminate and the undersigned will be released from all of his, her or its obligations hereunder upon the earliest to occur, if any, of (i) the date the Company advises the Representatives in writing, that it has determined not to proceed with the Offering, (ii) the date the Company files an application with the Securities and Exchange Commission to withdraw the registration statement related to the Offering, (iii)



the date the Underwriting Agreement is terminated prior to payment for and delivery of the shares of Common Stock to be sold thereunder or (iv) July 31, 2020, in the event that the Underwriting Agreement has not been executed by such date (provided, that the Company may by written notice to the undersigned prior to such date extend such date for a period of up to an additional three months).

Very truly yours,

Signature: \_\_\_\_\_

Print Name: \_\_\_\_\_

FORM OF PRESS RELEASE  
TO BE ISSUED PURSUANT TO SECTION 3(j)

NCINO, INC.

[Date]

NCINO, INC. (the "Company") announced today that [ ], the lead book-running manager[s] in the Company's recent public sale of [ ] shares of common stock, [is][are] [waiving] [releasing] a lock-up restriction with respect to shares of the Company's common stock held by [certain officers or directors] [an officer or director] of the Company. The [waiver] [release] will take effect on , 20 , and the shares may be sold on or after such date.

**This press release is not an offer for sale of the securities in the United States or in any other jurisdiction where such offer is prohibited, and such securities may not be offered or sold in the United States absent registration or an exemption from registration under the United States Securities Act of 1933, as amended.**

**AMENDED AND RESTATED CERTIFICATE OF INCORPORATION**

**OF**

**NCINO, INC.,**

a Delaware corporation

nCino, Inc., a corporation organized and existing under the laws of the State of Delaware (the “**Corporation**”), hereby certifies as follows:

A. The name of the Corporation is nCino, Inc. The Corporation was originally incorporated under the name nCino, Inc. The Corporation’s original certificate of incorporation was filed with the office of the Secretary of State of the State of Delaware on December 18, 2013.

B. This amended and restated certificate of incorporation was duly adopted in accordance with Sections 242 and 245 of the General Corporation Law of the State of Delaware, as amended (the “**DGCL**”), restates and amends the provisions of the Corporation’s certificate of incorporation and has been duly approved by the written consent of the stockholders of the Corporation in accordance with Section 228 of the DGCL.

C. The text of the certificate of incorporation of this Corporation is hereby amended and restated to read in its entirety as follows:

**ARTICLE I**  
**NAME**

The name of the Corporation is nCino, Inc.

**ARTICLE II**  
**REGISTERED OFFICE**

The address of the Corporation’s registered office in the State of Delaware is 3500 South DuPont Highway, City of Dover, County of Kent, 19901. The name of its registered agent at such address is Incorporating Services, Ltd.

**ARTICLE III**  
**PURPOSE**

The purpose of the Corporation is to engage in any lawful act or activity for which corporations may be organized under the DGCL.

**ARTICLE IV**  
**CAPITAL STOCK**

4.1 Authorized Capital Stock. The total number of shares of all classes of capital stock that the Corporation is authorized to issue is 510,000,000 shares, consisting of 500,000,000 shares of common stock, par value \$0.0005 per share ("**Common Stock**"), and 10,000,000 shares of preferred stock, par value \$0.001 per share ("**Preferred Stock**").

4.2 Increase or Decrease in Authorized Capital Stock. The number of authorized shares of Common Stock or Preferred Stock may be increased or decreased (but not below the number of shares thereof then outstanding) by the affirmative vote of the holders of a majority in voting power of the stock of the Corporation entitled to vote generally in the election of directors, irrespective of the provisions of Section 242(b)(2) of the DGCL (or any successor provision thereto), voting together as a single class, without a separate vote of the holders of the class or classes the number of authorized shares of which are being increased or decreased, unless a vote by any holders of one or more series of Preferred Stock is required by the express terms of any series of Preferred Stock as provided for or fixed pursuant to the provisions of Section 4.4 of this Certificate of Incorporation (as defined below).

4.3 Common Stock.

(a) The holders of shares of Common Stock shall be entitled to one vote for each such share on each matter properly submitted to the stockholders of the Corporation on which the holders of shares of Common Stock are entitled to vote. The holders of shares of Common Stock shall not have cumulative voting rights. Except as otherwise required by law or this amended and restated certificate of incorporation of the Corporation (as further amended from time to time in accordance with the provisions hereof and including, without limitation, the terms of any certificate of designation with respect to any series of Preferred Stock, this "**Certificate of Incorporation**"), and subject to the rights of the holders of shares of Preferred Stock, if any, at any annual or special meeting of the stockholders of the Corporation, the holders of shares of Common Stock shall have the right to vote for the election of directors of the Corporation and on all other matters properly submitted to the stockholders of the Corporation for their vote; provided, however, that, except as otherwise required by law, holders of shares of Common Stock shall not be entitled to vote on any amendment to this Certificate of Incorporation that relates solely to the terms, number of shares, powers, designations, preferences or relative, participating, optional or other special rights (including, without limitation, voting rights), or to qualifications, limitations or restrictions thereof, 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 this Certificate of Incorporation or pursuant to the DGCL.

(b) Subject to the rights of the holders of shares of Preferred Stock, the holders of shares of Common Stock shall be entitled to receive such dividends and other distributions (payable in cash, property or capital stock of the Corporation) when, as and if declared thereon by the board of directors of the Corporation (the "**Board**") from time to time out of any assets or funds of the Corporation legally available therefor and shall share equally on a per share basis in such dividends and distributions.

(c) In the event of any voluntary or involuntary liquidation, dissolution or winding-up of the Corporation, after payment or provision for payment of the debts and other liabilities of the Corporation, and subject to the rights of the holders of shares of Preferred Stock in respect thereof, the holders of shares of Common Stock shall be entitled to receive all of the remaining assets of the Corporation available for distribution to its stockholders, ratably in proportion to the number of shares of Common Stock held by them.

#### 4.4 Preferred Stock.

(a) The Board is expressly authorized to issue from time to time shares of Preferred Stock in one or more series pursuant to a resolution or resolutions providing for such issue duly adopted by the Board. The Board is further authorized, subject to limitations prescribed by law, to fix by resolution or resolutions and to set forth in a certification of designation filed pursuant to the DGCL the powers, designations, preferences and relative, participating, optional or other special rights, if any, and the qualifications, limitations or restrictions thereof, if any, of any wholly unissued series of Preferred Stock, including, without limitation, dividend rights, dividend rate, conversion rights, voting rights, rights and terms of redemption (including, without limitation, sinking fund provisions), redemption price or prices and liquidation preferences of any such series, and the number of shares constituting any such series and the designation thereof, or any of the foregoing.

(b) The Board is further authorized to increase (but not above the total number of authorized shares of the class) or decrease (but not below the number of shares of any such series then outstanding) the number of shares of any series of Preferred Stock, the number of which was fixed by it, subsequent to the issuance of shares of such series then outstanding, subject to the powers, preferences and rights, and the qualifications, limitations and restrictions thereof, stated in this Certificate of Incorporation or the resolution of the Board originally fixing the number of shares of such series. If the number of shares of any series of Preferred Stock is so decreased, then the shares constituting such decrease shall resume the status that they had prior to the adoption of the resolution originally fixing the number of shares of such series.

### **ARTICLE V** **BOARD OF DIRECTORS**

5.1 General Powers. The business and affairs of the Corporation shall be managed by or under the direction of the Board.

5.2 Number of Directors; Election; Term.

(a) The number of directors that shall constitute the entire Board shall be fixed from time to time exclusively by the Board in accordance with the bylaws of the Corporation (as amended from time to time in accordance with the provisions hereof, the "**Bylaws**"), subject to the rights of holders of any series of Preferred Stock with respect to the election of directors, if any.

(b) Subject to the rights of holders of any series of Preferred Stock with respect to the election of directors, the directors of the Corporation shall be divided into three classes as nearly equal in number as is practicable, hereby designated Class I, Class II and Class III. The Board is

authorized to assign members of the Board already in office to such classes. The term of office of the initial Class I directors shall expire upon the election of directors at the first annual meeting of stockholders following the effectiveness of this [Article V](#); the term of office of the initial Class II directors shall expire upon the election of directors at the second annual meeting of stockholders following the effectiveness of this [Article V](#); and the term of office of the initial Class III directors shall expire upon the election of directors at the third annual meeting of stockholders following the effectiveness of this [Article V](#). At each annual meeting of stockholders, commencing with the first annual meeting of stockholders following the effectiveness of this [Article V](#), each of the successors elected to replace the directors of a class whose term shall have expired at such annual meeting shall be elected to hold office until the third annual meeting next succeeding his or her election and until his or her respective successor shall have been duly elected and qualified. Subject to the rights of holders of any series of Preferred Stock with respect to the election of directors, if the number of directors that constitutes the Board is changed, any newly created directorships or decrease in directorships shall be so apportioned by the Board among the classes as to make all classes as nearly equal in number as is practicable, provided that no decrease in the number of directors constituting the Board shall shorten the term of any incumbent director.

(c) Notwithstanding the foregoing provisions of this [Section 5.2](#), and subject to the rights of holders of any series of Preferred Stock with respect to the election of directors, each director shall serve until such director's successor is duly elected and qualified or until such director's earlier death, resignation or removal.

(d) Elections of directors need not be by written ballot unless the Bylaws shall so provide.

(e) Notwithstanding any of the other provisions of this [Article V](#), whenever the holders of any one or more series of Preferred Stock issued by the Corporation shall have the right, voting separately by series, to elect directors at an annual or special meeting of stockholders, the election, term of office, filling of vacancies and other features of such directorships shall be governed by the terms of the certificate of designation for such series of Preferred Stock, and such directors so elected shall not be divided into classes pursuant to this [Article V](#) unless expressly provided by such terms. During any period when the holders of any series of Preferred Stock have the right to elect additional directors as provided for or fixed pursuant to the provisions of this [Article V](#), then upon commencement and for the duration of the period during which such right continues; (i) the then otherwise total authorized number of directors of the Corporation shall automatically be increased by such specified number of directors, and the holders of such Preferred Stock shall be entitled to elect the additional directors so provided for or fixed pursuant to such provisions, and (ii) each such additional director shall serve until such director's successor shall have been duly elected and qualified, or until such director's right to hold such office terminates pursuant to such provisions, whichever occurs earlier, subject to such director's earlier death, resignation or removal. Except as otherwise provided by the Board in the resolution or resolutions establishing such series, whenever the holders of any series of Preferred Stock having such right to elect additional directors are divested of such right pursuant to the provisions of such series of stock, the terms of office of all such additional directors elected by the holders of such stock, or elected to fill any vacancies resulting from the death, resignation or removal of such additional directors, shall forthwith terminate, and the total authorized number of directors of the Corporation shall be reduced accordingly.

5.3 Removal. Subject to the rights of holders of any series of Preferred Stock with respect to the election of directors, a director may be removed from office by the stockholders of the Corporation only for cause.

5.4 Vacancies and Newly Created Directorships. Subject to the rights of holders of any series of Preferred Stock with respect to the election of directors, vacancies occurring on the Board for any reason and newly created directorships resulting from an increase in the number of directors shall be filled only by vote of a majority of the remaining members of the Board, although less than a quorum, or by a sole remaining director, and not by the stockholders. A person so elected by the Board to fill a vacancy or newly created directorship shall hold office until the next election of the class for which such person shall have been assigned by the Board and until such person's successor shall be duly elected and qualified or until such director's earlier death, resignation or removal.

## **ARTICLE VI AMENDMENT OF BYLAWS**

In furtherance and not in limitation of the powers conferred by statute, the Board is expressly authorized to adopt, amend, alter or repeal the Bylaws. The Bylaws may also be adopted, amended, altered or repealed by the stockholders of the Corporation by the affirmative vote of the holders of at least a majority of the voting power of all then outstanding shares of capital stock of the Corporation entitled to vote generally in the election of directors, voting together as a single class; provided, however, that, in the case of any adoption, amendment, alteration or repeal of the Bylaws by the stockholders of the Corporation, notwithstanding any other provision of the Bylaws, and in addition to any other vote that may be required by law or the terms of any series of Preferred Stock, the affirmative vote of the holders of at least sixty six and two-thirds percent (66 2/3%) of the voting power of all of the then outstanding shares of capital stock of the Corporation entitled to vote generally in the election of directors, voting together as a single class, shall be required to amend, alter, repeal or adopt any provision inconsistent with Sections 1.3, 1.7(b), 1.11, 1.13, 1.16, 1.17, 2.1, 2.8, 2.9, 2.10, 2.13 or 2.14 or Article VI of the Bylaws.

## **ARTICLE VII STOCKHOLDERS**

7.1 No Action by Written Consent of Stockholders. Except as otherwise expressly provided by the terms of any series of Preferred Stock permitting the holders of such series of Preferred Stock to act by written consent, any action required or permitted to be taken by the stockholders of the Corporation must be effected at a duly called annual or special meeting of the stockholders of the Corporation and may not be effected by written consent in lieu of a meeting.

7.2 Advance Notice. Advance notice of stockholder nominations for the election of directors and of business to be brought by stockholders before any meeting of the stockholders of the Corporation shall be given in the manner provided in the Bylaws.

**ARTICLE VIII**  
**LIMITATION OF LIABILITY AND INDEMNIFICATION**

8.1 Limitation of Personal Liability. No director of the Corporation shall be personally liable to the Corporation or its stockholders for monetary damages for breach of fiduciary duty as a director, except to the extent such exemption from liability or limitation thereof is not permitted under the DGCL, as it presently exists or may hereafter be amended from time to time. If the DGCL is amended 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 DGCL, as so amended.

8.2 Indemnification and Advancement of Expenses. The Corporation shall indemnify its directors and officers to the fullest extent authorized or permitted by the DGCL, as now or hereafter in effect, and such right to indemnification shall continue as to a person who has ceased to be a director or officer of the Corporation and shall inure to the benefit of such person's heirs, executors and personal and legal representatives. A director's or officer's right to indemnification conferred by this Section 8.2 shall include the right to be paid by the Corporation the expenses incurred in defending or otherwise participating in any proceeding in advance of its final disposition, provided that such director or officer presents to the Corporation a written undertaking to repay such amount if it shall ultimately be determined that such director or officer is not entitled to be indemnified by the Corporation under this Article VIII or otherwise. Notwithstanding the foregoing, except for proceedings to enforce any director's or officer's rights to indemnification or rights to advancement of expenses, the Corporation shall not be obligated to indemnify any director or officer, or advance expenses of any director, (or such director's or officer's heirs, executors or personal or legal representatives) in connection with any proceeding (or part thereof) initiated by such person unless such proceeding (or part thereof) was authorized by the Board.

8.3 Non-Exclusivity of Rights. The rights to indemnification and advancement of expenses conferred in Section 8.2 of this Certificate of Incorporation shall neither be exclusive of, nor be deemed in limitation of, any rights to which any person may otherwise be or become entitled or permitted under this Certificate of Incorporation, the Bylaws, any statute, agreement, vote of stockholders or disinterested directors or otherwise.

8.4 Insurance. To the fullest extent authorized or permitted by the DGCL, the Corporation may purchase and maintain insurance on behalf of any current or former director or officer of the Corporation against any liability asserted against such person, whether or not the Corporation would have the power to indemnify such person against such liability under the provisions of this Article VIII or otherwise.

8.5 Persons Other Than Directors and Officers. This Article VIII shall not limit the right of the Corporation, to the extent and in the manner permitted by law, to indemnify and to advance expenses to, or to purchase and maintain insurance on behalf of, persons other than those persons described in the first sentence of Section 8.2 of this Certificate of Incorporation or to advance expenses to persons other than directors of the Corporation.

8.6 Effect of Modifications. Any amendment, repeal or modification of any provision contained in this Article VIII shall, unless otherwise required by law, be prospective only (except to the extent such amendment or change in law permits the Corporation to further limit or



eliminate the liability of directors or officers) and shall not adversely affect any right or protection of any current or former director or officer of the Corporation existing at the time of such amendment, repeal or modification with respect to any acts or omissions occurring prior to such amendment, repeal or modification.

**ARTICLE IX**  
**MISCELLANEOUS**

9.1 Forum for Certain Actions.

(a) Forum. Unless a majority of the Board, acting on behalf of the Corporation, consents in writing to the selection of an alternative forum (which consent may be given at any time, including during the pendency of litigation), the Court of Chancery of the State of Delaware (or, if the Court of Chancery does not have jurisdiction, another state court located within the State of Delaware or, if no court located within the State of Delaware has jurisdiction, the federal district court for the District of Delaware), to the fullest extent permitted by law, 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 current or former 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 of its directors, officers or other employees arising pursuant to any provision of the DGCL, this Certificate of Incorporation or the Bylaws (in each case, as may be amended from time to time), (iv) any action asserting a claim against the Corporation or any of its directors, officers or other employees governed by the internal affairs doctrine of the State of Delaware or (v) any other action asserting an "internal corporate claim," as defined in Section 115 of the DGCL, in all cases subject to the court's having personal jurisdiction over all indispensable parties named as defendants. Unless a majority of the Board, acting on behalf of the Corporation, consents in writing to the selection of an alternative forum, the federal district courts of the United States of America shall be the exclusive forum for the resolution of any complaint asserting a cause of action arising under the Securities Act of 1933, as amended. To the fullest extent permitted by law, any person or entity purchasing or otherwise acquiring or holding any interest in shares of capital stock of the Corporation shall be deemed to have notice of and consented to the provisions of this Article XII.

(b) Personal Jurisdiction. If any action the subject matter of which is within the scope of subparagraph (a) of this Section 9.1 is filed in a court other than a court located within the State of Delaware (a "**Foreign Action**") in the name of any stockholder, such stockholder shall be deemed to have consented to (i) the personal jurisdiction of the state and federal courts located within the State of Delaware in connection with any action brought in any such court to enforce subparagraph (a) of this Section 9.1 (an "**Enforcement Action**") and (ii) having service of process made upon such stockholder in any such Enforcement Action by service upon such stockholder's counsel in the Foreign Action as agent for such stockholder.

(c) Enforceability. If any provision of this Section 9.1 shall be held to be invalid, illegal or unenforceable as applied to any person, entity or circumstance for any reason whatsoever, then, to the fullest extent permitted by law, the validity, legality and enforceability of such provision in any other circumstance and of the remaining provisions of this Section 9.1, and the application of such provision to other persons or entities and circumstances shall not in any way be affected or impaired thereby.

9.2 Amendment. The Corporation reserves the right to amend, alter or repeal any provision contained in this Certificate of Incorporation, in the manner now or hereafter prescribed by this Certificate of Incorporation and the DGCL; and all rights, preferences and privileges herein conferred upon stockholders of the Corporation by and pursuant to this Certificate of Incorporation in its present form or as hereafter amended are granted subject to the right reserved in this Section 9.2. In addition to any other vote that may be required by law, applicable stock exchange rule or the terms of any series of Preferred Stock, the affirmative vote of the holders of at least a majority of the voting power of all then outstanding shares of capital stock of the Corporation entitled to vote generally in the election of directors, voting together as a single class, shall be required to amend, alter, repeal or adopt any provision of this Certificate of Incorporation. Notwithstanding any other provision of this Certificate of Incorporation, and in addition to any other vote that may be required by law, applicable stock exchange rule or the terms of any series of Preferred Stock, the affirmative vote of the holders of at least sixty six and two-thirds percent (66 2/3%) of the voting power of all then outstanding shares of capital stock of the Corporation entitled to vote generally in the election of directors, voting together as a single class, shall be required to amend, alter, repeal or adopt any provision of this Certificate of Incorporation inconsistent with the purpose and intent of Article V, Article VI, Article VII, Article VIII or this Article IX (including, without limitation, any such Article as renumbered as a result of any amendment, alternation, repeal or adoption of any other Article).

9.3 Severability. If any provision or provisions of this Certificate of Incorporation shall be held to be invalid, illegal or unenforceable as applied to any circumstance for any reason whatsoever, the validity, legality and enforceability of such provision in any other circumstance and of the remaining provisions of this Certificate of Incorporation (including, without limitation, each portion of any paragraph of this Certificate of Incorporation containing any such provision held to be invalid, illegal or unenforceable that is not itself held to be invalid, illegal or unenforceable) shall not in any way be affected or impaired thereby.

IN WITNESS WHEREOF, the Corporation has caused this Amended and Restated Certificate of Incorporation to be signed by a duly authorized officer of the Corporation on this [ ] day of [ ], 2020, subject to and effective upon the closing of the Corporation's initial public offering on its Registration Statement on Form S-1.

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By: Pierre Naudé  
Its: Chief Executive Officer

**AMENDED AND RESTATED BYLAWS  
OF  
NCINO, INC.**  
(hereinafter called the “**Corporation**”)

ARTICLE I  
MEETINGS OF STOCKHOLDERS

Section 1.1. Place of Meetings. Meetings of the stockholders of the Corporation for the election of directors or for any other purpose shall be held at such time and place, either within or without the State of Delaware, as shall be designated from time to time by the board of directors of the Corporation (the “**Board**”).

Section 1.2. Annual Meetings. The annual meeting of stockholders of the Corporation for the election of directors and for the transaction of such other business as may properly be brought before the meeting in accordance with these amended and restated bylaws of the Corporation (as amended from time to time in accordance with the provisions hereof, these “**Bylaws**”) shall be held on such date and at such time as shall be designated from time to time by the Board. The Board may postpone, reschedule or cancel any annual meeting of stockholders previously scheduled by the Board.

Section 1.3. Special Meetings. Unless otherwise required by law or by the certificate of incorporation of the Corporation (including, without limitation, the terms of any certificate of designation with respect to any series of preferred stock), as amended and restated from time to time (the “**Certificate of Incorporation**”), special meetings of the stockholders of the Corporation, for any purpose or purposes, may be called only by the Chairperson of the Board, the Chief Executive Officer or the Board. The ability of the stockholders of the Corporation to call a special meeting of stockholders is hereby specifically denied. At a special meeting of stockholders, only such business shall be conducted as shall be specified in the notice of meeting. The Chairperson of the Board, the Chief Executive Officer or the Board may postpone, reschedule or cancel any special meeting of stockholders previously called by any of them.

Section 1.4. Notice. Whenever stockholders of the Corporation are required or permitted to take any action at a meeting, a written notice of the meeting shall be given which shall state the place, date and time of the meeting, the record date for determining the stockholders entitled to vote at the meeting, if such date is different from the record date for determining stockholders entitled to notice of meeting, and, in the case of a special meeting, the purpose or purposes for which the meeting is called and the means of remote communications, if any, by which stockholders and proxy holders may be deemed present in person and vote at such meeting. Unless otherwise required by law or the Certificate of Incorporation, written notice of any meeting shall be given either personally, by mail or by electronic transmission (if permitted under the circumstances by the General Corporation Law of the State of Delaware, as amended (the “**DGCL**”)) not less than ten (10) nor more than sixty (60) days before the date of the meeting, by or at the direction of the Chairperson of the Board, the Chief Executive Officer or

the Board, to each stockholder entitled to vote at such meeting as of the record date for determining stockholders entitled to notice of the meeting. If mailed, such notice shall be deemed to be given when deposited in the United States mail with postage thereon prepaid, addressed to the stockholder at the stockholder's address as it appears on the stock transfer books of the Corporation. If notice is given by means of electronic transmission, such notice shall be deemed to be given at the times provided in the DGCL. Any stockholder may waive notice of any meeting before or after the meeting. The attendance of a stockholder at any meeting shall constitute a waiver of notice at such meeting, except where the stockholder 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.

Section 1.5. Adjournments. Any meeting of stockholders of the Corporation may be adjourned from time to time to reconvene at the same or some other place by holders of a majority of the voting power of the Corporation's capital stock issued and outstanding and entitled to vote thereat, present in person or represented by proxy, though less than a quorum, or by any officer entitled to preside at or to act as secretary of such meeting, and notice need not be given of any such adjourned meeting if the time and place thereof, and the means of remote communication, if any, by which stockholders and proxy holders may be deemed to be present in person and vote at such adjourned meeting, are announced at the meeting at which the adjournment is taken. At the adjourned meeting, the Corporation may transact any business that might have been transacted at the original meeting. If the adjournment is for more than thirty (30) days, notice of the adjourned meeting in accordance with the requirements of Section 1.4 of these Bylaws shall be given to each stockholder of record entitled to vote at the meeting. If, after the adjournment, a new record date for determination of stockholders entitled to vote is fixed for the adjourned meeting, the Board shall fix as the record date for determining stockholders entitled to notice of such adjourned meeting the same or an earlier date as that fixed for determination of stockholders entitled to vote at the adjourned meeting and shall give notice of the adjourned meeting to each stockholder of record as of the record date so fixed for notice of such adjourned meeting.

Section 1.6. Quorum. Unless otherwise required by applicable law or the Certificate of Incorporation, the holders of a majority of the voting power of the Corporation's capital stock issued and outstanding and entitled to vote thereat, present in person or represented by proxy, shall constitute a quorum at a meeting of stockholders. Where a separate vote by a class or classes or series is required, a majority of the voting power of the shares of such class or classes or series present in person or represented by proxy shall constitute a quorum entitled to take action with respect to such vote. If a quorum shall not be present or represented at any meeting of stockholders, either the chairperson of the meeting or the stockholders entitled to vote thereat, present in person or represented by proxy, shall have power to adjourn the meeting from time to time, in the manner provided in Section 1.5 of these Bylaws, until a quorum shall be present or represented. A quorum, once established, shall not be broken by the withdrawal of enough votes to leave less than a quorum.

Section 1.7. Voting.

(a) Matters Other Than Election of Directors. Any matter brought before any meeting of stockholders of the Corporation, other than the election of

directors, shall be decided by the affirmative vote of the holders of a majority of the voting power of the Corporation's capital stock present in person or represented by proxy at the meeting and entitled to vote on such matter, voting as a single class, unless the matter is one upon which, by express provision of law, the Certificate of Incorporation or these Bylaws, a different vote is required, in which case such express provision shall govern and control the decision of such matter. Except as provided in the Certificate of Incorporation, every stockholder having the right to vote shall have one vote for each share of stock having voting power registered in such stockholder's name on the books of the Corporation. Such votes may be cast in person or by proxy as provided in Section 1.10 of these Bylaws. The Board, in its discretion, or the officer of the Corporation presiding at a meeting of stockholders, in such officer's discretion, may require that any votes cast at such meeting shall be cast by written ballot.

(b) Election of Directors. Subject to the rights of the holders of any series of preferred stock to elect directors under specified circumstances, election of directors at all meetings of the stockholders at which directors are to be elected shall be by a plurality of the votes cast at any meeting for the election of directors at which a quorum is present.

Section 1.8. Voting of Stock of Certain Holders. Shares of stock of the Corporation standing in the name of another corporation or entity, domestic or foreign, and entitled to vote may be voted by such officer, agent or proxy as the bylaws or other internal regulations of such corporation or entity may prescribe or, in the absence of such provision, as the board of directors or comparable body of such corporation or entity may determine. Shares of stock of the Corporation standing in the name of a deceased person, a minor, an incompetent or a debtor in a case under Title 11, United States Code, and entitled to vote may be voted by an administrator, executor, guardian, conservator, debtor-in-possession or trustee, as the case may be, either in person or by proxy, without transfer of such shares into the name of the official or other person so voting. A stockholder whose shares of stock of the Corporation are pledged shall be entitled to vote such shares, unless on the transfer records of the Corporation such stockholder has expressly empowered the pledgee to vote such shares, in which case only the pledgee, or the pledgee's proxy, may vote such shares.

Section 1.9. Treasury Stock. Shares of stock of the Corporation belonging to the Corporation, or to another corporation a majority of the shares entitled to vote in the election of directors of which are held by the Corporation, shall not be voted at any meeting of stockholders of the Corporation and shall not be counted in the total number of outstanding shares for the purpose of determining whether a quorum is present. Nothing in this Section 1.9 shall limit the right of the Corporation to vote shares of stock of the Corporation held by it in a fiduciary capacity.

Section 1.10. Proxies. Each stockholder entitled to vote at a meeting of stockholders of the Corporation may authorize another person or persons to act for such stockholder by proxy filed with the secretary of the Corporation (the "**Secretary**") before or at the time of the meeting. No such proxy shall be voted or acted upon after three (3) years from its date, unless the proxy provides for a longer period. A duly executed proxy shall be irrevocable if it states that it is

irrevocable and if, and only as long as, it is coupled with an interest sufficient in law to support an irrevocable power. A stockholder may revoke any proxy which is not irrevocable by attending the meeting and voting in person or by filing with the Secretary an instrument in writing revoking the proxy or another duly executed proxy bearing a later date.

Section 1.11. No Consent of Stockholders in Lieu of Meeting. Except as otherwise expressly provided by the terms of any series of preferred stock permitting the holders of such series of preferred stock to act by written consent, any action required or permitted to be taken by the stockholders of the Corporation must be effected at a duly called annual or special meeting of stockholders of the Corporation, and, as specified by the Certificate of Incorporation, the ability of the stockholders to consent in writing to the taking of any action is specifically denied.

Section 1.12. List of Stockholders Entitled to Vote. The officer of the Corporation who has charge of the stock ledger of the Corporation shall prepare and make or have prepared and made, at least ten (10) days before every meeting of stockholders of the Corporation, a complete list of the stockholders entitled to vote at the meeting (provided, however, that if the record date for determining the stockholders entitled to vote is less than ten (10) days before the meeting date, the list shall reflect the stockholders entitled to vote as of the tenth (10<sup>th</sup>) day before the meeting date), arranged in alphabetical order, and 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 for a period of at least ten (10) days prior to the meeting: (i) 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 (ii) during ordinary business hours, at the principal place of business of the Corporation. If the meeting is to be held at a place, then the list shall be produced and kept at the time and place of the meeting during the whole time thereof and may be examined by any stockholder who is present. In the event that the Corporation determines to make the list available on an electronic network, the Corporation may take reasonable steps to ensure that such information is available only to stockholders of the Corporation. If the meeting is to be held solely by means of remote communication, then the list shall also be open to the examination of any stockholder during the whole time of the meeting on a reasonably accessible electronic network, and the information required to access such list shall be provided with the notice of the meeting.

Section 1.13. Record Date. In order that the Corporation may determine the stockholders entitled to notice of any meeting of stockholders of the Corporation or any adjournment thereof, the Board may fix a record date, which record date shall not precede the date upon which the resolution fixing the record date is adopted by the Board, and which record date shall not be more than sixty (60) nor less than ten (10) days before the date of such meeting. If the Board so fixes a date, such date shall also be the record date for determining the stockholders entitled to vote at such meeting unless the Board determines, at the time it fixes such record date, that a later date on or before the date of the meeting shall be the date for making such determination. If no record date is fixed by the Board, the record date for determining stockholders entitled to notice of or to vote at a meeting of stockholders shall be at the close of business on the day next preceding the day on which notice is given, or, if notice is waived, at the close of business on the day next preceding the day on which the meeting is held.

A determination of stockholders of record entitled to notice of or to vote at a meeting of stockholders shall apply to any adjournment of the meeting, but the Board may fix a new record date for determination of stockholders entitled to vote at the adjourned meeting, and in such case shall also fix as the record date for stockholders entitled to notice of such adjourned meeting the same or an earlier date as that fixed for determination of stockholders entitled to vote in accordance with the foregoing provisions of this Section 1.13 at the adjourned meeting.

Section 1.14. Organization and Conduct of Meetings. The Chairperson of the Board shall act as chairperson of meetings of stockholders of the Corporation. The Board may designate any other director or officer of the Corporation to act as chairperson of any meeting in the absence of the Chairperson of the Board, and the Board may further provide for determining who shall act as chairperson of any meeting of stockholders in the absence of the Chairperson of the Board and such designee. The Board may adopt by resolution such rules and regulations for the conduct of any meeting of stockholders as it shall deem appropriate. Except to the extent inconsistent with such rules and regulations as adopted by the Board, the chairperson of any meeting of stockholders shall have the right and authority to convene and (for any or no reason) to recess or adjourn the meeting to prescribe such rules, regulations and procedures and to do all such acts as, in the judgment of such chairperson, are appropriate for the proper conduct of the meeting. Such rules, regulations or procedures, whether adopted by the Board or prescribed by the chairperson of the meeting, may include, without limitation, the following: (i) the establishment of an agenda or order of business for the meeting; (ii) the determination of when the polls shall open and close for any given matter to be voted on at the meeting; (iii) rules and procedures for maintaining order at the meeting and the safety of those present; (iv) limitations on attendance at or participation in the meeting to stockholders of record of the Corporation, their duly authorized and constituted proxies or such other persons as the chairperson of the meeting shall determine; (v) restrictions on entry to the meeting after the time fixed for the commencement thereof; and (vi) limitations on the time allotted to questions or comments by participants. Except to the extent determined by the Board or the person presiding over the meeting, meetings of stockholders shall not be required to be held in accordance with the rules of parliamentary procedure.

Section 1.15. Inspectors of Election. In advance of any meeting of stockholders of the Corporation, the Chairperson of the Board, the Chief Executive Officer or the Board, by resolution, shall appoint one or more inspectors to act at the meeting and make a written report thereof. One or more other persons may be designated as alternate inspectors to replace any inspector who fails to act. If no inspector or alternate is able to act at a meeting of stockholders, the chairperson of the meeting shall appoint one or more inspectors to act at the meeting. Unless otherwise required by applicable law, inspectors may be officers, employees or agents of the Corporation. Each inspector, before entering upon the discharge of the duties of inspector, shall take and sign an oath faithfully to execute the duties of inspector with strict impartiality and according to the best of such inspector's ability. The inspector shall have the duties prescribed by law and shall take charge of the polls and, when the vote is completed, shall make a certificate of the result of the vote taken and of such other facts as may be required by applicable law.



Section 1.16. Nature of Business at Meetings of Stockholders.

(a) General. No business may be transacted at an annual meeting of stockholders, other than business that is either (i) specified in the Corporation's proxy materials with respect to such meeting given by or at the direction of the Board (or any duly authorized committee thereof), (ii) otherwise properly brought before the annual meeting by or at the direction of the Board (or any duly authorized committee thereof) or (iii) otherwise properly brought before the annual meeting by any stockholder of the Corporation (A) who is a stockholder of record on the date of the giving of the notice provided for in this Section 1.16 and on the record date for the determination of stockholders entitled to notice of and to vote at such annual meeting, (B) who is entitled to vote at such annual meeting and (C) who complies with the notice procedures set forth in this Section 1.16. In addition to the other requirements set forth in this Section 1.16, a stockholder may not transact any business at an annual meeting unless (1) such stockholder and any beneficial owner on whose behalf such business is proposed (each, a "**Proposing Party**") acted in a manner consistent with the representation made in the Business Solicitation Representation (as defined below) and (2) such business is a proper matter for stockholder action under the DGCL. For the avoidance of doubt, the foregoing clause (iii) shall be the exclusive means for a stockholder to propose business (other than business included in the Corporation's proxy materials pursuant to Rule 14a-8 under the Securities Exchange Act of 1934, as amended (such act, and the rules and regulations promulgated thereunder, the "**Exchange Act**")) at an annual meeting of stockholders.

(b) Timing of Notice. In addition to any other applicable requirements, for business to be properly brought before an annual meeting by a stockholder, such stockholder must have given timely notice thereof in proper written form to the Secretary. To be timely, a stockholder's notice must be received by the Secretary at the principal executive offices of the Corporation not less than ninety (90) days nor more than one hundred twenty (120) days prior to the first anniversary of the preceding year's annual meeting; provided, however, that in the event that the annual meeting is convened more than thirty (30) days before or more than sixty (60) days after such anniversary date, or if no annual meeting was held in the preceding year, notice by the stockholder to be timely must be so received no more than one hundred twenty (120) days prior to such annual meeting nor less than the later of (i) ninety (90) days prior to such annual meeting and (ii) ten (10) days after the earlier of (A) the day on which notice of the date of the meeting was mailed or (B) the day on which public disclosure of the date of the meeting was made. In no event shall an adjournment of an annual meeting, or a postponement of an annual meeting for which notice has been given, or the public disclosure thereof, commence a new time period for the giving of a stockholder's notice as described above.

(c) Form of Notice. To be in proper written form, a stockholder's notice to the Secretary must set forth (i) as to each matter each Proposing Party proposes to bring before the annual meeting, a brief description of the business desired to be brought before the annual meeting and the reasons for conducting

such business at the annual meeting, (ii) the name and address of each Proposing Party, (iii)(A) the class or series and number of shares of capital stock (if any) of the Corporation that are, directly or indirectly, owned beneficially or of record by each Proposing Party or any Stockholder Associated Person (as defined below), (B) any option, warrant, convertible security, stock appreciation right or similar right with an exercise or conversion privilege or a settlement payment or mechanism at a price related to any class or series of shares of the Corporation or with a value derived in whole or in part from the value of any class or series of shares of the Corporation, any derivative or synthetic arrangement having the characteristics of a long position in any class or series of shares of the Corporation, or any contract, derivative, swap or other transaction or series of transactions designed to produce economic benefits and risks that correspond substantially to the ownership of any class or series of shares of the Corporation, including, without limitation, due to the fact that the value of such contract, derivative, swap or other transaction or series of transactions is determined by reference to the price, value or volatility of any class or series of shares of the Corporation, whether or not such instrument, contract or right shall be subject to settlement in the underlying class or series of shares of the Corporation, through the delivery of cash or other property, or otherwise, and without regard to whether the holder thereof may have entered into transactions that hedge or mitigate the economic effect of such instrument, contract or right, or any other direct or indirect opportunity to profit or share in any profit derived from any increase or decrease in the value of shares of the Corporation (any of the foregoing, a “**Derivative Instrument**”) directly or indirectly owned beneficially by each Proposing Party or any Stockholder Associated Person, (C) any proxy, contract, arrangement, understanding or relationship pursuant to which any Proposing Party or any Stockholder Associated Person has a right to vote any class or series of shares of the Corporation, (D) any Short Interest (as defined below) held by or involving any Proposing Party or any Stockholder Associated Person, (E) any rights to dividends on the shares of the Corporation owned beneficially by any Proposing Party or any Stockholder Associated Person that are separated or separable from the underlying shares of the Corporation, (F) any proportionate interest in shares of the Corporation or Derivative Instruments held, directly or indirectly, by a general or limited partnership in which any Proposing Party or any Stockholder Associated Person is a general partner or, directly or indirectly, beneficially owns an interest in a general partner of such general or limited partnership, (G) any performance-related fees (other than an asset-based fee) that any Proposing Party or any Stockholder Associated Person is entitled to based on any increase or decrease in the value of shares of the Corporation or Derivative Instruments, if any, including, without limitation, any such interests held by members of such Proposing Party’s or such Stockholder Associated Person’s immediate family sharing the same household, (H) any significant equity interests or any Derivative Instruments or Short Interests in any principal competitor of the Corporation held by any Proposing Party or any Stockholder Associated Person and (I) any direct or indirect interest of any Proposing Party or any Stockholder

Associated Person in any contract with the Corporation, any affiliate of the Corporation or any principal competitor of the Corporation (including, without limitation, any employment agreement, collective bargaining agreement or consulting agreement) (which information described in this clause (iii) shall be supplemented by such stockholder not later than ten (10) days after the record date for the meeting to disclose such information as of the record date); (iv) a description of all arrangements or understandings between any Proposing Party or any Stockholder Associated Person and any other person or persons (including their names) in connection with the proposal of such business by such Proposing Party and any material interest of any Proposing Party and any Stockholder Associated Person in such business; (v) a representation that such stockholder intends to appear in person or by proxy at the annual meeting to bring such business before the meeting; (vi) a Business Solicitation Representation (as defined below); and (vii) any other information relating to each Proposing Party that would be required to be disclosed in a proxy statement or other filings required to be made in connection with solicitations of proxies for stockholder proposals pursuant to Section 14 of the Exchange Act or the rules and regulations promulgated thereunder (the “**Proxy Rules**”).

(d) Definitions. For purposes of these Bylaws, (i) “**Business Solicitation Representation**” shall mean, with respect to any Proposing Party, a representation as to whether or not such Proposing Party or any Stockholder Associated Person will deliver a proxy statement and form of proxy to the holders of at least the percentage of the Corporation’s voting shares required under applicable law to adopt such proposed business or otherwise to solicit proxies from stockholders in support of such proposal; (ii) “**public disclosure**” shall mean disclosure in a press release reported by the Dow Jones News Service, Associated Press or comparable national news service or in a document publicly filed by the Corporation with the Securities and Exchange Commission pursuant to Section 13, 14 or 15(d) of the Exchange Act; (iii) “**Short Interest**” shall mean any agreement, arrangement, understanding, relationship or otherwise, including, without limitation, any repurchase or similar so-called “stock borrowing” agreement or arrangement, involving any Proposing Party or any Nominating Party, as applicable, or any Stockholder Associated Person of any Proposing Party or Nominating Party (as defined below), as applicable, directly or indirectly, the purpose or effect of which is to mitigate loss to, reduce the economic risk (of ownership or otherwise) of any class or series of shares of the Corporation by, manage the risk of share price changes for, or increase or decrease the voting power of, such Proposing Party or such Nominating Party, as applicable, or any Stockholder Associated Person of any Proposing Party or Nominating Party, as applicable, with respect to any class or series of shares of the Corporation, or which provides, directly or indirectly, the opportunity to profit or share in any profit derived from any decrease in the price or value of any class or series of shares of the Corporation; and (iv) “**Stockholder Associated Person**” shall mean, with respect to any Proposing Party or any Nominating Party, (A) any person directly or indirectly controlling, controlled by, under common control with or

acting in concert with such Proposing Party or Nominating Party (as applicable) or (B) any member of the immediate family of such Proposing Party or Nominating Party (as applicable) sharing the same household.

(e) Improper Business. No business shall be conducted at the annual meeting of stockholders of the Corporation except business brought before the annual meeting in accordance with the procedures set forth in this Section 1.16. If the chairperson of an annual meeting determines that business was not properly brought before the annual meeting in accordance with the foregoing procedures, the chairperson shall declare to the meeting that the business was not properly brought before the meeting, and such business shall not be transacted. Notwithstanding the foregoing provisions of this Section 1.16, unless otherwise required by law, if the stockholder (or a qualified representative of the stockholder) does not appear at the annual meeting of stockholders of the Corporation to propose business, such proposed business shall not be transacted, notwithstanding that proxies in respect of such vote may have been received by the Corporation. For purposes of this Section 1.16, to be considered a qualified representative of the stockholder, a person must be a duly authorized officer, manager or partner of such stockholder or must be authorized by a writing executed by such stockholder or an electronic transmission delivered by such stockholder to act for such stockholder as proxy at the meeting of stockholders, and such person must produce such writing or electronic transmission, or a reliable reproduction of the writing or electronic transmission, at the meeting of stockholders.

Section 1.17. Nomination of Directors.

(a) General. Only persons who are nominated in accordance with the following procedures shall be eligible for election as directors of the Corporation, except as may be otherwise provided in the Certificate of Incorporation with respect to the right, if any, of holders of preferred stock of the Corporation to nominate and elect a specified number of directors in certain circumstances and except as may otherwise be provided in the Proxy Rules. Nominations of persons for election to the Board may be made at any annual meeting of stockholders, or at any special meeting of stockholders called for the purpose of electing directors, (i) by or at the direction of the Board (or any duly authorized committee thereof) or (ii) by any stockholder of the Corporation (A) who is a stockholder of record on the date of the giving of the notice provided for in this Section 1.17 and on the record date for the determination of stockholders entitled to notice of and to vote at such meeting, (B) who is entitled to vote at such meeting and (C) who complies with the notice procedures set forth in this Section 1.17. In addition to the other requirements set forth herein, a stockholder may not present a nominee for election at an annual or a special meeting unless such stockholder, and any beneficial owner on whose behalf such nomination is made, acted in a manner consistent with the representations made in the Nominee Solicitation Representation (as defined below).

(b) Timing of Notice. In addition to any other applicable requirements, for a nomination to be made by a stockholder of the Corporation, such stockholder must have given timely notice thereof in proper written form to the Secretary. To be timely, a stockholder's notice must be received by the Secretary at the principal executive offices of the Corporation (i) in the case of an annual meeting, not less than ninety (90) days nor more than one hundred twenty (120) days prior to the first anniversary of the preceding year's annual meeting; provided, however, that in the event that the annual meeting is convened more than thirty (30) days before or more than sixty (60) days after such anniversary date, or if no annual meeting was held in the preceding year, notice by the stockholder to be timely must be so received no more than one hundred twenty (120) days prior to such annual meeting nor less than the later of (A) ninety (90) days prior to such annual meeting and (B) ten (10) days after the earlier of (1) the day on which notice of the date of the meeting was mailed or (2) the day on which public disclosure of the date of the meeting was made; and (ii) in the case of a special meeting of stockholders called for the purpose of electing directors, no more than ten (10) days after the earlier of (A) the day on which notice of the date of the special meeting was mailed or (B) the day on which public disclosure of the date of the special meeting was made. In no event shall an adjournment of an annual or a special meeting, or a postponement of such a meeting for which notice has been given, or the public disclosure thereof, commence a new time period for the giving of a stockholder's notice as described above. Notwithstanding the foregoing, in the event that the number of directors to be elected to the Board at the annual meeting is increased effective after the time period for which nominations would otherwise be due under this Section 1.17 and there is no public announcement by the Corporation naming the nominees for the additional directorships at least one hundred (100) days prior to the first anniversary of the preceding year's annual meeting, a stockholder's notice required by this Section 1.17 shall also be considered timely, but only with respect to nominees for the additional directorships, if it shall be delivered to the Secretary at the principal executive offices of the Corporation not later than the close of business on the tenth (10<sup>th</sup>) day following the day on which such public announcement is first made by the Corporation.

(c) Form of Notice. To be in proper written form, a stockholder's notice to the Secretary must set forth (i) as to each person whom the stockholder proposes to nominate for election as a director (A) the name, age, business address and residence address of such person; (B) the principal occupation or employment of such person; (C) the class or series and number of shares of capital stock (if any) of the Corporation that are, directly or indirectly, owned beneficially or of record by such person; and (D) any other information relating to such person that would be required to be disclosed in a proxy statement or other filings required to be made in connection with solicitations of proxies for election of directors required pursuant to the Proxy Rules; (ii) the name and address of the stockholder giving the notice and the beneficial owner, if any, on whose behalf such nomination is made (each, a "**Nominating Party**"), (iii) as to each

Nominating Party (A) the class or series and number of shares of capital stock of the Corporation that are, directly or indirectly, owned beneficially or of record by each Nominating Party or any Stockholder Associated Person, (B) any Derivative Instrument directly or indirectly owned beneficially by each Nominating Party or any Stockholder Associated Person, (C) any proxy, contract, arrangement, understanding or relationship pursuant to which any Nominating Party or any Stockholder Associated Person has a right to vote any class or series of shares of the Corporation, (D) any Short Interest held by or involving any Nominating Party or any Stockholder Associated Person, (E) any rights to dividends on the shares of the Corporation owned beneficially by any Nominating Party or any Stockholder Associated Person that are separated or separable from the underlying shares of the Corporation, (F) any proportionate interest in shares of the Corporation or Derivative Instruments held, directly or indirectly, by a general or limited partnership in which any Nominating Party or any Stockholder Associated Person is a general partner or, directly or indirectly, beneficially owns an interest in a general partner of such general or limited partnership, (G) any performance-related fees (other than an asset-based fee) that any Nominating Party or any Stockholder Associated Person is entitled to based on any increase or decrease in the value of shares of the Corporation or Derivative Instruments, if any, including, without limitation, any such interests held by members of such Nominating Person's or such Stockholder Associated Person's immediate family sharing the same household, (H) any significant equity interests or any Derivative Instruments or Short Interests in any principal competitor of the Corporation held by any Nominating Party or any Stockholder Associated Person and (I) any direct or indirect interest of any Nominating Party or any Stockholder Associated Person in any contract with the Corporation, any affiliate of the Corporation or any principal competitor of the Corporation (including, without limitation, any employment agreement, collective bargaining agreement or consulting agreement) (which information described in this clause (iii) shall be supplemented by such stockholder not later than ten (10) days after the record date for the meeting to disclose such information as of the record date); (iv) a description of all arrangements or understandings between any Nominating Party or any Stockholder Associated Person and each proposed nominee or any other person or persons (including their names) pursuant to which the nomination(s) are to be made, (v) a representation that such stockholder intends to appear in person or by proxy at the meeting to nominate the persons named in its notice, (vi) a representation (a "**Nominee Solicitation Representation**") as to whether or not such Nominating Party or any Stockholder Associated Person will deliver a proxy statement and form of proxy to a number of holders of the Corporation's voting shares reasonably believed by such Nominating Party to be sufficient to elect its nominee or nominees or otherwise to solicit proxies from stockholders in support of such nominations, (vii) a written questionnaire with respect to the background and qualification of each proposed nominee and the background of any other person or entity on whose behalf the nomination is being made (in the form provided by the Secretary upon written request), (viii) a written representation and

agreement (in the form provided by the Secretary upon written request) that such person (x) is not and will not become a party to (A) any agreement, arrangement or understanding with, and has not given any commitment or assurance to, any person or entity as to how such person, if elected as a director of the Corporation, will act or vote on any issue or question (a “**Voting Commitment**”) that has not been disclosed to the Corporation or (B) any Voting Commitment that could limit or interfere with such person’s ability to comply, if elected as a director of the Corporation, with such person’s fiduciary duties under applicable law, (y) is not and will not become a party to any agreement, arrangement or understanding with any person or entity other than the Corporation with respect to any direct or indirect compensation, reimbursement or indemnification in connection with service or action as a director that has not been disclosed therein, and (z) in such person’s individual capacity and on behalf of any person or entity on whose behalf the nomination is being made, would be in compliance, if elected as a director of the Corporation, and will comply with all applicable publicly disclosed corporate governance, conflict of interest, confidentiality and stock ownership and trading policies and guidelines of the Corporation, and (ix) any other information relating to each Nominating Party that would be required to be disclosed in a proxy statement or other filings required to be made in connection with solicitations of proxies for election of directors pursuant to the Proxy Rules. Such notice must be accompanied by a written consent of each proposed nominee to being named as a nominee and to serve as a director if elected. The Corporation may require any proposed nominee to furnish such other information as it may reasonably require to determine the eligibility of such proposed nominee to serve as a director of the Corporation.

(d) **Defective Nominations.** No person shall be eligible for election as a director of the Corporation unless nominated in accordance with the procedures set forth in this Section 1.17. If the chairperson of the meeting determines that a nomination was not made in accordance with the foregoing procedures, the chairperson shall declare to the meeting that the nomination was defective, and such defective nomination shall be disregarded. Notwithstanding the foregoing provisions of this Section 1.17, unless otherwise required by law, if the stockholder (or a qualified representative of the stockholder) does not appear at the annual or special meeting of stockholders of the Corporation to present a nomination, such nomination shall be disregarded, notwithstanding that proxies in respect of such vote may have been received by the Corporation. For purposes of this Section 1.17, to be considered a qualified representative of the stockholder, a person must be a duly authorized officer, manager or partner of such stockholder or must be authorized by a writing executed by such stockholder or an electronic transmission delivered by such stockholder to act for such stockholder as proxy at the meeting of stockholders, and such person must produce such writing or electronic transmission, or a reliable reproduction of the writing or electronic transmission, at the meeting of stockholders.

Section 1.18 Exchange Act. Notwithstanding the provisions of Section 1.16 and Section 1.17 above, a stockholder shall also comply with all applicable requirements of the Exchange Act with respect to the matters set forth in such sections. Nothing in such sections shall be deemed to affect any rights of (i) stockholders to request inclusion of proposals in the Corporation's proxy statement pursuant to Rule 14a-8 under the Exchange Act, (ii) stockholders to request inclusion of nominees in the Corporation's proxy statement pursuant to the Proxy Rules or (iii) the holders of any series of preferred stock to elect directors under specified circumstances.

## ARTICLE II DIRECTORS

Section 2.1. Number. The number of directors that shall constitute the entire Board shall be fixed, from time to time, exclusively by the Board, subject to the rights of the holders of any series of preferred stock with respect to the election of directors, if any.

Section 2.2. Duties and Powers. The business and affairs of the Corporation shall be managed by or under the direction of the Board, which may exercise all such powers of the Corporation and do all such lawful acts and things as are not by law or by the Certificate of Incorporation required to be exercised or done by the stockholders.

Section 2.3. Meetings. The Board may hold meetings, both regular and special, either within or without the State of Delaware. Regular meetings of the Board may be held at such time and at such place as may from time to time be determined by the Board. Special meetings of the Board may be called by the Chairperson of the Board (if there be one), the Chief Executive Officer or the Board and shall be held at such place, on such date and at such time as he, she or it shall specify.

Section 2.4. Notice. Notice of any meeting of the Board stating the place, date and time of the meeting shall be given to each director by mail posted not less than five (5) days before the date of the meeting, by nationally recognized overnight courier deposited not less than two (2) days before the date of the meeting or by email, facsimile or other means of electronic communication delivered or sent not less than twenty-four (24) hours before the date and time of the meeting, or on such shorter notice as the person or persons calling such meeting may deem necessary or appropriate in the circumstances. If mailed or sent by overnight courier, such notice shall be deemed to be given at the time when it is deposited in the United States mail with first class postage prepaid or deposited with the overnight courier. Notice by facsimile or other electronic transmission shall be deemed given when the notice is transmitted. Any director may waive notice of any meeting before or after the meeting. The attendance of a director at any meeting shall constitute a waiver of notice of such meeting, except where 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. Neither the business to be transacted at, nor the purpose of, any regular or special meeting of the Board need be specified in any notice of such meeting unless so required by law. A meeting may be held at any time without notice if all of the directors are present or if those not present waive notice of the meeting in accordance with Section 5.6 of these Bylaws.



Section 2.5. Chairperson of the Board. The Chairperson of the Board shall be chosen from among the directors and may be the Chief Executive Officer. Except as otherwise provided by law, the Certificate of Incorporation or Section 2.6 or Section 2.7 of these Bylaws, the Chairperson of the Board shall preside at all meetings of stockholders and of the Board. The Chairperson of the Board shall have such other powers and duties as may from time to time be assigned by the Board.

Section 2.6. Lead Director. The Board may include a Lead Director. The Lead Director shall be one of the directors who has been determined by the Board to be an “independent director” (any such director, an “**Independent Director**”). The Lead Director shall preside at all meetings of the Board at which the Chairperson of the Board is not present, preside over the executive sessions of the Independent Directors, serve as a liaison between the Chairperson of the Board and the Board and have such other responsibilities, and perform such duties, as may from time to time be assigned to him or her by the Board. The Lead Director shall be elected by a majority of the Independent Directors.

Section 2.7. Organization. At each meeting of the Board, the Chairperson of the Board, or, in the Chairperson’s absence, the Lead Director, or, in the Lead Director’s absence, a director chosen by a majority of the directors present, shall act as chairperson. The Secretary shall act as secretary at each meeting of the Board. In case the Secretary shall be absent from any meeting of the Board, an assistant secretary shall perform the duties of secretary at such meeting; and in the absence from any such meeting of the Secretary and all assistant secretaries, the chairperson of the meeting may appoint any person to act as secretary of the meeting.

Section 2.8. Resignations and Removals of Directors. Any director of the Corporation may resign at any time, by giving notice in writing or by electronic transmission to the Chairperson of the Board, the Chief Executive Officer or the Secretary. Such resignation shall be effective upon receipt unless it is specified to be effective at some other time or upon the occurrence of some other event, and, unless otherwise specified in such notice, the acceptance of such resignation shall not be necessary to make it effective. Subject to the rights of holders of any series of preferred stock with respect to the election of directors, a director may be removed from office by the stockholders of the Corporation in accordance with the provisions of the DGCL.

Section 2.9. Quorum. At all meetings of the Board, a majority of directors constituting the Board shall constitute a quorum for the transaction of business, and the act of a majority of the directors present at any meeting at which there is a quorum shall be the act of the Board. If a quorum shall not be present at any meeting of the Board, the directors present thereat may adjourn the meeting from time to time, without notice other than announcement at the meeting of the time and place of the adjourned meeting, until a quorum shall be present.

Section 2.10. Actions of the Board by Written Consent. Any action required or permitted to be taken at any meeting of the Board or of any committee thereof may be taken without a meeting, if all the members of the Board or committee, as the case may be, consent thereto in writing or by electronic transmission, and the writing or writings or electronic transmission are filed with the minutes of proceedings of the Board or committee.

Section 2.11. Telephonic Meetings. Members of the Board, or any committee thereof, may participate in a meeting of the Board or such committee by means of a conference telephone or other communications equipment by means of which all persons participating in the meeting can hear and speak with each other, and participation in a meeting pursuant to this Section 2.11 shall constitute presence in person at such meeting.

Section 2.12. Committees. The Board may designate one or more committees, each committee to consist of two or more of the directors of the Corporation and, to the extent permitted by law, to have and exercise such authority as may be provided for in the resolutions creating such committee, as such resolutions may be amended from time to time. The Board may designate one or more directors as alternate members of any committee, who may replace any absent or disqualified member at any meeting of any such committee. In the absence or disqualification of a member of a committee, and in the absence of a designation by the Board of an alternate member to replace the absent or disqualified member, the member or members thereof present at any meeting and not disqualified from voting, whether or not such member or members constitute a quorum, may unanimously appoint another member of the Board to act at the meeting in the place of any absent or disqualified member. Each committee shall keep regular minutes and report to the Board when required. A majority of any committee may determine its action and fix the time and place of its meetings, unless the Board shall otherwise provide. The Board shall have the power at any time to fill vacancies in, to change the membership of or to dissolve any such committee.

Section 2.13. Compensation. The Board shall have the authority to fix the compensation of directors. The directors shall be paid their reasonable expenses, if any, of attendance at each meeting of the Board or any committee thereof and may be paid a fixed sum for attendance at each such meeting and an annual retainer or salary for service as director or committee member, payable in cash or securities. No such payment shall preclude any director from serving the Corporation in any other capacity and receiving compensation therefor. Directors who are full-time employees of the Corporation shall not receive any compensation for their service as director.

Section 2.14. Interested Directors. No contract or transaction between the Corporation and one or more of its directors or officers, or between the Corporation and any other corporation, partnership, association or other organization in which one or more of the Corporation's directors or officers are directors or officers or have a financial interest, shall be void or voidable solely for this reason, or solely because the director or officer is present at or participates in the meeting of the Board or committee thereof that authorizes the contract or transaction, or solely because any such director's or officer's vote is counted for such purpose if: (i) the material facts as to the director's or officer's relationship or interest and as to the contract or transaction are disclosed or are known to the Board or the committee and the Board or committee in good faith authorizes the contract or transaction by the affirmative vote of a majority of the disinterested directors, even though the disinterested directors be less than a quorum; (ii) the material facts as to the director's or officer's relationship or interest and as to the contract or transaction are disclosed or are known to the stockholders entitled to vote thereon and the contract or transaction is specifically approved in good faith by vote of the stockholders; or (iii) the contract or transaction is fair as to the Corporation as of the time it is authorized,

approved or ratified by the Board, a committee thereof or the stockholders. Common or interested directors may be counted in determining the presence of a quorum at a meeting of the Board or of a committee that authorizes the contract or transaction.

ARTICLE III  
OFFICERS

Section 3.1. General. The officers of the Corporation shall be chosen by the Board and shall be a Chief Executive Officer, a principal financial officer, a principal accounting officer, a President, a Secretary and a Treasurer. The Board, in its discretion, may also choose one or more Executive Vice Presidents, Senior Vice Presidents, Vice Presidents, Assistant Secretaries, Assistant Treasurers and such other officers as the Board from time to time may deem appropriate. Any two or more offices may be held by the same person. The officers of the Corporation need not be stockholders of the Corporation.

Section 3.2. Election; Term. The Board shall elect the officers of the Corporation who shall hold their offices for such terms and shall exercise such powers and perform such duties as shall be determined from time to time by the Board, and each officer of the Corporation shall hold office until such officer's successor is elected and qualified, or until such officer's earlier death, resignation or removal. Any officer may be removed at any time by the Board. Any officer may resign upon notice given in writing or electronic transmission to the Chief Executive Officer or the Secretary. Such resignation shall be effective upon receipt unless it is specified to be effective at some other time or upon the occurrence of some other event. Any vacancy occurring in any office of the Corporation shall be filled in the manner prescribed in this Article III for the regular election to such office.

Section 3.3. Voting Securities Owned by the Corporation. Powers of attorney, proxies, waivers of notice of meeting, consents and other instruments relating to securities owned by the Corporation may be executed in the name of and on behalf of the Corporation by the Chief Executive Officer, the Secretary, or any other officer authorized to do so by the Board, and any such officer may, in the name of and on behalf of the Corporation, take all such action as any such officer may deem advisable to vote in person or by proxy at any meeting of security holders of any corporation in which the Corporation may own securities and at any such meeting shall possess and may exercise any and all rights and power incident to the ownership of such securities and which, as the owner thereof, the Corporation might have exercised and possessed if present. The Board may, by resolution, from time to time confer like powers upon any other person or persons.

Section 3.4. Chief Executive Officer. The Chief Executive Officer shall, subject to the control of the Board, have general supervision over the business of the Corporation and shall direct the affairs and policies of the Corporation. The Chief Executive Officer may also serve as Chairperson of the Board and may also serve as President, if so elected by the Board. The Chief Executive Officer shall also perform such other duties and may exercise such other powers as may from time to time be assigned to such officer by these Bylaws or by the Board.

Section 3.5. President. The President shall act in a general executive capacity and shall assist the Chief Executive Officer in the administration and operation of the Corporation's business and general supervision of its policies and affairs. The President shall, in the absence of or because of the inability to act of the Chief Executive Officer, perform all duties of the Chief Executive Officer.

Section 3.6. Executive Vice Presidents, Senior Vice Presidents and Vice Presidents. The Executive Vice Presidents (if any), Senior Vice Presidents (if any) and such other Vice Presidents as shall have been chosen by the Board shall have such powers and shall perform such duties as shall be assigned to them by the Board.

Section 3.7. Secretary. The Secretary shall give the requisite notice of meetings of stockholders and directors and shall record the proceedings of such meetings, shall have custody of the seal of the Corporation and shall affix it or cause it to be affixed to such instruments as require the seal and attest it and, besides the Secretary's powers and duties prescribed by law, shall have such other powers and perform such other duties as shall at any time be assigned to such officer by the Board.

Section 3.8. Treasurer. The Treasurer shall exercise general supervision over the receipt, custody and disbursement of corporate funds. The Treasurer shall cause the funds of the Corporation to be deposited in such banks as may be authorized by the Board or in such banks as may be designated as depositories in the manner provided by resolution of the Board. The Treasurer shall have such other powers and perform such other duties as shall at any time be assigned to such officer by the Board.

Section 3.9. Assistant Secretaries. Assistant Secretaries, if there be any, shall assist the Secretary in the discharge of the Secretary's duties, shall have such powers and perform such other duties as shall at any time be assigned to them by the Board and, in the absence or disability of the Secretary, shall perform the duties of the Secretary's office, subject to the control of the Board.

Section 3.10. Assistant Treasurers. Assistant Treasurers, if there be any, shall assist the Treasurer in the discharge of the Treasurer's duties, shall have such powers and perform such other duties as shall at any time be assigned to them by the Board and, in the absence or disability of the Treasurer, shall perform the duties of the Treasurer's office, subject to the control of the Board.

Section 3.11. Other Officers. Such other officers as the Board may choose shall perform such duties and have such powers as from time to time may be assigned to them by the Board. The Board may delegate to any other officer of the Corporation the power to choose such other officers and to prescribe their respective duties and powers.

#### ARTICLE IV STOCK

Section 4.1. Uncertificated Shares. Unless otherwise provided by resolution of the Board, each class or series of shares of the Corporation's capital stock shall be issued in

uncertificated form pursuant to the customary arrangements for issuing shares in such form. Shares shall be transferable only on the books of the Corporation by the holder thereof in person or by attorney upon presentment of proper evidence of succession, assignation or authority to transfer in accordance with the customary procedures for transferring shares in uncertificated form.

Section 4.2. Record Date. 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 may fix 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 sixty (60) days prior to such action. If no record date is fixed, the record date for determining stockholders for any such purpose shall be the close of business on the day on which the Board adopts the resolution relating thereto.

Section 4.3. Record Owners. 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 to hold liable for calls and assessments a person registered on its books as the owner of shares, and shall not be bound to recognize any equitable or other claim to or interest in such share or shares on the part of any other person, whether or not it shall have express or other notice thereof, except as otherwise required by law.

Section 4.4. Transfer and Registry Agents. The Corporation may from time to time maintain one or more transfer offices or agencies and registry offices or agencies at such place or places as may be determined from time to time by the Board.

## ARTICLE V MISCELLANEOUS

Section 5.1. Contracts. The Board may authorize any officer or officers or any agent or agents to enter into any contract or execute and deliver any instrument or other document in the name of and on behalf of the Corporation, and such authority may be general or confined to specific instances.

Section 5.2. Disbursements. All checks or demands for money and notes of the Corporation shall be signed by such officer or officers or such other person or persons as the Board may from time to time designate.

Section 5.3. Fiscal Year. The fiscal year of the Corporation shall end on the 31<sup>st</sup> day of January in each year or on such other day as may be fixed from time to time by resolution of the Board.

Section 5.4. Corporate Seal. The corporate seal shall have inscribed thereon the name of the Corporation, the year of its organization and the words "Corporate Seal, Delaware." The seal may be used by causing it or a facsimile thereof to be impressed or affixed or otherwise reproduced.

Section 5.5. Offices. The Corporation shall maintain a registered office inside the State of Delaware and may also have other offices outside or inside the State of Delaware. The books of the Corporation may be kept (subject to any applicable law) outside the State of Delaware at the principal executive offices of the Corporation or at such other place or places as may be designated from time to time by the Board.

Section 5.6. Waiver of Notice. Whenever any notice is required to be given to any stockholder or director of the Corporation under the provisions of the DGCL or these Bylaws, a waiver thereof in writing, signed by the person or persons entitled to such notice, whether before or after the time stated therein, shall be deemed equivalent to the giving of such notice. Neither the business to be transacted at, nor the purpose of, any annual or special meeting of the stockholders or any regular or special meeting of the Board or committee thereof need be specified in any waiver of notice of such meeting unless so required by law.

Section 5.7. Forum for Certain Actions.

(a) Forum. Unless a majority of the Board, acting on behalf of the Corporation, consents in writing to the selection of an alternative forum (which consent may be given at any time, including during the pendency of litigation), the Court of Chancery of the State of Delaware (or, if the Court of Chancery does not have jurisdiction, another state court located within the State of Delaware or, if no court located within the State of Delaware has jurisdiction, the federal district court for the District of Delaware) shall be the sole and exclusive forum for (i) any derivative action or proceeding brought on behalf of the Corporation under Delaware law, (ii) any action asserting a claim of breach of a fiduciary duty owed by any current or former 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 of its directors, officers or other employees arising pursuant to any provision of the DGCL, the Certificate of Incorporation or these Bylaws (in each case, as may be amended from time to time), (iv) any action asserting a claim against the Corporation or any of its directors, officers or other employees governed by the internal affairs doctrine of the State of Delaware or (v) any other action asserting an "internal corporate claim," as defined in Section 115 of the DGCL, in all cases subject to the court's having personal jurisdiction over all indispensable parties named as defendants. Nothing herein contained shall be construed to preclude stockholders that assert claims under the Securities Act of 1933, as amended, the Securities Exchange Act of 1934, as amended, or any successor thereto, from bringing such claims in state or federal court, subject to applicable law.

(b) Personal Jurisdiction. If any action the subject matter of which is within the scope of subparagraph (a) of this Section 5.7 is filed in a court other than a court located within the State of Delaware (a "**Foreign Action**") in the name of any stockholder, such stockholder shall be deemed to have consented to (i) the personal jurisdiction of the state and federal courts located within the State of Delaware in connection with any action brought in any such court to enforce subparagraph (a) of this Section 5.7 (an "**Enforcement Action**") and (ii) having service of process made upon such stockholder in any such Enforcement Action by service upon such stockholder's counsel in the Foreign Action as agent for such stockholder.

(c) Enforceability. If any provision of this Section 5.7 shall be held to be invalid, illegal or unenforceable as applied to any person, entity or circumstance for any reason whatsoever, then, to the fullest extent permitted by law, the validity, legality and enforceability of such provision in any other circumstance and of the remaining provisions of this Section 5.7, and the application of such provision to other persons or entities and circumstances shall not in any way be affected or impaired thereby.

ARTICLE VI  
AMENDMENTS

Except as otherwise set forth in the Certificate of Incorporation, these Bylaws may be adopted, amended, altered or repealed by the Board or by the stockholders of the Corporation by the affirmative vote of the holders of at least a majority of the voting power of all then outstanding shares of capital stock of the Corporation entitled to vote generally in the election of directors, voting together as a single class; provided, however, that, in the case of any adoption, amendment, alteration or repeal of the Bylaws by the stockholders of the Corporation, notwithstanding any other provision of the Bylaws, and in addition to any other vote that may be required by law or the terms of any series of preferred stock, the affirmative vote of the holders of at least sixty six and two-thirds percent (66 2/3%) of the voting power of all of the then outstanding shares of capital stock of the Corporation entitled to vote generally in the election of directors, voting together as a single class, shall be required to amend, alter, repeal or adopt any provision inconsistent with Sections 1.3, 1.7(b), 1.11, 1.13, 1.16, 1.17, 2.1, 2.8, 2.9, 2.10, 2.13 or 2.14 or Article VI of the Bylaws.

\* \* \*

Adopted as of: [            ], 2020, subject to and effective upon the closing of the Corporation's initial public offering on its Registration Statement on Form S-1.

ZQ|CERT#|COY|CLS|RGSTRY|ACCT#|TRANSTYPE|RUN#|TRANS#

**COMMON STOCK**  
PAR VALUE \$0.0005

**Certificate Number**  
**ZQ00000000**



**NCINO, INC.**  
INCORPORATED UNDER THE LAWS OF THE STATE OF DELAWARE

**THIS CERTIFIES THAT**

**MR. SAMPLE & MRS. SAMPLE  
MR. SAMPLE & MRS. SAMPLE**

is the owner of

**ZERO HUNDRED THOUSAND  
ZERO HUNDRED AND ZERO**

**FULLY-PAID AND NON-ASSESSABLE SHARES OF COMMON STOCK OF**

**ncino, Inc. (hereinafter called the "Company"),** transferable on the books of the Company in person or by duly authorized attorney, upon surrender of this Certificate properly endorsed. This Certificate and the shares represented hereby, are issued and shall be held subject to all of the provisions of the Certificate of Incorporation, as amended, and the By-Laws, as amended, of the Company (copies of which are on file with the Company and with the Transfer Agent), to all of which each holder, by acceptance hereof, assents. This Certificate is not valid unless countersigned and registered by the Transfer Agent and Registrar.

Witness the facsimile seal of the Company and the facsimile signatures of its duly authorized officers.

**FACSIMILE SIGNATURE TO COME**  
President

**FACSIMILE SIGNATURE TO COME**  
Secretary

**Seal:** NCINO, INC. INCORPORATED IN DELAWARE, December 15, 2013

**DATED** DD-MMM-YYYY

COUNTERSIGNED AND REGISTERED:  
**COMPUTERSHARE TRUST COMPANY, N.A.**  
TRANSFER AGENT AND REGISTRAR

By \_\_\_\_\_ AUTHORIZED SIGNATURE

**COMMON STOCK**

**Shares**  
\*\*\*\*\*000000\*\*\*\*\*  
\*\*\*\*\*000000\*\*\*\*\*  
\*\*\*\*\*000000\*\*\*\*\*  
\*\*\*\*\*000000\*\*\*\*\*

**SEE REVERSE FOR CERTAIN DEFINITIONS**

**CUSIP 63947U 10 7**

THIS CERTIFICATE IS TRANSFERABLE IN CITIES DESIGNATED BY THE TRANSFER AGENT, AVAILABLE ONLINE AT [www.computershare.com](http://www.computershare.com)

PO BOX 509006, Louisville, KY 40233-9006

**ncino**

MR. SAMPLE  
DESIGNATION (F AMN)  
A00 1  
A00 2  
A00 3  
A00 4

**CUSIP IDENTIFIER** XXXXXX XXX  
**Holder ID** XXXXXXXXXX  
**Insurance Value** 1,000,000.00  
**Number of Shares** 123456  
**DTC** 12345678 123456789012345

Certificate Numbers	Num/No. Denom.	Total
12345678901234567890	1	1
12345678901234567890	2	2
12345678901234567890	3	3
12345678901234567890	4	4
12345678901234567890	5	5
12345678901234567890	6	6
12345678901234567890	6	6
<b>Total Transaction</b>	<b>7</b>	<b>7</b>

1234567



**NCINO, INC.**

THE COMPANY WILL FURNISH WITHOUT CHARGE TO EACH SHAREHOLDER WHO SO REQUESTS, A SUMMARY OF THE POWERS, DESIGNATIONS, PREFERENCES AND RELATIVE, PARTICIPATING, OPTIONAL OR OTHER SPECIAL RIGHTS OF EACH CLASS OF STOCK OF THE COMPANY AND THE QUALIFICATIONS, LIMITATIONS OR RESTRICTIONS OF SUCH PREFERENCES AND RIGHTS, AND THE VARIATIONS IN RIGHTS, PREFERENCES AND LIMITATIONS DETERMINED FOR EACH SERIES, WHICH ARE FIXED BY THE CERTIFICATE OF INCORPORATION OF THE COMPANY, AS AMENDED, AND THE RESOLUTIONS OF THE BOARD OF DIRECTORS OF THE COMPANY, AND THE AUTHORITY OF THE BOARD OF DIRECTORS TO DETERMINE VARIATIONS FOR FUTURE SERIES. SUCH REQUEST MAY BE MADE TO THE OFFICE OF THE SECRETARY OF THE COMPANY OR TO THE TRANSFER AGENT. THE BOARD OF DIRECTORS MAY REQUIRE THE OWNER OF A LOST OR DESTROYED STOCK CERTIFICATE, OR HIS LEGAL REPRESENTATIVES, TO GIVE THE COMPANY A BOND TO INDEMNIFY IT AND ITS TRANSFER AGENTS AND REGISTRARS AGAINST ANY CLAIM THAT MAY BE MADE AGAINST THEM ON ACCOUNT OF THE ALLEGED LOSS OR DESTRUCTION OF ANY SUCH CERTIFICATE.

The following abbreviations, when used in the inscription on the face of this certificate, shall be construed as though they were written out in full according to applicable laws or regulations:

TEN COM - as tenants in common	UNIF GIFT MIN ACT - _____ Custodian _____ (Gift) (Minor)
TEN ENT - as tenants by the entireties	under Uniform Gifts to Minors Act _____ (State)
JT TEN - as joint tenants with right of survivorship and not as tenants in common	UNIF TRF MIN ACT - _____ Custodian (until age _____) (Gift) (State)
	_____ under Uniform Transfers to Minors Act _____ (Minor) (State)

Additional abbreviations may also be used though not in the above list.

For value received, \_\_\_\_\_ hereby sell, assign and transfer unto \_\_\_\_\_ **PLEASE INSERT SOCIAL SECURITY OR OTHER IDENTIFYING NUMBER OF ASSIGNEE**

(PLEASE PRINT OR TYPE WITH NAME AND ADDRESS, INCLUDING FULL ZIP CODE, OF ASSIGNEE)

\_\_\_\_\_ Shares  
of the common stock represented by the within Certificate, and do hereby irrevocably constitute and appoint  
\_\_\_\_\_ Attorney  
to transfer the said stock on the books of the within-named Company with full power of substitution in the premises.

Date: \_\_\_\_\_ 20\_\_\_\_

Signature: \_\_\_\_\_

Signature: \_\_\_\_\_

Notice: The signature to this assignment must correspond with the name as written upon the face of the certificate, in every particular, without alteration or enlargement, or any change whatever.

Signature(s) Guaranteed Medallion Guarantee Stamp  
THE SIGNATURE(S) SHOULD BE GUARANTEED BY AN ELIGIBLE GUARANTEE INSTITUTION (Bank, Securities, Savings and Loan Association, and Credit Union) WITH MEMBERSHIP IN AN APPROVED SIGNATURE GUARANTEE MEDALLION PROGRAM PURSUANT TO S.E.C. RULE 17A-8.

**SECURITY INSTRUCTIONS**  
THIS IS WATERMARKED PAPER. DO NOT ACCEPT WITHOUT NOTING WATERMARK. HOLD TO LIGHT TO VERIFY WATERMARK.



The IRS requires that the named transfer agent ("we") report the cost basis of certain shares or units acquired after January 1, 2011. If your shares or units are covered by the legislation, and you requested to sell or transfer the shares or units using a specific cost basis calculation method, then we have processed as you requested. If you did not specify a cost basis calculation method, then we have defaulted to the first in, first out (FIFO) method. Please consult your tax advisor if you need additional information about cost basis.  
If you do not keep in contact with the issuer or do not have any activity in your account for the time period specified by state law, your property may become subject to state unclaimed property laws and transferred to the appropriate state.

1534281

**FIRST AMENDMENT  
TO  
FIRST AMENDED AND RESTATED INVESTORS' RIGHTS AGREEMENT**

THIS FIRST AMENDMENT TO FIRST AMENDED AND RESTATED INVESTORS' RIGHTS AGREEMENT (this "**Amendment**") is made as of the 25th day of May, 2016 (the "**Effective Date**"), by and among nCino, Inc., a Delaware corporation (the "**Company**"), and the Investors (as defined in the Agreement, as defined below) party hereto (collectively with the Company, the "**Parties**").

**RECITALS**

WHEREAS, the Company and certain of the Investors had previously entered into that certain First Amended and Restated Investors' Rights Agreement, dated as of February 12, 2015 (the "**Agreement**").

WHEREAS, the Parties wish to (1) expand the definition of "Registrable Securities" as defined in the Agreement to include Common Stock (as defined in the Agreement) purchased pursuant to (i) that certain Common Stock Purchase Agreement dated as of the Effective Date, by and among the Company and the Purchasers listed on Exhibit A thereto ("**Primary SPA**") and (ii) that certain Purchase and Sale Agreement dated as of the Effective Date, by and among the Company and the stockholders and Purchaser listed on Exhibit A thereto ("**Secondary SPA**") and (2) allow for additional Investors.

NOW, THEREFORE, in consideration of the foregoing, and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the Company and the Investors hereby agree as follows:

**AGREEMENT**

1. **Definitions.** All capitalized terms used but not otherwise defined herein shall have the meanings given to such terms in the Agreement.
2. **Amendment.**
  - (a) The Parties hereby agree to amend the Agreement by amending and restating Section 1.22 in its entirety as follows:

"1.22      "**Registrable Securities**" means (i) any Common Stock issued to, or purchased by, the Investors pursuant to (A) the Purchase Agreement, (B) that certain Purchase and Sale Agreement dated as of February 12, 2015 by and among the Insight Investors, SunTrust Banks, Inc. (or any affiliates thereof), the Company and Live Oak Bancshares, Inc., (C) that certain Common Stock Purchase Agreement dated as of May 25, 2016, by and among the Company and the Purchasers listed on Exhibit A thereto (the "**2016 Primary Purchase Agreement**"), (D) that certain Purchase and Sale Agreement dated as of May 25, 2016, by and among the Company and the stockholders and Purchaser

listed on Exhibit A thereto (the “**2016 Secondary Purchase Agreement**”), or (E) that certain Common Stock Purchase Agreement dated as of January 28, 2014 by and between the Company and the Investors listed on Exhibit A thereto; 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, the shares referenced in clause (i) 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 Subsection 6.1, and excluding for purposes of Section 2 any shares for which registration rights have terminated pursuant to Subsection 2.13 of this Agreement.”

(b) The Parties hereby agree to amend the Agreement by amending and restating Section 6.13 in its entirety as follows:

“6.13 Additional Investors. Notwithstanding anything to the contrary contained herein, any purchaser of shares of Common Stock on or after the date hereof pursuant to the Purchase Agreement, the 2016 Primary Purchase Agreement or the 2016 Secondary Purchase Agreement 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. Immediately thereafter, Schedule A to this Agreement will be amended to list the new Investors hereunder.”

(c) The Parties hereby agree to amend the Agreement by amending and restating Schedule A to the Agreement in its entirety with the Schedule A attached hereto.

3. Effect of Amendment. Except as amended and/or modified by this Amendment, the Agreement is hereby ratified and confirmed and all other terms of the Agreement are and shall remain in full force and effect, unaltered and unchanged by this Amendment. In the event of any conflict between the provisions of this Amendment and the provisions of the Agreement, the provisions of this Amendment shall govern and control. This Amendment shall be effective upon the full execution of the Primary SPA and Secondary SPA.

4. Counterparts. This Amendment (i) may be executed in any number of counterparts with the same effect as if all of the parties had signed the same document and (ii) may be executed by facsimile or PDF signatures. All counterparts shall be construed together and shall constitute one agreement.

[Signature Page Follows]

IN WITNESS WHEREOF, the Parties have executed this Amendment as of the date first above written.

**NCINO, INC.**

By: /s/ Pierre Naudé

Name: Pierre Naudé

Title: CEO

[SIGNATURE PAGE TO FIRST AMENDMENT TO FIRST AMENDED AND RESTATED INVESTORS' RIGHTS AGREEMENT]

INVESTORS:

**Ithan Creek Master Investors (Cayman) L.P.**

By: Wellington Management Company LLP,  
as investment adviser

By: /s/ Steven M. Hoffman

Name: Steven M. Hoffman

Title: Managing Director and Counsel

**Wolf Creek Investors (Bermuda) L.P.**

By: Wellington Management Company LLP,  
as investment adviser

By: /s/ Steven M. Hoffman

Name: Steven M. Hoffman

Title: Managing Director and Counsel

**Wolf Creek Partners, L.P.**

By: Wellington Management Company LLP,  
as investment adviser

By: /s/ Steven M. Hoffman

Name: Steven M. Hoffman

Title: Managing Director and Counsel

**Bay Pond Investors (Bermuda) L.P.**

By: Wellington Management Company LLP,  
as investment adviser

By: /s/ Steven M. Hoffman

Name: Steven M. Hoffman

Title: Managing Director and Counsel

**Bay Pond Partners, L.P.**

By: Wellington Management Company LLP,  
as investment adviser

By: /s/ Steven M. Hoffman

Name: Steven M. Hoffman

Title: Managing Director and Counsel

[SIGNATURE PAGE TO AMENDMENT TO FIRST AMENDED AND RESTATED INVESTORS' RIGHTS AGREEMENT]

**INSIGHT VENTURE PARTNERS IX, L.P.**

By: Insight Venture Associates IX, L.P.  
Its: General Partner

By: Insight Venture Associates IX, Ltd.  
Its: General Partner

By: /s/ Blair Flicker  
Name: Blair Flicker  
Title: Authorized Officer

Address:  
c/o Insight Venture Partners  
1114 Avenue of the Americas  
36th Floor  
New York, NY 10036  
Attn: Blair Flicker  
Tel. 212-230-9200  
bflicker@insightpartners.com

**INSIGHT VENTURE PARTNERS (CAYMAN) IX, L.P.**

By: Insight Venture Associates IX, L.P.  
Its: General Partner

By: Insight Venture Associates IX, Ltd.  
Its: General Partner

By: /s/ Blair Flicker  
Name: Blair Flicker  
Title: Authorized Officer

Address:  
c/o Insight Venture Partners  
1114 Avenue of the Americas  
36th Floor  
New York, NY 10036  
Attn: Blair Flicker  
Tel. 212-230-9200  
bflicker@insightpartners.com

[SIGNATURE PAGE TO AMENDMENT TO FIRST AMENDED AND RESTATED INVESTORS' RIGHTS AGREEMENT]

**INSIGHT VENTURE PARTNERS IX (CO-INVESTORS), L.P.**

By: Insight Venture Associates IX, L.P.  
Its: General Partner

By: Insight Venture Associates IX, Ltd.  
Its: General Partner

By: /s/ Blair Flicker  
Name: Blair Flicker  
Title: Authorized Officer

Address:  
c/o Insight Venture Partners  
1114 Avenue of the Americas  
36th Floor  
New York, NY 10036  
Attn: Blair Flicker  
Tel. 212-230-9200  
bflicker@insightpartners.com

**INSIGHT VENTURE PARTNERS (DELAWARE) IX, L.P.**

By: Insight Venture Associates IX, L.P.  
Its: General Partner

By: Insight Venture Associates IX, Ltd.  
Its: General Partner

By: /s/ Blair Flicker  
Name: Blair Flicker  
Title: Authorized Officer

Address:  
c/o Insight Venture Partners  
1114 Avenue of the Americas  
36th Floor  
New York, NY 10036  
Attn: Blair Flicker  
Tel. 212-230-9200  
bflicker@insightpartners.com

[SIGNATURE PAGE TO AMENDMENT TO FIRST AMENDED AND RESTATED INVESTORS' RIGHTS AGREEMENT]

**SUNTRUST BANKS, INC.**

By: /s/ Richard Blumberg

Name: Richard Blumberg

Title: Senior Vice President

Address:

303 Peachtree Street

29th Floor

Atlanta, GA 30308

Attn: Richard Blumberg

Tel. 404-724-3353

Fax. 404-214-8632

[richard.blumberg@suntrust.com](mailto:richard.blumberg@suntrust.com)

[SIGNATURE PAGE TO AMENDMENT TO FIRST AMENDED AND RESTATED INVESTORS' RIGHTS AGREEMENT]



**SALESFORCE.COM, INC.**

By: /s/ John Somorjai

Name: John Somorjai

Title: EVP, Corporate Development and  
Salesforce Ventures

Address:

salesforce.com, inc.

The Landmark @ One Market Street, Suite 300

San Francisco, CA 94105

Attn: John Somorjai, EVP, Corporate Development and  
Salesforce Ventures

[SIGNATURE PAGE TO AMENDMENT TO FIRST AMENDED AND RESTATED INVESTORS' RIGHTS AGREEMENT]

**SCHEDULE A**  
**Investors**

**Legal Entity Name and Address**

Ithan Creek Master Investors (Cayman) L.P.  
c/o Wellington Management Company, LLP  
280 Congress Street  
Boston, Massachusetts 02210  
Attn: Legal & Compliance Department  
Facsimile Number: 617-289-5699  
Email: seclaw@wellington.com

Wolf Creek Investors (Bermuda) L.P.  
c/o Wellington Management Company, LLP  
280 Congress Street  
Boston, Massachusetts 02210  
Attn: Legal & Compliance Department  
Facsimile Number: 617-289-5699  
Email: seclaw@wellington.com

Wolf Creek Partners, L.P.  
c/o Wellington Management Company, LLP  
280 Congress Street  
Boston, Massachusetts 02210  
Attn: Legal & Compliance Department  
Facsimile Number: 617-289-5699  
Email: seclaw@wellington.com

Bay Pond Investors (Bermuda) L.P.  
c/o Wellington Management Company, LLP  
280 Congress Street  
Boston, Massachusetts 02210  
Attn: Legal & Compliance Department  
Facsimile Number: 617-289-5699  
Email: seclaw@wellington.com

Bay Pond Partners, L.P.  
c/o Wellington Management Company, LLP  
280 Congress Street  
Boston, Massachusetts 02210  
Attn: Legal & Compliance Department  
Facsimile Number: 617-289-5699  
Email: seclaw@wellington.com

---

Insight Venture Partners IX, L.P.  
c/o Insight Venture Partners  
1114 Avenue of the Americas  
36<sup>th</sup> Floor  
New York, NY 10036  
Attn: Blair Flicker  
Tel. 212-230-9200  
bflicker@insightpartners.com

Insight Venture Partners (Cayman) IX, L.P.  
c/o Insight Venture Partners  
1114 Avenue of the Americas  
36<sup>th</sup> Floor  
New York, NY 10036  
Attn: Blair Flicker  
Tel. 212-230-9200  
bflicker@insightpartners.com

Insight Venture Partners IX (Co-Investors), L.P.  
c/o Insight Venture Partners  
1114 Avenue of the Americas  
36<sup>th</sup> Floor  
New York, NY 10036  
Attn: Blair Flicker  
Tel. 212-230-9200  
bflicker@insightpartners.com

Insight Venture Partners (Delaware) IX, L.P.  
c/o Insight Venture Partners  
1114 Avenue of the Americas  
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New York, NY 10036  
Attn: Blair Flicker  
Tel. 212-230-9200  
bflicker@insightpartners.com

SunTrust Banks, Inc.  
303 Peachtree Street  
29<sup>th</sup> Floor  
Atlanta, GA 30308  
Attn: Richard Blumberg  
Tel. 404-724-3353  
Fax. 404-214-8632  
Richard.blumberg@suntrust.com

---

salesforce.com, inc.  
The Landmark @ One Market Street, Suite 300  
San Francisco, CA 94105  
Attn: John Somorjai

Accenture LLP  
161 North Clark St.  
Chicago, IL 60601  
Attn: Terry L. Moore  
terry.l.moore@accenture.com

Regions Financial Corporation  
Attn: David R. Turner, Jr.  
Senior Executive Vice President and Chief Financial Officer  
1900 5th Ave North, 30th Floor  
Birmingham, AL 35203c  
Tel. 205-264-4174  
David.Turner@Regions.com

**SECOND AMENDMENT**  
**TO**  
**FIRST AMENDED AND RESTATED**  
**INVESTORS' RIGHTS AGREEMENT**

THIS SECOND AMENDMENT TO FIRST AMENDED AND RESTATED INVESTORS' RIGHTS AGREEMENT (this "***Amendment***") is made as of the 23rd day of November, 2016 and effective as of the date on which the transactions contemplated by the Offer to Purchase (as defined below) are consummated, by and among nCino, Inc., a Delaware corporation (the "***Company***") and the Investors (as defined in the Agreement, as defined below) party hereto (collectively with the Company, the "***Parties***").

**RECITALS**

WHEREAS, the Company and certain of the Investors had previously entered into that certain First Amended and Restated Investors' Rights Agreement, dated as of February 12, 2015, as amended by that certain First Amendment to First Amended and Restated Investors' Rights Agreement, dated May 25, 2016 (the "***Agreement***").

WHEREAS, certain Insight Investors and their Affiliates have offered to purchase shares of Common Stock from other stockholders of the Company pursuant to an Offer to Purchase, dated on or about the date hereof (the "***Offer to Purchase***").

WHEREAS, the Parties wish to expand the definition of "Registrable Securities" as defined in the Agreement to include Common Stock (as defined in the Agreement) purchased pursuant to the Offer to Purchase and effect other revisions to the Agreement to reflect the additional equity interest acquired by the Insight Investors and their Affiliates in connection with such tender offer.

NOW, THEREFORE, in consideration of the foregoing, and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the Company and the Investors hereby agree as follows:

**AGREEMENT**

1. **Definitions.** All capitalized terms used but not otherwise defined herein shall have the meanings given to such terms in the Agreement.

2. **Amendment.**

a. The Parties hereby agree to amend the Agreement by amending and restating Section 1.22 in its entirety as follows:

"1.22 **"Registrable Securities"** means (i) any Common Stock issued to, or purchased by, the Investors pursuant to (A) the Purchase Agreement, (B) that certain Purchase and Sale Agreement dated as of February 12, 2015 by and among the Insight Investors, SunTrust Banks, Inc. (or any affiliates thereof), the Company and Live Oak Bancshares, Inc., (C) that certain Common Stock Purchase Agreement dated as of May 25, 2016, by and among the Company and the Purchasers listed on Exhibit A thereto (the "**2016 Primary Purchase Agreement**"), (D) that certain Purchase and Sale Agreement dated as of May 25, 2016, by and among the Company and the stockholders and Purchaser listed on Exhibit A thereto

(the “**2016 Secondary Purchase Agreement**”), (E) that certain Common Stock Purchase Agreement dated as of January 28, 2014 by and between the Company and the Investors listed on Exhibit A thereto or (F) that certain Offer to Purchase and Letter of Transmittal distributed to certain stockholders of the Company by the Insight Investors on or about November 23, 2016 (the “**Offer to Purchase**”); 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, the shares referenced in clause (i) 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 Subsection 6.1, and excluding for purposes of Section 2 any shares for which registration rights have terminated pursuant to Subsection 2.13 of this Agreement.”

- b. The Parties hereby agree to amend the Agreement by amending and restating Section 6.13 in its entirety as follows:

“6.13 Additional Investors. Notwithstanding anything to the contrary contained herein, any purchaser of shares of Common Stock on or after the date hereof pursuant to the Purchase Agreement, the 2016 Primary Purchase Agreement, the 2016 Secondary Purchase Agreement or the Offer to Purchase 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. Immediately thereafter, Schedule A to this Agreement will be amended to list the new Investors hereunder.”

- c. The Parties hereby agree that the following language shall be added at the end of Section 5.5 of the Agreement:

“So long as the Insight Investors hold, in the aggregate, (x) the number of Registrable Securities held by the Insight Investors as of November 23, 2016, *plus* (y) at least fifty percent (50%) of the Registrable Securities acquired by the Insight Investors pursuant to the Offer to Purchase (subject to appropriate adjustment in the event of any stock dividend, stock split, combination or other similar recapitalization with respect to the Common Stock), the Company hereby covenants and agrees with each of the Insight Investors that it shall not, and it shall not allow any subsidiary to, either directly or indirectly by amendment, merger, consolidation or otherwise, do any of the following without the written consent of the holders of at least a majority of the shares of Registrable Securities then held by the Insight Investors:

- (a) issue shares of capital stock of the Company (excluding shares of Common Stock issued or issuable pursuant to an equity incentive plan approved by the Board of Directors of the Company) at a price of less than \$8.00 per share (subject to appropriate adjustment in the event of any stock dividend, stock split, combination or other similar recapitalization with respect to the Common Stock);

- (b) enter into any agreement with any of the Company's Affiliates, excluding (i) agreements entered into in the ordinary course of business with such Affiliates approved by the Board of Directors of the Company (other than in respect of agreements with the Company's Affiliates that are also customers or partners of the Company) and on arms'-length terms and conditions as would reasonably be expected to exist in similar agreements with an unaffiliated third party, (ii) stock option agreements or other equity incentive award agreements with such Affiliates, on arms'-length and customary terms, entered into pursuant to an equity incentive plan of the Company approved by the Board of Directors of the Company, or (iii) employment, compensation or severance agreements, on arms'-length and customary terms, approved by the Board of Directors of the Company; or
- (c) repurchase, redeem, or otherwise acquire, any outstanding shares of capital stock of the Company (or rights to acquire capital stock), excluding redemptions of shares of capital stock or other securities from officers, employees, directors or consultants in connection with the termination of their employment or the cessation of their provision of services to or on behalf of the Company, as applicable, for any reason."

3. Effect of Amendment. Except as amended and/or modified by this Amendment, the Agreement is hereby ratified and confirmed and all other terms of the Agreement are and shall remain in full force and effect, unaltered and unchanged by this Amendment. In the event of any conflict between the provisions of this Amendment and the provisions of the Agreement, the provisions of this Amendment shall govern and control. This Amendment shall be null and void if the transactions contemplated by the Offer to Purchase are not consummated

4. Counterparts. This Amendment (i) may be executed in any number of counterparts with the same effect as if all of the parties had signed the same document and (ii) may be executed by facsimile or PDF signatures. All counterparts shall be construed together and shall constitute one agreement.

[Signature Page Follows]

IN WITNESS WHEREOF, the Parties have executed this Second Amendment to First Amended and Restated Investors' Rights Agreement as of the date first written above.

**NCINO, INC.**

By: /s/ Pierre Naudé

Name: Pierre Naudé

Title: Chief Executive Officer



IN WITNESS WHEREOF, the Parties have executed this Second Amendment to First Amended and Restated Investors' Rights Agreement as of the date first written above.

**INVESTORS:**

**INSIGHT VENTURE PARTNERS IX, L.P.**

By: Insight Venture Associates IX, L.P.  
Its: General Partner

By: Insight Venture Associates IX, Ltd.  
Its: General Partner

By: /s/ Blair Flicker  
Name: Blair Flicker  
Title: Authorized Officer

**INSIGHT VENTURE PARTNERS IX (CO-INVESTORS), L.P.**

By: Insight Venture Associates IX, L.P.  
Its: General Partner

By: Insight Venture Associates IX, Ltd.  
Its: General Partner

By: /s/ Blair Flicker  
Name: Blair Flicker  
Title: Authorized Officer

**INSIGHT VENTURE PARTNERS (CAYMAN) IX, L.P.**

By: Insight Venture Associates IX, L.P.  
Its: General Partner

By: Insight Venture Associates IX, Ltd.  
Its: General Partner

By: /s/ Blair Flicker  
Name: Blair Flicker  
Title: Authorized Officer

**INSIGHT VENTURE PARTNERS (DELAWARE), IX L.P.**

By: Insight Venture Associates IX, L.P.  
Its: General Partner

By: Insight Venture Associates IX, Ltd.  
Its: General Partner

By: /s/ Blair Flicker  
Name: Blair Flicker  
Title: Authorized Officer

IN WITNESS WHEREOF, the Parties have executed this Second Amendment to First Amended and Restated Investors' Rights Agreement as of the date first written above.

**INVESTORS:**

**INSIGHT VENTURE PARTNERS GROWTH-BUYOUT  
COINVESTMENT FUND, L.P.**

By: Insight Venture Associates Growth-Buyout Coinvestment, L.P.  
Its: General Partner

By: Insight Venture Associates Growth-Buyout Coinvestment, Ltd.  
Its: General Partner

By: /s/ Blair Flicker  
Name: Blair Flicker  
Title: Authorized Officer

**INSIGHT VENTURE PARTNERS GROWTH-BUYOUT  
COINVESTMENT FUND (B), L.P.**

By: Insight Venture Associates Growth-Buyout Coinvestment, L.P.  
Its: General Partner

By: Insight Venture Associates Growth-Buyout Coinvestment, Ltd.  
Its: General Partner

By: /s/ Blair Flicker  
Name: Blair Flicker  
Title: Authorized Officer

**INSIGHT VENTURE PARTNERS GROWTH-BUYOUT  
COINVESTMENT FUND (CAYMAN), L.P.**

By: Insight Venture Associates Growth-Buyout Coinvestment, L.P.  
Its: General Partner

By: Insight Venture Associates Growth-Buyout Coinvestment, Ltd.  
Its: General Partner

By: /s/ Blair Flicker  
Name: Blair Flicker  
Title: Authorized Officer

**INSIGHT VENTURE PARTNERS GROWTH-BUYOUT  
COINVESTMENT FUND (DELAWARE), L.P.**

By: Insight Venture Associates Growth-Buyout Coinvestment, L.P.  
Its: General Partner

By: Insight Venture Associates Growth-Buyout Coinvestment, Ltd .  
Its: General Partner

By: /s/ Blair Flicker  
Name: Blair Flicker  
Title: Authorized Officer

IN WITNESS WHEREOF, the Parties have executed this Second Amendment to First Amended and Restated Investors' Rights Agreement as of the date first written above.

**INVESTORS:**

**Ithan Creek Master Investors (Cayman) L.P.**

By: Wellington Management Company LLP,  
as investment adviser

By: /s/ Emily Babalas  
Name: Emily Babalas  
Title: Managing Director and Counsel

**Wolf Creek Investors (Bermuda) L.P.**

By: Wellington Management Company LLP,  
as investment adviser

By: /s/ Emily Babalas  
Name: Emily Babalas  
Title: Managing Director and Counsel

**Wolf Creek Partners, L.P.**

By: Wellington Management Company LLP,  
as investment adviser

By: /s/ Emily Babalas  
Name: Emily Babalas  
Title: Managing Director and Counsel

**Bay Pond Investors (Bermuda) L.P.**

By: Wellington Management Company LLP,  
as investment adviser

By: /s/ Emily Babalas  
Name: Emily Babalas  
Title: Managing Director and Counsel

**Bay Pond Partners, L.P.**

By: Wellington Management Company LLP,  
as investment adviser

By: /s/ Emily Babalas  
Name: Emily Babalas  
Title: Managing Director and Counsel

IN WITNESS WHEREOF, the Parties have executed this Second Amendment to First Amended and Restated Investors' Rights Agreement as of the date first written above.

**INVESTOR:**

**SUNTRUST BANKS, INC.**

By: /s/ Richard Blumberg  
Name: Richard Blumberg  
Title: Senior Vice President

IN WITNESS WHEREOF, the Parties have executed this Second Amendment to First Amended and Restated Investors' Rights Agreement as of the date first written above.

**INVESTOR:**

**SALESFORCE.COM, INC.**

By: /s/ John Somorjai

Name: John Somorjai

Title: EVP, Corporate Development and Salesforce  
Ventures

Address:

salesforce.com, inc.

The Landmark @ One Market Street, Suite 300

San Francisco, CA 94105

Attn: John Somorjai, EVP, Corporate Development and Salesforce Ventures

IN WITNESS WHEREOF, the Parties have executed this Second Amendment to First Amended and Restated Investors' Rights Agreement as of the date first written above.

**INVESTOR:**

**REGIONS FINANCIAL CORPORATION**

By: /s/ David Turner  
Name: David Turner  
Title: Senior Executive Vice President

**THIRD AMENDMENT**  
**TO**  
**FIRST AMENDED AND RESTATED**  
**INVESTORS' RIGHTS AGREEMENT**

THIS THIRD AMENDMENT TO FIRST AMENDED AND RESTATED INVESTORS' RIGHTS AGREEMENT (this "***Amendment***") is made and effective as of the 31st day of July, 2017 (the "***Effective Date***"), by and among nCino, Inc., a Delaware corporation (the "***Company***") and the Investors (as defined in the Agreement, as defined below) party hereto (collectively with the Company, the "***Parties***").

**RECITALS**

WHEREAS, the Company and certain of the Investors had previously entered into that certain First Amended and Restated Investors' Rights Agreement, dated as of February 12, 2015, as amended by that certain First Amendment to First Amended and Restated Investors' Rights Agreement, dated May 25, 2016, and that certain Second Amendment to First Amended and Restated Investors' Rights Agreement, dated November 23, 2016 (the "***Agreement***").

WHEREAS, the Parties wish to (1) expand the definition of "Registrable Securities", as defined in the Agreement, to include the shares of Common Stock (as defined in the Agreement) issued by the Company pursuant to that certain Common Stock Purchase Agreement dated as of the Effective Date (the "***Purchase Agreement***"), by and among the Company and the Purchasers listed on Exhibit A thereto, and (2) establish board observer rights for salesforce.com, inc., a Delaware corporation ("***SFDC***").

NOW, THEREFORE, in consideration of the foregoing, and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the Company and the Investors hereby agree as follows:

**AGREEMENT**

1. **Definitions.** All capitalized terms used but not otherwise defined herein shall have the meanings given to such terms in the Agreement.

2. **Amendment.**

a. The Parties hereby agree to amend the Agreement by amending and restating Section 1.22 in its entirety as follows:

"1.22 "Registrable Securities" means (i) any Common Stock issued to, or purchased by, the Investors pursuant to (A) the Purchase Agreement, (B) that certain Purchase and Sale Agreement dated as of February 12, 2015 by and among the Insight Investors, SunTrust Banks, Inc. (or any affiliates thereof), the Company and Live Oak Bancshares, Inc., (C) that certain Common Stock Purchase Agreement dated as of May 25, 2016, by and among the Company and the Purchasers listed on Exhibit A thereto (the "***2016 Primary Purchase Agreement***"), (D) that certain Purchase and Sale Agreement dated as of May 25, 2016, by and among the Company and the stockholders and Purchaser listed on Exhibit A thereto (the "***2016 Secondary Purchase Agreement***"), (E) that certain Common Stock Purchase Agreement dated as of January 28, 2014 by and between the Company and the Investors listed on Exhibit A thereto, (F) that certain Offer to Purchase and Letter

of Transmittal distributed to certain stockholders of the Company by the Insight Investors on or about November 23, 2016 (the “Offer to Purchase”), or (G) that certain Common Stock Purchase Agreement, dated as of July 31, 2017, by and among the Company and the Investors listed on Exhibit A thereto (the “2017 Common Stock Purchase Agreement”); 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, the shares referenced in clause (i) 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 Subsection 6.1, and excluding for purposes of Section 2 any shares for which registration rights have terminated pursuant to Subsection 2.13 of this Agreement.”

- b. The Parties hereby agree to amend the Agreement by amending and restating Section 6.13 in its entirety as follows:

“6.13 Additional Investors. Notwithstanding anything to the contrary contained herein, any purchaser of shares of Common Stock on or after the date hereof pursuant to the Purchase Agreement, the 2016 Primary Purchase Agreement, the 2016 Secondary Purchase Agreement, the Offer to Purchase or the 2017 Common Stock Purchase Agreement 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. Immediately thereafter, Schedule A to this Agreement will be amended to list the new Investors hereunder.”

- c. The Parties hereby agree that a new Section 3.3(c) shall be added to the Agreement as follows:

“(c) As long as salesforce.com, inc. and its Affiliates (“SFDC”) own not less than 5,142,122 shares of Common Stock (subject to appropriate adjustment for all stock splits, stock dividends and reorganizations), the Company shall invite a representative of SFDC, on behalf of SFDC, 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 at the same time and in the same manner as provided to such directors; provided, however, that such representative shall agree to hold in confidence and trust 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, or if the Company’s Board of Directors, in good faith, determines that SFDC or its representative is a competitor of the Company. Notwithstanding anything in this Section 3.3(c), SFDC shall not be deemed a competitor of the Company by virtue of its investments in portfolio companies (i) that are not Affiliates of SFDC, and (ii) with which SFDC does not share confidential information of the Company.”



3. Effect of Amendment. Except as amended and/or modified by this Amendment, the Agreement is hereby ratified and confirmed and all other terms of the Agreement are and shall remain in full force and effect, unaltered and unchanged by this Amendment. In the event of any conflict between the provisions of this Amendment and the provisions of the Agreement, the provisions of this Amendment shall govern and control.

4. Counterparts. This Amendment (i) may be executed in any number of counterparts with the same effect as if all of the parties had signed the same document and (ii) may be executed by facsimile or PDF signatures. All counterparts shall be construed together and shall constitute one agreement.

[Signature Page Follows]

IN WITNESS WHEREOF, the Parties have executed this Third Amendment to First Amended and Restated Investors' Rights Agreement as of the date first written above.

**NCINO, INC.**

By: /s/ Pierre Naudé

Name: Pierre Naudé

Title: Chief Executive Officer

IN WITNESS WHEREOF, the Parties have executed this Third Amendment to First Amended and Restated Investors' Rights Agreement as of the date first written above.

**INVESTORS:**

**INSIGHT VENTURE PARTNERS IX, L.P.**

By: Insight Venture Associates IX, L.P.  
Its: General Partner

By: Insight Venture Associates IX, Ltd.  
Its: General Partner

By: /s/ Blair Flicker  
Name: Blair Flicker  
Title: Authorized Officer

**INSIGHT VENTURE PARTNERS IX (CO-INVESTORS), L.P.**

By: Insight Venture Associates IX, L.P.  
Its: General Partner

By: Insight Venture Associates IX, Ltd.  
Its: General Partner

By: /s/ Blair Flicker  
Name: Blair Flicker  
Title: Authorized Officer

**INSIGHT VENTURE PARTNERS (CAYMAN) IX, L.P.**

By: Insight Venture Associates IX, L.P.  
Its: General Partner

By: Insight Venture Associates IX, Ltd.  
Its: General Partner

By: /s/ Blair Flicker  
Name: Blair Flicker  
Title: Authorized Officer

**INSIGHT VENTURE PARTNERS (DELAWARE) IX, L.P.**

By: Insight Venture Associates IX, L.P.  
Its: General Partner

By: Insight Venture Associates IX, Ltd.  
Its: General Partner

By: /s/ Blair Flicker  
Name: Blair Flicker  
Title: Authorized Officer

IN WITNESS WHEREOF, the Parties have executed this Third Amendment to First Amended and Restated Investors' Rights Agreement as of the date first written above.

**INVESTORS:**

**INSIGHT VENTURE PARTNERS GROWTH-BUYOUT  
COINVESTMENT FUND, L.P.**

By: Insight Venture Associates Growth-Buyout Coinvestment, L.P.  
Its: General Partner

By: Insight Venture Associates Growth-Buyout Coinvestment, Ltd.  
Its: General Partner

By: /s/ Blair Flicker  
Name: Blair Flicker  
Title: Authorized Officer

**INSIGHT VENTURE PARTNERS GROWTH-BUYOUT  
COINVESTMENT FUND (B), L.P.**

By: Insight Venture Associates Growth-Buyout Coinvestment, L.P.  
Its: General Partner

By: Insight Venture Associates Growth-Buyout Coinvestment, Ltd.  
Its: General Partner

By: /s/ Blair Flicker  
Name: Blair Flicker  
Title: Authorized Officer

**INSIGHT VENTURE PARTNERS GROWTH-BUYOUT  
COINVESTMENT FUND(CAYMAN), L.P.**

By: Insight Venture Associates Growth-Buyout Coinvestment, L.P.  
Its: General Partner

By: Insight Venture Associates Growth-Buyout Coinvestment, Ltd.  
Its: General Partner

By: /s/ Blair Flicker  
Name: Blair Flicker  
Title: Authorized Officer

**INSIGHT VENTURE PARTNERS GROWTH-BUYOUT  
COINVESTMENT FUND(DELAWARE), L.P.**

By: Insight Venture Associates Growth-Buyout Coinvestment, L.P.  
Its: General Partner

By: Insight Venture Associates Growth-Buyout Coinvestment, Ltd.  
Its: General Partner

By: /s/ Blair Flicker  
Name: Blair Flicker  
Title: Authorized Officer

IN WITNESS WHEREOF, the Parties have executed this Third Amendment to First Amended and Restated Investors' Rights Agreement as of the date first written above.

**INVESTORS:**

**Ithan Creek Master Investors (Cayman) L.P.**

By: Wellington Management Company LLP,  
as investment adviser

By: /s/ Emily Babalas  
Name: Emily Babalas  
Title: Managing Director and Counsel

**Wolf Creek Investors (Bermuda) L.P.**

By: Wellington Management Company LLP,  
as investment adviser

By: /s/ Emily Babalas  
Name: Emily Babalas  
Title: Managing Director and Counsel

**Wolf Creek Partners, L.P.**

By: Wellington Management Company LLP,  
as investment adviser

By: /s/ Emily Babalas  
Name: Emily Babalas  
Title: Managing Director and Counsel

**Bay Pond Investors (Bermuda) L.P.**

By: Wellington Management Company LLP,  
as investment adviser

By: /s/ Emily Babalas  
Name: Emily Babalas  
Title: Managing Director and Counsel

**Bay Pond Partners, L.P.**

By: Wellington Management Company LLP,  
as investment adviser

By: /s/ Emily Babalas  
Name: Emily Babalas  
Title: Managing Director and Counsel

IN WITNESS WHEREOF, the Parties have executed this Third Amendment to First Amended and Restated Investors' Rights Agreement as of the date first written above.

**INVESTOR:**

**SUNTRUST BANKS, INC.**

By: /s/ Jason Trock  
Name: Jason Trock  
Title: Senior Vice President

IN WITNESS WHEREOF, the Parties have executed this Third Amendment to First Amended and Restated Investors' Rights Agreement as of the date first written above.

**INVESTOR:**

**SALESFORCE.COM, INC.**

By: /s/ John Somorjai

Name: John Somorjai

Title: EVP, Corporate Development and Salesforce  
Ventures

Address:

salesforce.com, inc.

The Landmark @ One Market Street, Suite 300

San Francisco, CA 94105

Attn: John Somorjai, EVP, Corporate Development and Salesforce Ventures

**FOURTH AMENDMENT**  
**TO**  
**FIRST AMENDED AND RESTATED**  
**INVESTORS' RIGHTS AGREEMENT**

THIS FOURTH AMENDMENT TO FIRST AMENDED AND RESTATED INVESTORS' RIGHTS AGREEMENT (this "**Amendment**") is made and effective as of the 16th day of January, 2018 (the "**Effective Date**"), by and among nCino, Inc., a Delaware corporation (the "**Company**") and the Investors (as defined in the Agreement, as defined below) party hereto (collectively with the Company, the "**Parties**").

**RECITALS**

WHEREAS, the Company and certain of the Investors had previously entered into that certain First Amended and Restated Investors' Rights Agreement, dated as of February 12, 2015, as amended by that certain First Amendment to First Amended and Restated Investors' Rights Agreement, dated May 25, 2016, as amended by that certain Second Amendment to First Amended and Restated Investors' Rights Agreement, dated November 23, 2016, and that certain Third Amendment to First Amended and Restated Investors' Rights Agreement, dated July 31, 2017 (the "**Agreement**").

WHEREAS, the Parties wish to (1) expand the definition of "Registrable Securities", as defined in the Agreement, to include shares of Common Stock (as defined in the Agreement) purchased pursuant to that certain (i) Common Stock Purchase Agreement dated as of the Effective Date, by and among the Company and the Purchasers listed on Exhibit A thereto, and (ii) Purchase and Sale Agreement dated as of the Effective Date, by and among Salesforce Ventures LLC and the selling stockholder set forth therein, and (2) allow for additional Investors.

NOW, THEREFORE, in consideration of the foregoing, and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the Company and the Investors hereby agree as follows:

**AGREEMENT**

1. **Definitions.** All capitalized terms used but not otherwise defined herein shall have the meanings given to such terms in the Agreement.
2. **Amendment.**
  - a. The Parties hereby agree to amend the Agreement by amending and restating Section 1.22 in its entirety as follows:

"1.22 **"Registrable Securities"** means (i) any Common Stock issued to, or purchased by, the Investors pursuant to (A) the Purchase Agreement, (B) that certain Purchase and Sale Agreement dated as of February 12, 2015 by and among the Insight Investors, SunTrust Banks, Inc. (or any affiliates thereof), the Company and Live Oak Bancshares, Inc., (C) that certain Common Stock Purchase Agreement dated as of May 25, 2016, by and among the Company and the Purchasers listed on Exhibit A thereto (the "**2016 Primary Purchase Agreement**"), (D) that certain Purchase and Sale Agreement dated as of May 25, 2016, by and among the Company and the stockholders and Purchaser listed on Exhibit A thereto (the "**2016 Secondary Purchase Agreement**"), (E) that certain Common Stock



Purchase Agreement dated as of January 28, 2014 by and between the Company and the Investors listed on Exhibit A thereto, (F) that certain Offer to Purchase and Letter of Transmittal distributed to certain stockholders of the Company by the Insight Investors on or about November 23, 2016 (the “**Offer to Purchase**”), (G) that certain Common Stock Purchase Agreement, dated as of July 31, 2017, by and among the Company and the Investors listed on Exhibit A thereto (the “**2017 Common Stock Purchase Agreement**”), (H) that certain Common Stock Purchase Agreement, dated as of January 16, 2018, by and among the Company and the Investors listed on Exhibit A thereto (the “**2018 Common Stock Purchase Agreement**”), or (I) that certain Purchase and Sale Agreement dated as of the January 16, 2018, by and among Salesforce Ventures LLC and the selling stockholder set forth therein (the “**2018 Secondary Purchase Agreement**”); 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, the shares referenced in clause (i) 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 Subsection 6.1, and excluding for purposes of Section 2 any shares for which registration rights have terminated pursuant to Subsection 2.13 of this Agreement.”

- b. The Parties hereby agree to amend the Agreement by amending and restating Section 6.13 in its entirety as follows:

“6.13 Additional Investors. Notwithstanding anything to the contrary contained herein, any purchaser of shares of Common Stock on or after the date hereof pursuant to the Purchase Agreement, the 2016 Primary Purchase Agreement, the 2016 Secondary Purchase Agreement, the Offer to Purchase, the 2017 Common Stock Purchase Agreement, the 2018 Common Stock Purchase Agreement, or the 2018 Secondary Purchase Agreement 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. Immediately thereafter, Schedule A to this Agreement will be amended to list the new Investors hereunder.”

- c. The Parties hereby agree to amend the Agreement by amending and restating Schedule A to the Agreement in its entirety with the Schedule A attached hereto.

3. Effect of Amendment. Except as amended and/or modified by this Amendment, the Agreement is hereby ratified and confirmed and all other terms of the Agreement are and shall remain in full force and effect, unaltered and unchanged by this Amendment. In the event of any conflict between the provisions of this Amendment and the provisions of the Agreement, the provisions of this Amendment shall govern and control.

4. Counterparts. This Amendment (i) may be executed in any number of counterparts with the same effect as if all of the parties had signed the same document and (ii) may be executed by facsimile or PDF signatures. All counterparts shall be construed together and shall constitute one agreement.

[Signature Page Follows]

IN WITNESS WHEREOF, the Parties have executed this Fourth Amendment to First Amended and Restated Investors' Rights Agreement as of the date first written above.

**NCINO, INC.**

By: /s/ Pierre Naudé

Name: Pierre Naudé

Title: Chief Executive Officer

*[Signature Pages to Fourth Amendment to First Amended and Restated Investors' Rights Agreement]*

IN WITNESS WHEREOF, the Parties have executed this Fourth Amendment to First Amended and Restated Investors' Rights Agreement as of the date first written above.

**INVESTORS:**

**INSIGHT VENTURE PARTNERS IX, L.P.**

By: Insight Venture Associates IX, L.P.  
Its: General Partner

By: Insight Venture Associates IX, Ltd.  
Its: General Partner

By: /s/ Blair Flicker  
Name: Blair Flicker  
Title: Authorized Officer

**INSIGHT VENTURE PARTNERS IX (CO-INVESTORS), L.P.**

By: Insight Venture Associates IX, L.P.  
Its: General Partner

By: Insight Venture Associates IX, Ltd.  
Its: General Partner

By: /s/ Blair Flicker  
Name: Blair Flicker  
Title: Authorized Officer

**INSIGHT VENTURE PARTNERS (CAYMAN) IX, L.P.**

By: Insight Venture Associates IX, L.P.  
Its: General Partner

By: Insight Venture Associates IX, Ltd.  
Its: General Partner

By: /s/ Blair Flicker  
Name: Blair Flicker  
Title: Authorized Officer

**INSIGHT VENTURE PARTNERS (DELAWARE) IX, L.P.**

By: Insight Venture Associates IX, L.P.  
Its: General Partner

By: Insight Venture Associates IX, Ltd.  
Its: General Partner

By: /s/ Blair Flicker  
Name: Blair Flicker  
Title: Authorized Officer

*{Signature Pages to Fourth Amendment to First Amended and Restated Investors' Rights Agreement}*

IN WITNESS WHEREOF, the Parties have executed this Fourth Amendment to First Amended and Restated Investors' Rights Agreement as of the date first written above.

**INVESTORS:**

**INSIGHT VENTURE PARTNERS GROWTH-BUYOUT  
COINVESTMENT FUND, L.P.**

By: Insight Venture Associates Growth-Buyout Coinvestment, L.P.  
Its: General Partner

By: Insight Venture Associates Growth-Buyout Coinvestment, Ltd.  
Its: General Partner

By: /s/ Blair Flicker  
Name: Blair Flicker  
Title: Authorized Officer

**INSIGHT VENTURE PARTNERS GROWTH-BUYOUT  
COINVESTMENT FUND (B), L.P.**

By: Insight Venture Associates Growth-Buyout Coinvestment, L.P.  
Its: General Partner

By: Insight Venture Associates Growth-Buyout Coinvestment, Ltd.  
Its: General Partner

By: /s/ Blair Flicker  
Name: Blair Flicker  
Title: Authorized Officer

**INSIGHT VENTURE PARTNERS GROWTH-BUYOUT  
COINVESTMENT FUND (CAYMAN), L.P.**

By: Insight Venture Associates Growth-Buyout Coinvestment, L.P.  
Its: General Partner

By: Insight Venture Associates Growth-Buyout Coinvestment, Ltd.  
Its: General Partner

By: /s/ Blair Flicker  
Name: Blair Flicker  
Title: Authorized Officer

**INSIGHT VENTURE PARTNERS GROWTH-BUYOUT  
COINVESTMENT FUND (DELAWARE), L.P.**

By: Insight Venture Associates Growth-Buyout Coinvestment, L.P.  
Its: General Partner

By: Insight Venture Associates Growth-Buyout Coinvestment, Ltd.  
Its: General Partner

By: /s/ Blair Flicker  
Name: Blair Flicker  
Title: Authorized Officer

*[Signature Pages to Fourth Amendment to First Amended and Restated Investors' Rights Agreement]*

IN WITNESS WHEREOF, the Parties have executed this Fourth Amendment to First Amended and Restated Investors' Rights Agreement as of the date first written above.

**INVESTORS:**

**Ithan Creek Master Investors (Cayman) L.P.**

By: Wellington Management Company LLP,  
as investment adviser

By: /s/ Emily Babalas  
Name: Emily Babalas  
Title: Managing Director and Counsel

**Wolf Creek Investors (Bermuda) L.P.**

By: Wellington Management Company LLP,  
as investment adviser

By: /s/ Emily Babalas  
Name: Emily Babalas  
Title: Managing Director and Counsel

**Wolf Creek Partners, L.P.**

By: Wellington Management Company LLP,  
as investment adviser

By: /s/ Emily Babalas  
Name: Emily Babalas  
Title: Managing Director and Counsel

**Bay Pond Investors (Bermuda) L.P.**

By: Wellington Management Company LLP,  
as investment adviser

By: /s/ Emily Babalas  
Name: Emily Babalas  
Title: Managing Director and Counsel

**Bay Pond Partners, L.P.**

By: Wellington Management Company LLP,  
as investment adviser

By: /s/ Emily Babalas  
Name: Emily Babalas  
Title: Managing Director and Counsel

IN WITNESS WHEREOF, the Parties have executed this Fourth Amendment to First Amended and Restated Investors' Rights Agreement as of the date first written above.

**INVESTOR:**

**SUNTRUST BANKS, INC.**

By: /s/ Richard Blumberg  
Name: Richard Blumberg  
Title: Senior Vice President

*[Signature Pages to Fourth Amendment to First Amended and Restated Investors' Rights Agreement]*

IN WITNESS WHEREOF, the Parties have executed this Fourth Amendment to First Amended and Restated Investors' Rights Agreement as of the date first written above.

**INVESTOR:**

**SALESFORCE VENTURES LLC**

By: /s/ John Somorjai  
Name: John Somorjai  
Title: President

Address:  
Salesforce Ventures LLC  
The Landmark @ One Market Street, Suite 300  
San Francisco, CA 94105  
Attn: John Somorjai, President

*[Signature Pages to Fourth Amendment to First Amended and Restated Investors' Rights Agreement]*

**SCHEDULE A**  
**Investors**

**Legal Entity Name and Address**

Ithan Creek Master Investors (Cayman) L.P.  
c/o Wellington Management Company, LLP  
280 Congress Street  
Boston, Massachusetts 02210  
Attn: Legal & Compliance Department  
Facsimile Number: 617-289-5699  
Email: seclaw@wellington.com

Wolf Creek Investors (Bermuda) L.P.  
c/o Wellington Management Company, LLP  
280 Congress Street  
Boston, Massachusetts 02210  
Attn: Legal & Compliance Department  
Facsimile Number: 617-289-5699  
Email: seclaw@wellington.com

Wolf Creek Partners, L.P.  
c/o Wellington Management Company, LLP  
280 Congress Street  
Boston, Massachusetts 02210  
Attn: Legal & Compliance Department  
Facsimile Number: 617-289-5699  
Email: seclaw@wellington.com

Bay Pond Investors (Bermuda) L.P.  
c/o Wellington Management Company, LLP  
280 Congress Street  
Boston, Massachusetts 02210  
Attn: Legal & Compliance Department  
Facsimile Number: 617-289-5699  
Email: seclaw@wellington.com

Bay Pond Partners, L.P.  
c/o Wellington Management Company, LLP  
280 Congress Street  
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Attn: Legal & Compliance Department  
Facsimile Number: 617-289-5699  
Email: seclaw@wellington.com



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Insight Venture Partners IX, L.P.  
c/o Insight Venture Partners  
1114 Avenue of the Americas  
36th Floor  
New York, NY 10036  
Attn: Blair Flicker  
Tel. 212-230-9200  
[bflicker@insightpartners.com](mailto:bflicker@insightpartners.com)

Insight Venture Partners (Cayman) IX, L.P.  
c/o Insight Venture Partners  
1114 Avenue of the Americas  
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Attn: Blair Flicker  
Tel. 212-230-9200  
[bflicker@insightpartners.com](mailto:bflicker@insightpartners.com)

Insight Venture Partners IX (Co-Investors), L.P.  
c/o Insight Venture Partners  
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New York, NY 10036  
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Tel. 212-230-9200  
[bflicker@insightpartners.com](mailto:bflicker@insightpartners.com)

Insight Venture Partners (Delaware) IX, L.P.  
c/o Insight Venture Partners  
1114 Avenue of the Americas  
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New York, NY 10036  
Attn: Blair Flicker  
Tel. 212-230-9200  
[bflicker@insightpartners.com](mailto:bflicker@insightpartners.com)

**Insight Venture Partners Growth-Buyout Coinvestment Fund, L.P.**  
c/o Insight Venture Partners  
1114 Avenue of the Americas  
36th Floor  
New York, NY 10036  
Attn: Blair Flicker  
Tel. 212-230-9200  
[bflicker@insightpartners.com](mailto:bflicker@insightpartners.com)

**Insight Venture Partners Growth-Buyout Coinvestment Fund (B), L.P.**

c/o Insight Venture Partners  
1114 Avenue of the Americas  
36th Floor  
New York, NY 10036  
Attn: Blair Flicker  
Tel. 212-230-9200  
[bflicker@insightpartners.com](mailto:bflicker@insightpartners.com)

**Insight Venture Partners Growth-Buyout Coinvestment Fund (Cayman), L.P.**

c/o Insight Venture Partners  
1114 Avenue of the Americas  
36th Floor  
New York, NY 10036  
Attn: Blair Flicker  
Tel. 212-230-9200  
[bflicker@insightpartners.com](mailto:bflicker@insightpartners.com)

**Insight Venture Partners Growth-Buyout Coinvestment Fund (Delaware), L.P.**

c/o Insight Venture Partners  
1114 Avenue of the Americas  
36th Floor  
New York, NY 10036  
Attn: Blair Flicker  
Tel. 212-230-9200  
[bflicker@insightpartners.com](mailto:bflicker@insightpartners.com)

**SunTrust Banks, Inc.**

303 Peachtree Street  
29th Floor  
Atlanta, GA 30308  
Attn: Richard Blumberg  
Tel. 404-724-3353  
Fax. 404-214-8632  
[Richard.blumberg@suntrust.com](mailto:Richard.blumberg@suntrust.com)

**Salesforce Ventures LLC**

The Landmark @ One Market Street, Suite 300  
San Francisco, CA 94105  
Attn: John Somorjai

**Accenture LLP**

161 North Clark St.  
Chicago, IL 60601  
Attn: General Counsel  
[ncinomi@accenture.com](mailto:ncinomi@accenture.com)

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Regions Financial Corporation  
Attn: David R. Turner, Jr.  
Senior Executive Vice President and Chief Financial Officer  
1900 5th Ave North, 30th Floor  
Birmingham, AL 35203c  
Tel. 205-264-4174  
David.Turner@Regions.com

**FIFTH AMENDMENT**  
**TO**  
**FIRST AMENDED AND RESTATED**  
**INVESTORS' RIGHTS AGREEMENT**

THIS FIFTH AMENDMENT TO FIRST AMENDED AND RESTATED INVESTORS' RIGHTS AGREEMENT (this "**Amendment**") is made and effective as of the 12th day of July, 2018 (the "**Effective Date**"), by and among nCino, Inc., a Delaware corporation (the "**Company**") and the Investors (as defined in the Agreement, as defined below) party hereto (collectively with the Company, the "**Parties**").

**RECITALS**

WHEREAS, the Company and certain of the Investors had previously entered into that certain First Amended and Restated Investors' Rights Agreement, dated as of February 12, 2015, as amended by that certain First Amendment to First Amended and Restated Investors' Rights Agreement, dated May 25, 2016, as amended by that certain Second Amendment to First Amended and Restated Investors' Rights Agreement, dated November 23, 2016, that certain Third Amendment to First Amended and Restated Investors' Rights Agreement, dated July 31, 2017, and that certain Fourth Amendment to First Amended and Restated Investors' Rights Agreement, dated January 16, 2018 (the "**Agreement**").

WHEREAS, certain investment advisory clients of Wellington Management Company LLP (the "**Wellington Offerors**"), certain current investment funds affiliated with Bessemer Venture Partners IX, L.P. ("**Bessemer**") and certain Insight Investors have offered to purchase shares of Common Stock from other stockholders of the Company pursuant to an Offer to Purchase, dated on or about the date hereof (the "**Offer to Purchase**").

WHEREAS, the Parties wish to (i) expand the definition of "Registrable Securities" to include shares of Common Stock purchased pursuant to the Offer to Purchase, (ii) effect certain revisions to the confidentiality provisions of the Agreement, (iii) provide certain consent rights to the Wellington Investors, and (iv) effect other revisions to the Agreement to reflect the additional equity interests acquired by the Wellington Offerors, Bessemer and the Insight Investors.

NOW, THEREFORE, in consideration of the foregoing, and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the Company and the Investors hereby agree as follows:

**AGREEMENT**

1. **Definitions.** All capitalized terms used but not otherwise defined herein shall have the meanings given to such terms in the Agreement.
2. **Amendment.**
  - a. The Parties hereby agree to amend the Agreement by amending and restating Section 1.22 in its entirety as follows:

"1.22 **"Registrable Securities"** means (i) any Common Stock issued to, or purchased by, the Investors pursuant to (A) the Purchase Agreement, (B) that certain Purchase and Sale Agreement dated as of February 12, 2015 by and among the Insight Investors, SunTrust Banks, Inc. (or any affiliates thereof), the

Company and Live Oak Bancshares, Inc., (C) that certain Common Stock Purchase Agreement dated as of May 25, 2016, by and among the Company and the Purchasers listed on Exhibit A thereto (the “**2016 Primary Purchase Agreement**”), (D) that certain Purchase and Sale Agreement dated as of May 25, 2016, by and among the Company and the stockholders and Purchaser listed on Exhibit A thereto (the “**2016 Secondary Purchase Agreement**”), (E) that certain Common Stock Purchase Agreement dated as of January 28, 2014 by and between the Company and the Investors listed on Exhibit A thereto, (F) that certain Offer to Purchase and Letter of Transmittal distributed to certain stockholders of the Company by the Insight Investors on or about November 23, 2016 (the “**2016 Offer to Purchase**”), (G) that certain Common Stock Purchase Agreement, dated as of July 31, 2017, by and among the Company and the Investors listed on Exhibit A thereto (the “**2017 Common Stock Purchase Agreement**”), (H) that certain Common Stock Purchase Agreement, dated as of January 16, 2018, by and among the Company and the Investors listed on Exhibit A thereto (the “**2018 Common Stock Purchase Agreement**”), (I) that certain Purchase and Sale Agreement dated as of the January 16, 2018, by and among Salesforce Ventures LLC and the selling stockholder set forth therein (the “**2018 Secondary Purchase Agreement**”) or (J) that certain Offer to Purchase and Letter of Transmittal distributed to certain stockholders of the Company by certain investment advisory clients of Wellington Management Company LLP, certain current investment funds affiliated with Bessemer Venture Partners IX, L.P., and certain Insight Investors on or about June 7, 2018 (the “**2018 Offer to Purchase**”); 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, the shares referenced in clause (i) 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 Subsection 6.1, and excluding for purposes of Section 2 any shares for which registration rights have terminated pursuant to Subsection 2.13 of this Agreement.”

- b. The Parties hereby agree to amend the Agreement by amending and restating Section 3.5 in its entirety as follows:

“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 Subsection 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) to its attorneys, accountants, consultants, investment advisers 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 Subsection 3.5;

(iii) to any equityholder of such Investor (and, with respect to an equityholder that is a partner in an Investor that is a limited partnership, partners of such partner) or any prospective partner of the Investor or any subsequent partnership under common investment management, in the ordinary course of business, provided that such Investor informs such Person that such information is confidential and directs such Person to maintain the confidentiality of such information and provided further, that such Investor shall be responsible for any disclosure of such confidential information by any such equityholder or prospective partner as though such inappropriate disclosure were made by such Investor in violation of this Subsection 3.5; or (iv) as may otherwise be required by law, provided that the Investor promptly notifies the Company of such disclosure and takes reasonable steps to minimize the extent of any such required disclosure, except that compliance with this proviso shall not be required if the information is being disclosed pursuant to the request or requirement of a banking regulator with jurisdiction over such Investor.”

- c. The Parties hereby agree that the following language shall be added at the end of Section 5.5 of the Agreement:

“So long as the Wellington Investors hold, in the aggregate, (x) the number of Registrable Securities held by the Wellington Investors as of June 7, 2018, plus (y) at least fifty percent (50%) of the Registrable Securities acquired by certain of the Wellington Investors pursuant to the 2018 Offer to Purchase (subject to appropriate adjustment in the event of any stock dividend, stock split, combination or other similar recapitalization with respect to the Common Stock), the Company hereby covenants and agrees with each of the Wellington Investors that it shall not, and it shall not allow any subsidiary to, either directly or indirectly by amendment, merger, consolidation or otherwise, do any of the following without the written consent of the holders of at least a majority of the shares of Registrable Securities then held by the Wellington Investors: enter into any agreement with any of the Company’s Affiliates, excluding (i) agreements entered into in the ordinary course of business with such Affiliates approved by the Board of Directors of the Company (other than in respect of agreements with the Company’s Affiliates that are also customers or partners of the Company) and on arms’-length terms and conditions as would reasonably be expected to exist in similar agreements with an unaffiliated third party, (ii) stock option agreements or other equity incentive award agreements with such Affiliates, on arms’-length and customary terms, entered into pursuant to an equity incentive plan of the Company approved by the Board of Directors of the Company, or (iii) employment, compensation or severance agreements, on arms’-length and customary terms, approved by the Board of Directors of the Company.”

- d. The Parties hereby agree to amend the Agreement by amending and restating Section 6.13 in its entirety as follows:

“6.13 Additional Investors. Notwithstanding anything to the contrary contained herein, any purchaser of shares of Common Stock on or after the date hereof pursuant to the Purchase Agreement, the 2016 Primary Purchase Agreement, the 2016 Secondary Purchase Agreement, the 2016 Offer to Purchase, the 2017 Common Stock Purchase Agreement, the 2018 Common Stock Purchase Agreement, the 2018 Secondary Purchase Agreement, or the 2018 Offer to Purchase may, to the extent not already a party to this Agreement as an Investor, 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. Immediately thereafter, Schedule A to this Agreement will be amended to list the new Investors hereunder.”

- e. The Parties hereby agree to amend the Agreement by amending and restating Schedule A to the Agreement in its entirety with the Schedule A attached hereto, which will be effective as of the date on which the transactions contemplated by the Offer to Purchase are consummated.

3. Effect of Amendment. Except as amended and/or modified by this Amendment, the Agreement is hereby ratified and confirmed and all other terms of the Agreement are and shall remain in full force and effect, unaltered and unchanged by this Amendment. In the event of any conflict between the provisions of this Amendment and the provisions of the Agreement, the provisions of this Amendment shall govern and control.

4. Counterparts. This Amendment (i) may be executed in any number of counterparts with the same effect as if all of the parties had signed the same document and (ii) may be executed by facsimile or PDF signatures. All counterparts shall be construed together and shall constitute one agreement.

[Signature Page Follows]

IN WITNESS WHEREOF, the Parties have executed this Fifth Amendment to First Amended and Restated Investors' Rights Agreement as of the date first written above.

**NCINO, INC.**

By: /s/ Pierre Naudé  
Name: Pierre Naudé  
Title: Chief Executive Officer

*Signature Page to Fifth Amendment to Investors' Rights Agreement*



IN WITNESS WHEREOF, the Parties have executed this Fifth Amendment to First Amended and Restated Investors' Rights Agreement as of the date first written above.

**INVESTORS:**

**INSIGHT VENTURE PARTNERS IX, L.P.**

By: Insight Venture Associates IX, L.P.  
Its: General Partner

By: Insight Venture Associates IX, Ltd.  
Its: General Partner

By: /s/ Blair Flicker  
Name: Blair Flicker  
Title: Authorized Officer

**INSIGHT VENTURE PARTNERS IX (CO-INVESTORS), L.P.**

By: Insight Venture Associates IX, L.P.  
Its: General Partner

By: Insight Venture Associates IX, Ltd.  
Its: General Partner

By: /s/ Blair Flicker  
Name: Blair Flicker  
Title: Authorized Officer

**INSIGHT VENTURE PARTNERS (CAYMAN) IX, L.P.**

By: Insight Venture Associates IX, L.P.  
Its: General Partner

By: Insight Venture Associates IX, Ltd.  
Its: General Partner

By: /s/ Blair Flicker  
Name: Blair Flicker  
Title: Authorized Officer

**INSIGHT VENTURE PARTNERS (DELAWARE) IX, L.P.**

By: Insight Venture Associates IX, L.P.  
Its: General Partner

By: Insight Venture Associates IX, Ltd.  
Its: General Partner

By: /s/ Blair Flicker  
Name: Blair Flicker  
Title: Authorized Officer

*Signature Page to Fifth Amendment to Investors' Rights Agreement*

IN WITNESS WHEREOF, the Parties have executed this Fifth Amendment to First Amended and Restated Investors' Rights Agreement as of the date first written above.

**INVESTORS:**

**INSIGHT VENTURE PARTNERS GROWTH-BUYOUT  
COINVESTMENT FUND, L.P.**

By: Insight Venture Associates Growth-Buyout Coinvestment, L.P.  
Its: General Partner

By: Insight Venture Associates Growth-Buyout Coinvestment, Ltd.  
Its: General Partner

By: /s/ Blair Flicker  
Name: Blair Flicker  
Title: Authorized Officer

**INSIGHT VENTURE PARTNERS GROWTH-BUYOUT  
COINVESTMENT FUND (B), L.P.**

By: Insight Venture Associates Growth-Buyout Coinvestment, L.P.  
Its: General Partner

By: Insight Venture Associates Growth-Buyout Coinvestment, Ltd.  
Its: General Partner

By: /s/ Blair Flicker  
Name: Blair Flicker  
Title: Authorized Officer

**INSIGHT VENTURE PARTNERS GROWTH-BUYOUT  
COINVESTMENT FUND (CAYMAN), L.P.**

By: Insight Venture Associates Growth-Buyout Coinvestment, L.P.  
Its: General Partner

By: Insight Venture Associates Growth-Buyout Coinvestment, Ltd.  
Its: General Partner

By: /s/ Blair Flicker  
Name: Blair Flicker  
Title: Authorized Officer

**INSIGHT VENTURE PARTNERS GROWTH-BUYOUT  
COINVESTMENT FUND (DELAWARE), L.P.**

By: Insight Venture Associates Growth-Buyout Coinvestment, L.P.  
Its: General Partner

By: Insight Venture Associates Growth-Buyout Coinvestment, Ltd.  
Its: General Partner

By: /s/ Blair Flicker  
Name: Blair Flicker  
Title: Authorized Officer

*Signature Page to Fifth Amendment to Investors' Rights Agreement*

IN WITNESS WHEREOF, the Parties have executed this Fifth Amendment to First Amended and Restated Investors' Rights Agreement as of the date first written above.

**INVESTORS:**

**Ithan Creek Master Investors (Cayman) L.P.**

By: Wellington Management Company LLP,  
as investment adviser

By: /s/ Emily Babalas  
Name: Emily Babalas  
Title: Managing Director and Counsel

**Wolf Creek Investors (Bermuda) L.P.**

By: Wellington Management Company LLP,  
as investment adviser

By: /s/ Emily Babalas  
Name: Emily Babalas  
Title: Managing Director and Counsel

**Wolf Creek Partners, L.P.**

By: Wellington Management Company LLP,  
as investment adviser

By: /s/ Emily Babalas  
Name: Emily Babalas  
Title: Managing Director and Counsel

**Bay Pond Investors (Bermuda) L.P.**

By: Wellington Management Company LLP,  
as investment adviser

By: /s/ Emily Babalas  
Name: Emily Babalas  
Title: Managing Director and Counsel

**Bay Pond Partners, L.P.**

By: Wellington Management Company LLP,  
as investment adviser

By: /s/ Emily Babalas  
Name: Emily Babalas  
Title: Managing Director and Counsel

*Signature Page to Fifth Amendment to Investors' Rights Agreement*

IN WITNESS WHEREOF, the Parties have executed this Fifth Amendment to First Amended and Restated Investors' Rights Agreement as of the date first written above.

**INVESTOR:**

**SALESFORCE VENTURES LLC**

By: /s/ John Somorjai  
Name: John Somorjai  
Title: President

Address:  
Salesforce Ventures LLC  
The Landmark @ One Market Street, Suite 300  
San Francisco, CA 94105  
Attn: John Somorjai, President

*Signature Page to Fifth Amendment to Investors' Rights Agreement*

**SCHEDULE A**  
**Investors**

**Legal Entity Name and Address**

Bessemer Venture Partners IX L.P.  
c/o Bessemer Venture Partners  
1865 Palmer Avenue  
Suite 104  
Larchmont, NY 10538  
Tel. 914-833-5300  
Transactions@bvp.com

Bessemer Venture Partners IX Institutional L.P.  
c/o Bessemer Venture Partners  
1865 Palmer Avenue  
Suite 104  
Larchmont, NY 10538  
Tel. 914-833-5300  
Transactions@bvp.com

Hadley Harbor Master Investors (Cayman) II L.P.  
c/o Wellington Management Company LLP  
280 Congress Street  
Boston, Massachusetts 02210  
Attn: Legal & Compliance Department  
Facsimile Number: 617-289-5699  
Email: seclaw@wellington.com

Ithan Creek Master Investors (Cayman) L.P.  
c/o Wellington Management Company LLP  
280 Congress Street  
Boston, Massachusetts 02210  
Attn: Legal & Compliance Department  
Facsimile Number: 617-289-5699  
Email: seclaw@wellington.com

Wolf Creek Investors (Bermuda) L.P.  
c/o Wellington Management Company LLP  
280 Congress Street  
Boston, Massachusetts 02210  
Attn: Legal & Compliance Department  
Facsimile Number: 617-289-5699  
Email: seclaw@wellington.com

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Wolf Creek Partners, L.P.  
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Insight Venture Partners IX, L.P.  
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Insight Venture Partners (Cayman) IX, L.P.  
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Insight Venture Partners (Delaware) IX, L.P.

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**Insight Venture Partners Growth-Buyout Coinvestment Fund, L.P.**

c/o Insight Venture Partners  
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[bflicker@insightpartners.com](mailto:bflicker@insightpartners.com)

**Insight Venture Partners Growth-Buyout Coinvestment Fund (B), L.P.**

c/o Insight Venture Partners  
1114 Avenue of the Americas  
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Tel. 212-230-9200  
[bflicker@insightpartners.com](mailto:bflicker@insightpartners.com)

**Insight Venture Partners Growth-Buyout Coinvestment Fund (Cayman), L.P.**

c/o Insight Venture Partners  
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[bflicker@insightpartners.com](mailto:bflicker@insightpartners.com)

**Insight Venture Partners Growth-Buyout Coinvestment Fund (Delaware), L.P.**

c/o Insight Venture Partners  
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Salesforce Ventures LLC  
The Landmark @ One Market Street, Suite 300  
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Attn: John Somorjai

Accenture LLP  
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Regions Financial Corporation  
Attn: David R. Turner, Jr.  
Senior Executive Vice President and Chief Financial Officer  
1900 5th Ave North, 30th Floor  
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Tel. 205-264-4174  
[David.Turner@Regions.com](mailto:David.Turner@Regions.com)



**SIXTH AMENDMENT**  
**TO**  
**FIRST AMENDED AND RESTATED**  
**INVESTORS' RIGHTS AGREEMENT**

THIS SIXTH AMENDMENT TO FIRST AMENDED AND RESTATED INVESTORS' RIGHTS AGREEMENT (this "**Amendment**") is made and effective as of the 16th day of September, 2019 (the "**Effective Date**"), by and among nCino, Inc., a Delaware corporation (the "**Company**") and the Investors (as defined in the Agreement, as defined below) party hereto (collectively with the Company, the "**Parties**").

**RECITALS**

WHEREAS, the Company and certain of the Investors had previously entered into that certain First Amended and Restated Investors' Rights Agreement, dated as of February 12, 2015, as amended by that certain First Amendment to First Amended and Restated Investors' Rights Agreement, dated May 25, 2016, that certain Second Amendment to First Amended and Restated Investors' Rights Agreement, dated November 23, 2016, that certain Third Amendment to First Amended and Restated Investors' Rights Agreement, dated July 31, 2017, that certain Fourth Amendment to First Amended and Restated Investors' Rights Agreement, dated January 16, 2018, and that certain Fifth Amendment to First Amended and Restated Investors' Rights Agreement, dated July 12, 2018 (the "**Agreement**").

WHEREAS, the Parties wish to (1) expand the definition of "Registrable Securities", as defined in the Agreement, to include shares of Common Stock (as defined in the Agreement) purchased pursuant to that certain Common Stock Purchase Agreement dated as of the Effective Date, by and among the Company and the Purchasers listed on Exhibit A thereto, and (2) allow for additional Investors.

NOW, THEREFORE, in consideration of the foregoing, and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the Company and the Investors hereby agree as follows:

**AGREEMENT**

1. **Definitions.** All capitalized terms used but not otherwise defined herein shall have the meanings given to such terms in the Agreement.
2. **Amendment.**
  - a. The Parties hereby agree to amend the Agreement by amending and restating Section 1.22 in its entirety as follows:

"1.22 **"Registrable Securities"** means (i) any Common Stock issued to, or purchased by, the Investors pursuant to (A) the Purchase Agreement, (B) that certain Purchase and Sale Agreement dated as of February 12, 2015 by and among the Insight Investors, SunTrust Banks, Inc. (or any affiliates thereof), the Company and Live Oak Bancshares, Inc., (C) that certain Common Stock Purchase Agreement dated as of May 25, 2016, by and among the Company and the Purchasers listed on Exhibit A thereto (the "**2016 Primary Purchase Agreement**"), (D) that certain Purchase and Sale Agreement dated as of May 25, 2016, by and among the Company and the stockholders and Purchaser listed on Exhibit A thereto (the "**2016 Secondary Purchase Agreement**"), (E) that certain Common Stock Purchase Agreement dated as of January 28, 2014 by and between the Company and

the Investors listed on Exhibit A thereto, (F) that certain Offer to Purchase and Letter of Transmittal distributed to certain stockholders of the Company by the Insight Investors on or about November 23, 2016 (the “**2016 Offer to Purchase**”), (G) that certain Common Stock Purchase Agreement, dated as of July 31, 2017, by and among the Company and the Investors listed on Exhibit A thereto (the “**2017 Common Stock Purchase Agreement**”), (H) that certain Common Stock Purchase Agreement, dated as of January 16, 2018, by and among the Company and the Investors listed on Exhibit A thereto (the “**2018 Common Stock Purchase Agreement**”), (I) that certain Purchase and Sale Agreement dated as of the January 16, 2018, by and among Salesforce Ventures LLC and the selling stockholder set forth therein (the “**2018 Secondary Purchase Agreement**”); (J) that certain Offer to Purchase and Letter of Transmittal distributed to certain stockholders of the Company by certain investment advisory clients of Wellington Management Company LLP, certain investment funds affiliated with Bessemer Venture Partners IX, L.P., and certain Insight Investors on or about June 7, 2018 (the “**2018 Offer to Purchase**”); or (K) that certain Common Stock Purchase Agreement, dated as of September 16, 2019, by and among the Company and the Investors listed on Exhibit A thereto (the “**2019 Common Stock Purchase Agreement**”) 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, the shares referenced in clause (i) 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 Subsection 6.1, and excluding for purposes of Section 2 any shares for which registration rights have terminated pursuant to Subsection 2.13 of this Agreement.”

- b. The Parties hereby agree to amend the Agreement by amending and restating Section 6.13 in its entirety as follows:

“6.13 Additional Investors. Notwithstanding anything to the contrary contained herein, any purchaser of shares of Common Stock on or after the date hereof pursuant to the Purchase Agreement, the 2016 Primary Purchase Agreement, the 2016 Secondary Purchase Agreement, the 2016 Offer to Purchase, the 2017 Common Stock Purchase Agreement, the 2018 Common Stock Purchase Agreement, the 2018 Secondary Purchase Agreement, the 2018 Offer to Purchase, or the 2019 Common Stock Purchase Agreement 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. Immediately thereafter, Schedule A to this Agreement will be amended to list the new Investors hereunder.”

- c. The Parties hereby agree to amend the Agreement by amending and restating Schedule A to the Agreement in its entirety with the Schedule A attached hereto.

3. Effect of Amendment. Except as amended and/or modified by this Amendment, the Agreement is hereby ratified and confirmed and all other terms of the Agreement are and shall remain in full force and effect, unaltered and unchanged by this Amendment. In the event of any conflict between the provisions of this Amendment and the provisions of the Agreement, the provisions of this Amendment shall govern and control.

4. Counterparts. This Amendment (i) may be executed in any number of counterparts with the same effect as if all of the parties had signed the same document and (ii) may be executed by facsimile or PDF signatures. All counterparts shall be construed together and shall constitute one agreement.

[Signature Page Follows]

IN WITNESS WHEREOF, the Parties have executed this Sixth Amendment to First Amended and Restated Investors' Rights Agreement as of the date first written above.

**NCINO, INC.**

By: /s/ Pierre Naudé

Name: Pierre Naudé

Title: Chief Executive Officer

IN WITNESS WHEREOF, the Parties have executed this Sixth Amendment to First Amended and Restated Investors' Rights Agreement as of the date first written above.

**INVESTORS:**

**INSIGHT VENTURE PARTNERS IX, L.P.**

By: Insight Venture Associates IX, L.P.  
Its: General Partner

By: Insight Venture Associates IX, Ltd.  
Its: General Partner

By: /s/ Blair Flicker  
Name: Blair Flicker  
Title: Authorized Officer

**INSIGHT VENTURE PARTNERS IX (CO-INVESTORS), L.P.**

By: Insight Venture Associates IX, L.P.  
Its: General Partner

By: Insight Venture Associates IX, Ltd.  
Its: General Partner

By: /s/ Blair Flicker  
Name: Blair Flicker  
Title: Authorized Officer

**INSIGHT VENTURE PARTNERS (CAYMAN) IX, L.P.**

By: Insight Venture Associates IX, L.P.  
Its: General Partner

By: Insight Venture Associates IX, Ltd.  
Its: General Partner

By: /s/ Blair Flicker  
Name: Blair Flicker  
Title: Authorized Officer

**INSIGHT VENTURE PARTNERS (DELAWARE) IX, L.P.**

By: Insight Venture Associates IX, L.P.  
Its: General Partner

By: Insight Venture Associates IX, Ltd.  
Its: General Partner

By: /s/ Blair Flicker  
Name: Blair Flicker  
Title: Authorized Officer

IN WITNESS WHEREOF, the Parties have executed this Sixth Amendment to First Amended and Restated Investors' Rights Agreement as of the date first written above.

**INVESTORS:**

**INSIGHT VENTURE PARTNERS GROWTH-BUYOUT  
COINVESTMENT FUND, L.P.**

By: Insight Venture Associates Growth-Buyout Coinvestment, L.P.  
Its: General Partner

By: Insight Venture Associates Growth-Buyout Coinvestment, Ltd.  
Its: General Partner

By: /s/ Blair Flicker  
Name: Blair Flicker  
Title: Authorized Officer

**INSIGHT VENTURE PARTNERS GROWTH-BUYOUT  
COINVESTMENT FUND (B), L.P.**

By: Insight Venture Associates Growth-Buyout Coinvestment, L.P.  
Its: General Partner

By: Insight Venture Associates Growth-Buyout Coinvestment, Ltd.  
Its: General Partner

By: /s/ Blair Flicker  
Name: Blair Flicker  
Title: Authorized Officer

**INSIGHT VENTURE PARTNERS GROWTH-BUYOUT  
COINVESTMENT FUND (CAYMAN), L.P.**

By: Insight Venture Associates Growth-Buyout Coinvestment, L.P.  
Its: General Partner

By: Insight Venture Associates Growth-Buyout Coinvestment, Ltd.  
Its: General Partner

By: /s/ Blair Flicker  
Name: Blair Flicker  
Title: Authorized Officer

**INSIGHT VENTURE PARTNERS GROWTH-BUYOUT  
COINVESTMENT FUND (DELAWARE), L.P.**

By: Insight Venture Associates Growth-Buyout Coinvestment, L.P.  
Its: General Partner

By: Insight Venture Associates Growth-Buyout Coinvestment, Ltd.  
Its: General Partner

By: /s/ Blair Flicker  
Name: Blair Flicker  
Title: Authorized Officer

IN WITNESS WHEREOF, the Parties have executed this Sixth Amendment to First Amended and Restated Investors' Rights Agreement as of the date first written above.

**INVESTORS:**

**Ithan Creek Master Investors (Cayman) L.P.**

By: Wellington Management Company LLP,  
as investment adviser

By: /s/ Emily D. Babalas  
Name: Emily D. Babalas  
Title: Managing Director & Counsel

**Wolf Creek Investors (Bermuda) L.P.**

By: Wellington Management Company LLP,  
as investment adviser

By: /s/ Emily D. Babalas  
Name: Emily D. Babalas  
Title: Managing Director & Counsel

**Wolf Creek Partners, L.P.**

By: Wellington Management Company LLP,  
as investment adviser

By: /s/ Emily D. Babalas  
Name: Emily D. Babalas  
Title: Managing Director & Counsel

**Bay Pond Investors (Bermuda) L.P.**

By: Wellington Management Company LLP,  
as investment adviser

By: /s/ Emily D. Babalas  
Name: Emily D. Babalas  
Title: Managing Director & Counsel

**Bay Pond Partners, L.P.**

By: Wellington Management Company LLP,  
as investment adviser

By: /s/ Emily D. Babalas  
Name: Emily D. Babalas  
Title: Managing Director & Counsel

---

**Hadley Harbor Master Investors (Cayman) II L.P.**

By: Wellington Management Company LLP,  
as investment adviser

By: /s/ Emily D. Babalas  
Name: Emily D. Babalas  
Title: Managing Director & Counsel



**SCHEDULE A**  
**Investors**

**Legal Entity Name and Address**

Bessemer Venture Partners IX L.P.  
c/o Bessemer Venture Partners  
1865 Palmer Avenue  
Suite 104  
Larchmont, NY 10538  
Tel. 914-833-5300  
[Transactions@bvp.com](mailto:Transactions@bvp.com)

Bessemer Venture Partners IX Institutional L.P.  
c/o Bessemer Venture Partners  
1865 Palmer Avenue  
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Larchmont, NY 10538  
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Hadley Harbor Master Investors (Cayman) II L.P.  
c/o Wellington Management Company LLP  
280 Congress Street  
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Attn: Legal & Compliance Department  
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Ithan Creek Master Investors (Cayman) L.P.  
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Email: [seclaw@wellington.com](mailto:seclaw@wellington.com)

Wolf Creek Investors (Bermuda) L.P.  
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Boston, Massachusetts 02210  
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Facsimile Number: 617-289-5699  
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Bay Pond Partners, L.P.  
c/o Wellington Management Company LLP  
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Boston, Massachusetts 02210  
Attn: Legal & Compliance Department  
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c/o Insight Venture Partners  
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Attn: John Somorjai

Accenture LLP  
161 North Clark St.  
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Regions Financial Corporation  
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1900 5th Ave North, 30th Floor  
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T. Rowe Price New Horizons Fund, Inc.  
c/o T. Rowe Price Associates, Inc.  
100 East Pratt Street  
Baltimore, MD 21202  
Attn.: Andrew Baek, Vice President  
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T. Rowe Price New Horizons Trust  
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T. Rowe Price U.S. Equities Trust  
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MassMutual Select Funds - MassMutual Select T. Rowe Price Small and Mid Cap Blend Fund  
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T. Rowe Price Small-Cap Stock Fund, Inc.  
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T. Rowe Price Institutional Small-Cap Stock Fund  
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T. Rowe Price Personal Strategy Income Fund  
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T. Rowe Price Personal Strategy Balanced Fund  
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T. Rowe Price Personal Strategy Growth Fund  
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T. Rowe Price Moderate Allocation Portfolio

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U.S. Small-Cap Stock Trust

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VALIC Company I - Small Cap Fund

c/o T. Rowe Price Associates, Inc.  
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TD Mutual Funds - TD U.S. Small-Cap Equity Fund

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T. Rowe Price U.S. Small-Cap Core Equity Trust

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Costco 401(k) Retirement Plan  
c/o T. Rowe Price Associates, Inc.  
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MassMutual Select Funds - MassMutual Select T. Rowe Price Small and Mid Cap Blend Fund  
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T. Rowe Price Small-Cap Value Fund, Inc.  
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MassMutual Select Funds - MassMutual Select T. Rowe Price Small and Mid Cap Blend Fund  
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T. Rowe Price Global Technology Fund, Inc.  
c/o T. Rowe Price Associates, Inc.  
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Attn.: Andrew Baek, Vice President  
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TD Mutual Funds - TD Science & Technology Fund  
c/o T. Rowe Price Associates, Inc.  
100 East Pratt Street  
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Attn.: Andrew Baek, Vice President  
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UniSuper  
c/o T. Rowe Price Associates, Inc.  
100 East Pratt Street  
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Attn.: Andrew Baek, Vice President  
Phone: 410-345-2090  
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T. Rowe Price Communications & Technology Fund, Inc.  
c/o T. Rowe Price Associates, Inc.  
100 East Pratt Street  
Baltimore, MD 21202  
Attn.: Andrew Baek, Vice President  
Phone: 410-345-2090  
Email: Andrew\_Baek@troweprice.com

TD Mutual Funds - TD Global Entertainment & Communications Fund  
c/o T. Rowe Price Associates, Inc.  
100 East Pratt Street  
Baltimore, MD 21202  
Attn.: Andrew Baek, Vice President  
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T. Rowe Price Financial Services Fund, Inc.  
c/o T. Rowe Price Associates, Inc.  
100 East Pratt Street  
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Attn.: Andrew Baek, Vice President  
Phone: 410-345-2090  
Email: Andrew\_Baek@troweprice.com

The Bunting Family III, LLC  
c/o T. Rowe Price Associates, Inc.  
100 East Pratt Street  
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Attn.: Andrew Baek, Vice President  
Phone: 410-345-2090  
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The Bunting Family VI Socially Responsible LLC  
c/o T. Rowe Price Associates, Inc.  
100 East Pratt Street  
Baltimore, MD 21202  
Attn.: Andrew Baek, Vice President  
Phone: 410-345-2090  
Email: Andrew\_Baek@troweprice.com

---

Jeffrey LLC  
c/o T. Rowe Price Associates, Inc.  
100 East Pratt Street  
Baltimore, MD 21202  
Attn.: Andrew Baek, Vice President  
Phone: 410-345-2090  
Email: Andrew\_Baek@troweprice.com

**SEVENTH AMENDMENT**  
**TO**  
**FIRST AMENDED AND RESTATED**  
**INVESTORS' RIGHTS AGREEMENT**

THIS SEVENTH AMENDMENT TO FIRST AMENDED AND RESTATED INVESTORS' RIGHTS AGREEMENT (this "**Amendment**") is made and effective as of the 30th day of September, 2019 (the "**Effective Date**"), by and among nCino, Inc., a Delaware corporation (the "**Company**") and the Investors (as defined in the Agreement, as defined below) party hereto (collectively with the Company, the "**Parties**").

**RECITALS**

WHEREAS, the Company and certain of the Investors had previously entered into that certain First Amended and Restated Investors' Rights Agreement, dated as of February 12, 2015, as amended by that certain First Amendment to First Amended and Restated Investors' Rights Agreement, dated May 25, 2016, that certain Second Amendment to First Amended and Restated Investors' Rights Agreement, dated November 23, 2016, that certain Third Amendment to First Amended and Restated Investors' Rights Agreement, dated July 31, 2017, that certain Fourth Amendment to First Amended and Restated Investors' Rights Agreement, dated January 16, 2018, that certain Fifth Amendment to First Amended and Restated Investors' Rights Agreement, dated July 12, 2018, and that certain Sixth Amendment to First Amended and Restated Investors' Rights Agreement, dated September 16, 2019 (the "**Agreement**").

WHEREAS, the Parties wish to (1) expand the definition of "Registrable Securities", as defined in the Agreement, to include shares of Common Stock (as defined in the Agreement) purchased pursuant to that certain Non-Voting Common Stock Purchase Agreement dated as of the Effective Date, by and between the Company and Salesforce Ventures LLC, and (2) allow for additional Investors.

NOW, THEREFORE, in consideration of the foregoing, and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the Company and the Investors hereby agree as follows:

**AGREEMENT**

1. **Definitions.** All capitalized terms used but not otherwise defined herein shall have the meanings given to such terms in the Agreement.

2. **Amendment.**

a. The Parties hereby agree to amend the Agreement by amending and restating Section 1.22 in its entirety as follows:

"1.22 "**Registrable Securities**" means (i) any Common Stock issued to, or purchased by, the Investors pursuant to (A) the Purchase Agreement, (B) that certain Purchase and Sale Agreement dated as of February 12, 2015 by and among the Insight Investors, SunTrust Banks, Inc. (or any affiliates thereof), the Company and Live Oak Bancshares, Inc., (C) that certain Common Stock Purchase Agreement dated as of May 25, 2016, by and among the Company and the Purchasers listed on Exhibit A thereto (the "**2016 Primary Purchase Agreement**"), (D) that certain Purchase and Sale Agreement dated as of May 25, 2016, by and among the Company and the stockholders and Purchaser listed on Exhibit A thereto (the "**2016 Secondary Purchase Agreement**"), (E) that certain Common Stock

Purchase Agreement dated as of January 28, 2014 by and between the Company and the Investors listed on Exhibit A thereto, (F) that certain Offer to Purchase and Letter of Transmittal distributed to certain stockholders of the Company by the Insight Investors on or about November 23, 2016 (the “2016 Offer to Purchase”), (G) that certain Common Stock Purchase Agreement, dated as of July 31, 2017, by and among the Company and the Investors listed on Exhibit A thereto (the “2017 Common Stock Purchase Agreement”), (H) that certain Common Stock Purchase Agreement, dated as of January 16, 2018, by and among the Company and the Investors listed on Exhibit A thereto (the “2018 Common Stock Purchase Agreement”), (I) that certain Purchase and Sale Agreement dated as of January 16, 2018, by and among Salesforce Ventures LLC and the selling stockholder set forth therein (the “2018 Secondary Purchase Agreement”); (J) that certain Offer to Purchase and Letter of Transmittal distributed to certain stockholders of the Company by certain investment advisory clients of Wellington Management Company LLP, certain investment funds affiliated with Bessemer Venture Partners IX, L.P., and certain Insight Investors on or about June 7, 2018 (the “2018 Offer to Purchase”); (K) that certain Common Stock Purchase Agreement, dated as of September 16, 2019, by and among the Company and the Investors listed on Exhibit A thereto (the “2019 Common Stock Purchase Agreement”), and (L) that certain Non-Voting Common Stock Purchase Agreement dated as of September 30, 2019, by and between the Company and Salesforce Ventures LLC (the “2019 Non-Voting Common Stock Purchase Agreement”) 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, the shares referenced in clause (i) 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 Subsection 6.1, and excluding for purposes of Section 2 any shares for which registration rights have terminated pursuant to Subsection 2.13 of this Agreement.”

- b. The Parties hereby agree to amend the Agreement by amending and restating Section 6.13 in its entirety as follows:

“6.13 Additional Investors. Notwithstanding anything to the contrary contained herein, any purchaser of shares of Common Stock on or after the date hereof pursuant to the Purchase Agreement, the 2016 Primary Purchase Agreement, the 2016 Secondary Purchase Agreement, the 2016 Offer to Purchase, the 2017 Common Stock Purchase Agreement, the 2018 Common Stock Purchase Agreement, the 2018 Secondary Purchase Agreement, the 2018 Offer to Purchase, the 2019 Common Stock Purchase Agreement or the 2019 Non-Voting Common Stock Purchase Agreement 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. Immediately thereafter, Schedule A to this Agreement will be amended to list the new Investors hereunder.”

- c. The Parties hereby agree to amend the Agreement by amending and restating Schedule A to the Agreement in its entirety with the Schedule A attached hereto.

3. Effect of Amendment. Except as amended and/or modified by this Amendment, the Agreement is hereby ratified and confirmed and all other terms of the Agreement are and shall remain in full force and effect, unaltered and unchanged by this Amendment. In the event of any conflict between the provisions of this Amendment and the provisions of the Agreement, the provisions of this Amendment shall govern and control.

4. Counterparts. This Amendment (i) may be executed in any number of counterparts with the same effect as if all of the parties had signed the same document and (ii) may be executed by facsimile or PDF signatures. All counterparts shall be construed together and shall constitute one agreement.

[Signature Page Follows]

IN WITNESS WHEREOF, the Parties have executed this Seventh Amendment to First Amended and Restated Investors' Rights Agreement as of the date first written above.

**NCINO, INC.**

By: /s/ Pierre Naudé

Name: Pierre Naudé

Title: Chief Executive Officer

IN WITNESS WHEREOF, the Parties have executed this Seventh Amendment to First Amended and Restated Investors' Rights Agreement as of the date first written above.

**INVESTORS:**

**INSIGHT VENTURE PARTNERS IX, L.P.**

By: Insight Venture Associates IX, L.P.  
Its: General Partner

By: Insight Venture Associates IX, Ltd.  
Its: General Partner

By: /s/ Blair Flicker  
Name: Blair Flicker  
Title: Authorized Officer

**INSIGHT VENTURE PARTNERS IX (CO-INVESTORS), L.P.**

By: Insight Venture Associates IX, L.P.  
Its: General Partner

By: Insight Venture Associates IX, Ltd.  
Its: General Partner

By: /s/ Blair Flicker  
Name: Blair Flicker  
Title: Authorized Officer

**INSIGHT VENTURE PARTNERS (CAYMAN) IX, L.P.**

By: Insight Venture Associates IX, L.P.  
Its: General Partner

By: Insight Venture Associates IX, Ltd.  
Its: General Partner

By: /s/ Blair Flicker  
Name: Blair Flicker  
Title: Authorized Officer

**INSIGHT VENTURE PARTNERS (DELAWARE) IX, L.P.**

By: Insight Venture Associates IX, L.P.  
Its: General Partner

By: Insight Venture Associates IX, Ltd.  
Its: General Partner

By: /s/ Blair Flicker  
Name: Blair Flicker  
Title: Authorized Officer



IN WITNESS WHEREOF, the Parties have executed this Seventh Amendment to First Amended and Restated Investors' Rights Agreement as of the date first written above.

**INVESTORS:**

**INSIGHT VENTURE PARTNERS GROWTH-BUYOUT  
COINVESTMENT FUND, L.P.**

By: Insight Venture Associates Growth-Buyout Coinvestment, L.P.  
Its: General Partner

By: Insight Venture Associates Growth-Buyout Coinvestment, Ltd.  
Its: General Partner

By: /s/ Blair Flicker  
Name: Blair Flicker  
Title: Authorized Officer

**INSIGHT VENTURE PARTNERS GROWTH-BUYOUT  
COINVESTMENT FUND COINVESTMENT FUND (CAYMAN),  
L.P.**

By: Insight Venture Associates Growth-Buyout Coinvestment, L.P.  
Its: General Partner

By: Insight Venture Associates Growth-Buyout Coinvestment, Ltd.  
Its: General Partner

By: /s/ Blair Flicker  
Name: Blair Flicker  
Title: Authorized Officer

**INSIGHT VENTURE PARTNERS GROWTH-BUYOUT  
COINVESTMENT FUND (B), L.P.**

By: Insight Venture Associates Growth-Buyout Coinvestment, L.P.  
Its: General Partner

By: Insight Venture Associates Growth-Buyout Coinvestment, Ltd.  
Its: General Partner

By: /s/ Blair Flicker  
Name: Blair Flicker  
Title: Authorized Officer

**INSIGHT VENTURE PARTNERS GROWTH-BUYOUT  
COINVESTMENT FUND (DELAWARE), L.P.**

By: Insight Venture Associates Growth-Buyout Coinvestment, L.P.  
Its: General Partner

By: Insight Venture Associates Growth-Buyout Coinvestment, Ltd.  
Its: General Partner

By: /s/ Blair Flicker  
Name: Blair Flicker  
Title: Authorized Officer

IN WITNESS WHEREOF, the Parties have executed this Seventh Amendment to First Amended and Restated Investors' Rights Agreement as of the date first written above.

**INVESTORS:**

**Ithan Creek Master Investors (Cayman) L.P.**

By: Wellington Management Company LLP,  
as investment adviser

By: /s/ Emily D. Babalas  
Name: Emily D. Babalas  
Title: Managing Director & Counsel

**Wolf Creek Investors (Bermuda) L.P.**

By: Wellington Management Company LLP,  
as investment adviser

By: /s/ Emily D. Babalas  
Name: Emily D. Babalas  
Title: Managing Director & Counsel

**Wolf Creek Partners, L.P.**

By: Wellington Management Company LLP,  
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By: /s/ Emily D. Babalas  
Name: Emily D. Babalas  
Title: Managing Director & Counsel

**Bay Pond Investors (Bermuda) L.P.**

By: Wellington Management Company LLP,  
as investment adviser

By: /s/ Emily D. Babalas  
Name: Emily D. Babalas  
Title: Managing Director & Counsel

**Bay Pond Partners, L.P.**

By: Wellington Management Company LLP,  
as investment adviser

By: /s/ Emily D. Babalas  
Name: Emily D. Babalas  
Title: Managing Director & Counsel

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**Hadley Harbor Master Investors (Cayman) II L.P.**

By: Wellington Management Company LLP,  
as investment adviser

By: /s/ Emily D. Babalas  
Name: Emily D. Babalas  
Title: Managing Director & Counsel

IN WITNESS WHEREOF, the Parties have executed this Seventh Amendment to First Amended and Restated Investors' Rights Agreement as of the date first written above.

**INVESTOR:**

**SALESFORCE VENTURES LLC**

By: /s/ John Somorjai

Name: John Somorjai

Title: President

Address:

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Salesforce Tower, 415 Mission St, 3rd fl

San Francisco, CA 94105

Attn: John Somorjai, President

**SCHEDULE A**  
**Investors**

**Legal Entity Name and Address**

Bessemer Venture Partners IX L.P.  
c/o Bessemer Venture Partners  
1865 Palmer Avenue  
Suite 104  
Larchmont, NY 10538  
Tel. 914-833-5300  
Transactions@bvp.com

Bessemer Venture Partners IX Institutional L.P.  
c/o Bessemer Venture Partners  
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Hadley Harbor Master Investors (Cayman) II L.P.  
c/o Wellington Management Company LLP  
280 Congress Street  
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Attn: Legal & Compliance Department  
Facsimile Number: 617-289-5699  
Email: seclaw@wellington.com

Ithan Creek Master Investors (Cayman) L.P.  
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Wolf Creek Partners, L.P.  
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Insight Venture Partners IX (Co-Investors), L.P.  
c/o Insight Venture Partners

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SunTrust Banks, Inc.  
303 Peachtree Street  
29th Floor  
Atlanta, GA 30308  
Attn: Richard Blumberg  
Tel. 404-724-3353  
Fax. 404-214-8632  
Richard.blumberg@suntrust.com

Salesforce Ventures LLC  
Salesforce Tower, 415 Mission St, 3rd fl  
San Francisco, CA 94105  
Attn: John Somorjai, President

Accenture LLP  
161 North Clark St.  
Chicago, IL 60601  
Attn: General Counsel  
ncinomi@accenture.com

Regions Financial Corporation  
Attn: David R. Turner, Jr.  
Senior Executive Vice President and Chief Financial Officer  
1900 5th Ave North, 30th Floor  
Birmingham, AL 35203c  
Tel. 205-264-4174  
David.Turner@Regions.com

T. Rowe Price New Horizons Fund, Inc.  
c/o T. Rowe Price Associates, Inc.  
100 East Pratt Street  
Baltimore, MD 21202  
Attn.: Andrew Baek, Vice President  
Phone: 410-345-2090  
Email: Andrew\_Baek@troweprice.com



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MassMutual Select Funds - MassMutual Select T. Rowe Price Small and Mid Cap Blend Fund  
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T. Rowe Price Small-Cap Stock Fund, Inc.  
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T. Rowe Price Personal Strategy Income Fund  
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T. Rowe Price Personal Strategy Balanced Fund  
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T. Rowe Price Personal Strategy Growth Fund  
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T. Rowe Price Moderate Allocation Portfolio  
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VALIC Company I - Small Cap Fund  
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TD Mutual Funds - TD U.S. Small-Cap Equity Fund  
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Costco 401(k) Retirement Plan  
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MassMutual Select Funds - MassMutual Select T. Rowe Price Small and Mid Cap Blend Fund  
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T. Rowe Price Small-Cap Value Fund, Inc.  
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T. Rowe Price U.S. Small-Cap Value Equity Trust  
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TD Mutual Funds - TD Science & Technology Fund  
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T. Rowe Price Communications & Technology Fund, Inc.  
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TD Mutual Funds - TD Global Entertainment & Communications Fund  
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T. Rowe Price Financial Services Fund, Inc.  
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The Bunting Family III, LLC  
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The Bunting Family VI Socially Responsible LLC  
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Jeffrey LLC  
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AMERICA • ASIA PACIFIC • EUROPE

July 6, 2020

nCino, Inc.  
6770 Parker Farm Drive  
Wilmington, North Carolina 28405

Re: 8,768,750 Shares of Common Stock, \$0.0005 par value per share

Ladies and Gentlemen:

We refer to the Registration Statement on Form S-1, File No. 333-239335, filed by nCino, Inc., a Delaware corporation (the "Company"), with the Securities and Exchange Commission (the "SEC") under the Securities Act of 1933, as amended (the "Securities Act"), as amended by Amendment No. 1 being filed with the SEC on the date hereof (as so amended, the "Registration Statement"). The Registration Statement relates to the registration under the Securities Act of 8,768,750 shares (including an aggregate of 1,143,750 shares that may be sold by the Company pursuant to the exercise of the underwriters' option to purchase shares to cover overallocments under the Underwriting Agreement (as defined below) of Common Stock, \$0.0005 par value per share (the "New Shares"), of the Company. The New Shares are to be sold by the Company pursuant to an underwriting agreement among the Company and the Underwriters named therein, the form of which has been filed as Exhibit 1.1 to the Registration Statement (the "Underwriting Agreement").

This opinion letter is being delivered in accordance with the requirements of Item 601(b)(5) of Regulation S-K under the Securities Act.

We have examined: (i) the Registration Statement; (ii) the form of the Amended and Restated Certificate of Incorporation (the "Certificate of Incorporation") of the Company to be filed with the Secretary of State of the State of Delaware prior to the closing of the sale of the New Shares contemplated by the Registration Statement, filed as Exhibit 3.1 to the Registration Statement; (iii) the form of the Amended and Restated Bylaws of the Company to be effective prior to the closing of the sale of the New Shares contemplated by the Registration Statement, filed as Exhibit 3.2 to the Registration Statement; (iv) the form of the Underwriting Agreement; and (v) the resolutions adopted by the board of directors of the Company relating to the Registration Statement and the issuance of the New Shares by the Company. We have also examined originals, or copies of originals certified to our satisfaction, of such agreements, documents, certificates and statements of the Company and other corporate documents and instruments, and have examined such questions of law, as we have considered relevant and necessary as a basis for this opinion letter. We have assumed the authenticity of all documents

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submitted to us as originals, the genuineness of all signatures, the legal capacity of all persons and the conformity with the original documents of any copies thereof submitted to us for examination. As to facts relevant to the opinions expressed herein, we have relied without independent investigation or verification upon, and assumed the accuracy and completeness of certificates, letters and oral and written statements and representations of public officials and officers and other representatives of the Company. We have also assumed that the Certificate of Incorporation will be approved by all requisite action of the stockholders of the Company and will be duly filed with the Secretary of State of the State of Delaware prior to the sale of the New Shares.

Based on the foregoing, we are of the opinion that the New Shares will be validly issued, fully paid and non-assessable when: (i) the Registration Statement, as finally amended, shall have been declared effective under the Securities Act; (ii) the Company's board of directors or a duly authorized committee thereof shall have duly adopted final resolutions authorizing the issuance and sale of the New Shares as contemplated by the Registration Statement; and (iii) certificates representing the New Shares shall have been duly executed, countersigned and registered and duly delivered to the purchasers thereof against payment of the agreed consideration therefor in an amount not less than the par value thereof or, if any New Shares are to be issued in uncertificated form, the Company's books shall reflect the issuance of such New Shares to the purchasers thereof against payment of the agreed consideration therefor in an amount not less than the par value thereof, all in accordance with the Underwriting Agreement as executed and delivered by the parties thereto.

This opinion letter is limited to the General Corporation Law of the State of Delaware. We express no opinion as to the laws, rules or regulations of any other jurisdiction, including, without limitation, the federal laws of the United States of America or any state securities or blue sky laws.

We hereby consent to the filing of this opinion letter as an Exhibit to the Registration Statement and to all references to our Firm included in or made a part of the Registration Statement. In giving such consent, we do not thereby admit that we are in the category of persons whose consent is required under Section 7 of the Securities Act.

Very truly yours,

/s/ Sidley Austin LLP



NCINO, INC.

2019 EQUITY INCENTIVE PLAN

(as amended and restated on \_\_\_\_\_, 2020)

**nCino, Inc.**  
**2019 Equity Incentive Plan**  
**(as amended and restated on \_\_\_\_\_, 2020)**

**1. Establishment, Purpose and Term Of Plan.**

1.1 **Establishment.** The nCino, Inc. 2019 Equity Incentive Plan (the “**Plan**”) was adopted effective as of July 8, 2019 (the “**Effective Date**”), and amended and restated as of \_\_\_\_\_, 2020 (the “**Amended and Restated Effective Date**”).

1.2 **Purpose.** The purpose of the Plan is to advance the interests of the Participating Company Group and its stockholders by providing an incentive to attract, retain and reward persons performing services for the Participating Company Group and by motivating such persons to contribute to the growth and profitability of the Participating Company Group. The Plan seeks to achieve this purpose by providing for Awards in the form of Options, Stock Appreciation Rights, Restricted Stock Awards, Restricted Stock Units, Performance Shares, Performance Units, Cash-Based Awards and Other Stock - Based Awards.

1.3 **Term of Plan.** The Plan shall continue in effect until its termination by the Committee; provided, however, that all Awards shall be granted, if at all, within ten (10) years from the Amended and Restated Effective Date.

**2. Definitions and Construction.**

2.1 **Definitions.** Whenever used herein, the following terms shall have their respective meanings set forth below:

(a) “**Affiliate**” means (i) a parent entity, other than a Parent Corporation, that directly, or indirectly through one or more intermediary entities, controls the Company or (ii) a subsidiary entity, other than a Subsidiary Corporation, that is controlled by the Company directly or indirectly through one or more intermediary entities. For this purpose, the terms “parent,” “subsidiary,” “control” and “controlled by” shall have the meanings assigned such terms for the purposes of registration of securities on Form S-8 under the Securities Act.

(b) “**Award**” means any Option, Stock Appreciation Right, Restricted Stock, Restricted Stock Unit, Performance Share, Performance Unit, Cash-Based Award or Other Stock-Based Award granted under the Plan.

(c) “**Award Agreement**” means a written or electronic agreement between the Company and a Participant setting forth the terms, conditions and restrictions applicable to an Award.

(d) “**Board**” means the Board of Directors of the Company.

(e) “**Cash-Based Award**” means an Award denominated in cash and granted pursuant to Section 11.

(f) **“Cashless Exercise”** means a Cashless Exercise as defined in Section 6.3(b)(i).

(g) **“Cause”** means, unless such term or an equivalent term is otherwise defined by the applicable Award Agreement or other written agreement between a Participant and a Participating Company applicable to an Award, any of the following: (i) the Participant’s theft, dishonesty, willful misconduct, breach of fiduciary duty for personal profit, or falsification of any Participating Company documents or records; (ii) the Participant’s material failure to abide by a Participating Company’s code of conduct or other policies (including, without limitation, policies relating to confidentiality and reasonable workplace conduct); (iii) the Participant’s unauthorized use, misappropriation, destruction or diversion of any tangible or intangible asset or corporate opportunity of a Participating Company (including, without limitation, the Participant’s improper use or disclosure of a Participating Company’s confidential or proprietary information); (iv) any intentional act by the Participant which has a material detrimental effect on a Participating Company’s reputation or business; (v) the Participant’s repeated failure or inability to perform any reasonable assigned duties after written notice from a Participating Company of, and a reasonable opportunity to cure, such failure or inability; (vi) any material breach by the Participant of any employment, service, non-disclosure, non-competition, non-solicitation or other similar agreement between the Participant and a Participating Company, which breach is not cured pursuant to the terms of such agreement; or (vii) the Participant’s conviction (including any plea of guilty or nolo contendere) of any criminal act involving fraud, dishonesty, misappropriation or moral turpitude, or which impairs the Participant’s ability to perform his or her duties with a Participating Company.

(h) **“Change in Control”** means the occurrence of any one or a combination of the following:

(i) any “person” (as such term is used in Sections 13(d) and 14(d) of the Exchange Act) becomes the “beneficial owner” (as such term is defined in Rule 13d-3 under the Exchange Act), directly or indirectly, of securities of the Company representing more than fifty percent (50%) of the total Fair Market Value or total combined voting power of the Company’s then-outstanding securities entitled to vote generally in the election of Directors; provided, however, that a Change in Control shall not be deemed to have occurred if such degree of beneficial ownership results from any of the following: (A) an acquisition by any person who on the Effective Date is the beneficial owner of more than fifty percent (50%) of such voting power, (B) any acquisition directly from the Company, including, without limitation, pursuant to or in connection with a public offering of securities, (C) any acquisition by the Company, (D) any acquisition by a trustee or other fiduciary under an employee benefit plan of a Participating Company or (E) any acquisition by an entity owned directly or indirectly by the stockholders of the Company in substantially the same proportions as their ownership of the voting securities of the Company; or

(ii) an Ownership Change Event or series of related Ownership Change Events (collectively, a **“Transaction”**) in which the stockholders of the Company immediately before the Transaction do not retain immediately after the Transaction direct or indirect beneficial ownership of more than fifty percent (50%) of the total combined voting power of the outstanding securities entitled to vote generally in the election of Directors or, in the case of an Ownership Change Event described in Section 2.1(dd)(iii), the entity to which the assets of the Company were transferred (the **“Transferee”**), as the case may be; or

(iii) during any twenty-four (24) month period, individuals who, as of the beginning of such period, constitute the Board (the “**Incumbent Directors**”) cease for any reason to constitute at least a majority of the Board, provided that any person becoming a director subsequent to the beginning of such period whose election or nomination for election was approved by a vote of at least a majority of the Incumbent Directors then on the Board (either by a specific vote or by approval of the proxy statement of the Company in which such person is named as a nominee for director, without written objection to such nomination) shall be an Incumbent Director; provided, however, that no individual initially elected or nominated as a director of the Company as a result of an actual or threatened election contest with respect to directors or as a result of any other actual or threatened solicitation of proxies by or on behalf of any person other than the Board shall be deemed to be an Incumbent Director; or

(iv) a date specified by the Committee following approval by the stockholders of a plan of complete liquidation or dissolution of the Company;

provided, however, that a Change in Control shall be deemed not to include a transaction described in subsections (i) or (ii) of this Section 2.1(h) in which a majority of the members of the board of directors of the continuing, surviving or successor entity, or parent thereof, immediately after such transaction is comprised of Incumbent Directors.

For purposes of the preceding sentence, indirect beneficial ownership shall include, without limitation, an interest resulting from ownership of the voting securities of one or more corporations or other business entities which own the Company or the Transferee, as the case may be, either directly or through one or more subsidiary corporations or other business entities. The Committee shall determine whether multiple events described in subsections (i), (ii), (iii) and (iv) of this Section 2.1(h) are related and to be treated in the aggregate as a single Change in Control, and its determination shall be final, binding and conclusive.

(i) “**Code**” means the Internal Revenue Code of 1986, as amended, and any applicable regulations and administrative guidelines promulgated thereunder.

(j) “**Committee**” means the Compensation Committee or such other committee or subcommittee of the Board, if any, duly appointed to administer the Plan and having such powers in each instance as shall be specified by the Board. If, at any time, there is no committee of the Board then authorized or properly constituted to administer the Plan, the Board shall exercise all of the powers of the Committee granted herein, and, in any event, the Board may in its discretion exercise any or all of such powers.

(k) “**Company**” means nCino, Inc., a Delaware corporation, and any successor corporation thereto.

(l) “**Consultant**” means a person engaged to provide consulting or advisory services (other than as an Employee or a Director) to a Participating Company, provided that the identity of such person, the nature of such services or the entity to which such services are provided would not preclude the Company from offering or selling securities to such person pursuant to the Plan in reliance on registration on Form S-8 under the Securities Act.

(m) “**Director**” means a member of the Board.

(n) “**Disability**” means, unless such term or an equivalent term is otherwise defined by the applicable Award Agreement or other written agreement between the Participant and a Participating Company applicable to an Award, the permanent and total disability of the Participant, within the meaning of Section 22(e)(3) of the Code.

(o) “**Dividend Equivalent Right**” means the right of a Participant, granted at the discretion of the Committee or as otherwise provided by the Plan, to receive a credit for the account of such Participant in an amount equal to the cash dividends paid on one share of Stock for each share of Stock represented by an Award (other than an Option or Stock Appreciation Right) held by such Participant, with such Dividend Equivalent Rights subject to the same terms and conditions and settled in the same manner and at the same time as the Award.

(p) “**Employee**” means any person treated as an employee (including an Officer or a Director who is also treated as an employee) in the records of a Participating Company and, with respect to any Incentive Stock Option granted to such person, who is an employee for purposes of Section 422 of the Code; provided, however, that neither service as a Director nor payment of a Director’s fee shall be sufficient to constitute employment for purposes of the Plan. The Company shall determine in good faith and in the exercise of its discretion whether an individual has become or has ceased to be an Employee and the effective date of such individual’s employment or termination of employment, as the case may be. For purposes of an individual’s rights, if any, under the terms of the Plan as of the time of the Company’s determination of whether or not the individual is an Employee, all such determinations by the Company shall be final, binding and conclusive as to such rights, if any, notwithstanding that the Company or any court of law or governmental agency subsequently makes a contrary determination as to such individual’s status as an Employee.

(q) “**Exchange Act**” means the Securities Exchange Act of 1934, as amended.

(r) “**Fair Market Value**” means the closing transaction price of a share of Stock as reported on NASDAQ on the date as of which such value is being determined or, if the Stock is not listed on NASDAQ, the closing transaction price of a share of Stock on the principal national stock exchange on which the Stock is traded on the date as of which such value is being determined or, if there shall be no reported transactions for such date, on the next preceding date for which transactions were reported; provided, however, that if the Stock is not listed on a national stock exchange or if Fair Market Value for any date cannot be so determined, Fair Market Value shall be determined by the Committee by whatever means or method as the Committee, in the good faith exercise of its discretion, shall at such time deem appropriate and in compliance with Section 409A; provided, further, in the case of grants made in connection with the Initial Public Offering, Fair Market Value shall mean the price per share at which shares of Stock are initially offered for sale to the public by the Company’s underwriters in the Initial Public Offering.

(s) **“Incentive Stock Option”** means an Option intended to be (as set forth in the Award Agreement) and which qualifies as an incentive stock option within the meaning of Section 422(b) of the Code.

(t) **“Initial Public Offering”** means the initial public offering of the Company registered on Form S-1 (or any successor form under the Securities Act of 1933, as amended).

(u) **“Insider”** means an Officer, a Director or other person whose transactions in Stock are subject to Section 16 of the Exchange Act.

(v) **“Net Exercise”** means a Net Exercise as defined in Section 6.3(b)(iii).

(w) **“Nonemployee Director”** means a Director who is not an Employee.

(x) **“Nonemployee Director Award”** means any Award granted to a Nonemployee Director.

(y) **“Nonstatutory Stock Option”** means an Option not intended to be (as set forth in the Award Agreement) or which does not qualify as an incentive stock option within the meaning of Section 422(b) of the Code.

(z) **“Officer”** means any person designated by the Board as an officer of the Company.

(aa) **“Option”** means an Incentive Stock Option or a Nonstatutory Stock Option granted pursuant to the Plan.

(bb) **“Other Stock-Based Award”** means an Award denominated in shares of Stock and granted pursuant to Section 11.

(cc) **“Ownership Change Event”** means the occurrence of any of the following with respect to the Company: (i) the direct or indirect sale or exchange in a single or series of related transactions by the stockholders of the Company of securities of the Company representing more than fifty percent (50%) of the total combined voting power of the Company’s then outstanding securities entitled to vote generally in the election of Directors; (ii) a merger or consolidation in which the Company is a party; or (iii) the sale, exchange, or transfer of all or substantially all of the assets of the Company (other than a sale, exchange or transfer to one or more subsidiaries of the Company).

(dd) **“Parent Corporation”** means any present or future “parent corporation” of the Company, as defined in Section 424(e) of the Code.

(ee) **“Participant”** means any eligible person who has been granted one or more Awards.

(ff) **“Participating Company”** means the Company or any Parent Corporation, Subsidiary Corporation or Affiliate.

(gg) “**Participating Company Group**” means, at any point in time, the Company and all other entities collectively which are then Participating Companies.

(hh) “**Performance Award**” means an Award of Performance Shares or Performance Units.

(ii) “**Performance Award Formula**” means, for any Performance Award, a formula or table established by the Committee pursuant to Section 10.3 which provides the basis for computing the value of a Performance Award at one or more levels of attainment of the applicable Performance Goal(s) measured as of the end of the applicable Performance Period.

(jj) “**Performance Goal**” means a performance goal established by the Committee pursuant to Section 10.3.

(kk) “**Performance Period**” means a period established by the Committee pursuant to Section 10.3 at the end of which one or more Performance Goals are to be measured.

(ll) “**Performance Share**” means a right granted to a Participant pursuant to Section 10 to receive a payment equal to the value of a Performance Share, as determined by the Committee, based upon attainment of applicable Performance Goal(s).

(mm) “**Performance Unit**” means a right granted to a Participant pursuant to Section 10 to receive a payment equal to the value of a Performance Unit, as determined by the Committee, based upon attainment of applicable Performance Goal(s).

(nn) “**Predecessor Plan**” means the Company’s 2014 Omnibus Stock Ownership and Long Term Incentive Plan.

(oo) “**Restricted Stock**” means shares of Stock granted to a Participant pursuant to Section 8 which are subject to a period designated by the Committee during which the Restricted Stock may not be sold, transferred, assigned, pledged, hypothecated or otherwise encumbered or disposed of, except as provided in this Plan or the Award Agreement.

(pp) “**Restricted Stock Unit**” means a right granted to a Participant pursuant to Section 9 to receive on a future date or occurrence of a future event a share of Stock or cash in lieu thereof, as determined by the Committee.

(qq) “**Rule 16b-3**” means Rule 16b-3 under the Exchange Act, as amended from time to time, or any successor rule or regulation.

(rr) “**SAR**” or “**Stock Appreciation Right**” means a right granted to a Participant pursuant to Section 7 to receive payment, for each share of Stock subject to such Award, of an amount equal to the excess, if any, of the Fair Market Value of a share of Stock on the date of exercise of the Award over the exercise price thereof.

(ss) “**Section 409A**” means Section 409A of the Code.

(tt) “**Section 409A Deferred Compensation**” means compensation provided pursuant to an Award that constitutes nonqualified deferred compensation within the meaning of Section 409A.

(uu) “**Securities Act**” means the Securities Act of 1933, as amended.

(vv) “**Service**” means a Participant’s employment or service with the Participating Company Group, whether as an Employee, an Officer, a Director or a Consultant. Unless otherwise provided by the Committee, a Participant’s Service shall not be deemed to have terminated merely because of a change in the capacity in which the Participant renders Service or a change in the Participating Company for which the Participant renders Service, provided that there is no interruption or termination of the Participant’s Service. Furthermore, a Participant’s Service shall not be deemed to have been interrupted or terminated if the Participant takes any military leave, sick leave, or other bona fide leave of absence approved by the Company. However, unless otherwise provided by the Committee, if any such leave taken by a Participant exceeds ninety (90) days, then on the ninety-first (91st) day following the commencement of such leave the Participant’s Service shall be deemed to have terminated, unless the Participant’s right to return to Service is guaranteed by statute or contract. Notwithstanding the foregoing, unless otherwise designated by the Company or required by law, an unpaid leave of absence shall not be treated as Service for purposes of determining vesting under the Participant’s Award Agreement. A Participant’s Service shall be deemed to have terminated either upon an actual termination of Service or upon the business entity for which the Participant performs Service ceasing to be a Participating Company. Subject to the foregoing, the Company, in its discretion, shall determine whether the Participant’s Service has terminated and the effective date of and reason for such termination.

(ww) “**Stock**” means the common stock of the Company, as adjusted from time to time in accordance with Section 4.5.

(xx) “**Stock Tender Exercise**” means a Stock Tender Exercise as defined in Section 6.3(b)(ii).

(yy) “**Subsidiary Corporation**” means any present or future “subsidiary corporation” of the Company, as defined in Section 424(f) of the Code.

(zz) “**Ten Percent Owner**” means a Participant who, at the time an Option is granted to the Participant, owns stock possessing more than ten percent (10%) of the total combined voting power of all classes of stock of a Participating Company (other than an Affiliate) within the meaning of Section 422(b)(6) of the Code.

(aaa) “**Trading Compliance Policy**” means the written policy of the Company pertaining to the purchase, sale, transfer or other disposition of the Company’s equity securities by Directors, Officers, Employees or other service providers who may possess material, nonpublic information regarding the Company or its securities.

(bbb) “**Vesting Conditions**” mean those conditions established in accordance with the Plan prior to the satisfaction of which an Award or shares subject to an Award remain subject to forfeiture upon the Participant’s termination of Service or failure of a performance condition to be satisfied.



2.2 **Construction.** Captions and titles contained herein are for convenience only and shall not affect the meaning or interpretation of any provision of the Plan. Except when otherwise indicated by the context, the singular shall include the plural and the plural shall include the singular. Use of the term “or” is not intended to be exclusive, unless the context clearly requires otherwise.

### 3. Administration.

3.1 **Administration by the Committee.** The Plan shall be administered by the Committee. All questions of interpretation of the Plan, of any Award Agreement or of any other form of agreement or other document employed by the Company in the administration of the Plan or of any Award shall be determined by the Committee, and such determinations shall be final, binding and conclusive upon all persons having an interest in the Plan or such Award, unless fraudulent or made in bad faith. Any and all actions, decisions and determinations taken or made by the Committee in the exercise of its discretion pursuant to the Plan or Award Agreement or other agreement thereunder (other than determining questions of interpretation pursuant to the preceding sentence) shall be final, binding and conclusive upon all persons having an interest therein. All expenses incurred in connection with the administration of the Plan shall be paid by the Company. The Committee’s determinations under the Plan (including, without limitation, determinations of the persons to receive Awards, the form, amount and timing of such Awards, the terms and provisions of such Awards, and the treatment of Awards in a Change in Control) need not be uniform and may be made by the Committee selectively among Awards or persons who receive, or are eligible to receive, Awards under the Plan, whether or not such persons are similarly situated.

3.2 **Authority of Officers.** Any Officer shall have the authority to act on behalf of the Company with respect to any matter, right, obligation, determination or election that is the responsibility of or that is allocated to the Company herein, provided that the Officer has apparent authority with respect to such matter, right, obligation, determination or election. To the extent permitted by applicable law, the Committee may, in its discretion, delegate to a committee comprised of one or more Officers the authority to grant one or more Awards, without further approval of the Committee, to any Employee, other than a person who, at the time of such grant, is an Insider, and to exercise such other powers under the Plan as the Committee may determine; provided, however, that (a) the Committee shall fix the maximum number of shares subject to Awards that may be granted by such Officers, (b) each such Award shall be subject to the terms and conditions of the appropriate standard form of Award Agreement approved by the Board or the Committee and shall conform to the provisions of the Plan, and (c) each such Award shall conform to such other limits and guidelines as may be established from time to time by the Committee.

3.3 **Administration with Respect to Insiders.** With respect to participation by Insiders in the Plan, at any time that any class of equity security of the Company is registered pursuant to Section 12 of the Exchange Act, the Plan shall be administered in compliance with the requirements, if any, of Rule 16b-3.

**3.4 Powers of the Committee.** In addition to any other powers set forth in the Plan and subject to the provisions of the Plan, the Committee shall have the full and final power and authority, in its discretion:

- (a) to determine the persons to whom, and the time or times at which, Awards shall be granted and the number of shares of Stock, units or monetary value to be subject to each Award;
- (b) to determine the type of Award granted;
- (c) to determine the Fair Market Value of shares of Stock or other property;
- (d) to determine the terms, conditions and restrictions applicable to each Award (which need not be identical) and any shares acquired pursuant thereto, including, without limitation, (i) the exercise or purchase price of shares pursuant to any Award, (ii) the method of payment for shares purchased pursuant to any Award, (iii) the method for satisfaction of any tax withholding obligation arising in connection with any Award, including by the withholding or delivery of shares of Stock, (iv) the timing, terms and conditions of the exercisability or vesting of any Award or any shares acquired pursuant thereto, (v) the Performance Measures, Performance Period, Performance Award Formula and Performance Goals applicable to any Award and the extent to which such Performance Goals have been attained, (vi) the time of expiration of any Award, (vii) the effect of any Participant's termination of Service on any of the foregoing, and (viii) all other terms, conditions and restrictions applicable to any Award or shares acquired pursuant thereto not inconsistent with the terms of the Plan;
- (e) to determine whether an Award will be settled in shares of Stock, cash, other property or in any combination thereof;
- (f) to approve one or more forms of Award Agreement;
- (g) to amend, modify, extend, cancel or renew any Award or to waive any restrictions or conditions applicable to any Award or any shares acquired pursuant thereto;
- (h) to accelerate, continue, extend or defer the exercisability or vesting of any Award or any shares acquired pursuant thereto, including with respect to the period following a Participant's termination of Service;
- (i) to prescribe, amend or rescind rules, guidelines and policies relating to the Plan, or to adopt sub-plans or supplements to, or alternative versions of, the Plan, including, without limitation, as the Committee deems necessary or desirable to comply with the laws of, or to accommodate the tax policy, accounting principles or custom of, foreign jurisdictions whose residents may be granted Awards; and
- (j) to correct any defect, supply any omission or reconcile any inconsistency in the Plan or any Award Agreement and to make all other determinations and take such other actions with respect to the Plan or any Award as the Committee may deem advisable to the extent not inconsistent with the provisions of the Plan or applicable law.

**3.5 No Repricing.** The Committee shall not, without the approval of the stockholders of the Company, (a) reduce the exercise price of any previously granted option or SAR, (b) cancel any previously granted option or SAR in exchange for another option or SAR with a lower exercise price or (c) cancel any previously granted option or SAR in exchange for cash or another Award if the exercise price of such option or SAR exceeds the Fair Market Value of a share of Common Stock on the date of such cancellation, in each case, other than in connection with a Change in Control or the adjustment provisions set forth in Section 4.5.

**3.6 Indemnification.** In addition to such other rights of indemnification as they may have as members of the Board or the Committee or as officers or employees of the Participating Company Group, to the extent permitted by applicable law, members of the Board or the Committee and any officers or employees of the Participating Company Group to whom authority to act for the Board, the Committee or the Company is delegated shall be indemnified by the Company against all reasonable expenses, including attorneys' fees, actually and necessarily incurred in connection with the defense of any action, suit or proceeding, or in connection with any appeal therein, to which they or any of them may be a party by reason of any action taken or failure to act under or in connection with the Plan, or any right granted hereunder, and against all amounts paid by them in settlement thereof (provided such settlement is approved by independent legal counsel selected by the Company) or paid by them in satisfaction of a judgment in any such action, suit or proceeding, except in relation to matters as to which it shall be adjudged in such action, suit or proceeding that such person is liable for gross negligence, bad faith or intentional misconduct in duties; provided, however, that within sixty (60) days after the institution of such action, suit or proceeding, such person shall offer to the Company, in writing, the opportunity at its own expense to handle and defend the same.

#### **4. Shares Subject to Plan.**

**4.1 Maximum Number of Shares Issuable.** Subject to adjustment as provided in Sections 4.3, 4.4 and 4.5, the maximum aggregate number of shares of Stock that initially available under the Plan shall be equal to 15,250,000 shares, and such shares shall consist of authorized but unissued or reacquired shares of Stock or any combination thereof. The number of shares of Stock that remain available for future grants under the Plan shall be reduced by the sum of the aggregate number of shares of Stock that become subject to outstanding Awards.

**4.2 Annual Evergreen.** The number of shares of Stock available under the Plan shall increase annually on the first day of each fiscal year, beginning with the fiscal year ending January 31, 2022, and continuing until (and including) the fiscal year ending January 31, 2031, with such annual increase equal to the lesser of (i) 5% of the number of shares of Stock issued and outstanding on January 31 of the immediately preceding fiscal year and (ii) an amount determined by the Board.

**4.3 Adjustment for Unissued or Forfeited Predecessor Plan Shares.** The maximum aggregate number of shares of Stock that may be issued under the Plan shall be cumulatively increased from time to time by:

(a) the aggregate number of shares of Stock that remain available for the future grant of awards under the Predecessor Plan immediately prior to its termination as of the Effective Date;

(b) the number of shares of Stock subject to that portion of any option or other Award outstanding pursuant to the Predecessor Plan as of the Effective Date which, on or after the Effective Date, expires or is terminated or canceled for any reason without having been exercised or settled in full; and

(c) the number of shares of Stock acquired pursuant to the Predecessor Plan subject to forfeiture or repurchase by the Company for an amount not greater than the Participant's purchase price which, on or after the Effective Date, is so forfeited or repurchased;

provided, however, that the aggregate number of shares of Stock authorized for issuance under the Predecessor Plan that may become authorized for issuance under the Plan pursuant to this Section 4.3 shall not exceed 7,500,000 shares.

**4.4 Share Counting.** If an outstanding Award for any reason expires or is terminated or canceled without having been exercised or settled in full, or if shares of Stock acquired pursuant to an Award subject to forfeiture or repurchase are forfeited or repurchased by the Company for an amount not greater than the Participant's purchase price, the shares of Stock allocable to the terminated portion of such Award or such forfeited or repurchased shares of Stock shall again be available for issuance under the Plan. Shares of Stock shall not be deemed to have been issued pursuant to the Plan with respect to any portion of an Award that is settled in cash or to the extent that shares are withheld or reacquired by the Company in satisfaction of tax withholding obligations pursuant to Section 16.2. Upon payment in shares of Stock pursuant to the exercise of an SAR, the number of shares available for issuance under the Plan shall be reduced only by the number of shares actually issued in such payment. If the exercise price of an Option is paid by tender to the Company or by means of a Net Exercise, the number of shares available for issuance under the Plan shall be reduced only by the net number of shares for which the Option is exercised.

**4.5 Adjustments for Changes in Capital Structure.** In the event of any equity restructuring (within the meaning of Financial Accounting Standards Board Accounting Standards Codification Topic 718, Compensation—Stock Compensation or any successor or replacement accounting standard) that causes the per share value of shares of Stock to change, such as a stock dividend, stock split, spinoff, rights offering or recapitalization through an extraordinary cash dividend, the number and class of securities available under this Plan, the terms of each outstanding Option and SAR (including the number and class of securities subject to each outstanding Option or SAR and the exercise price per share and, if applicable, the Performance Goals and Performance Award Formulas) and the terms of each other outstanding Award (including the number and class of securities subject thereto and, if applicable, the Performance Goals and Performance Award Formulas), shall be appropriately adjusted by the Committee, such adjustments to be made in the case of outstanding Options and SARs in accordance with Section 409A. In the event of any other change in corporate capitalization, including a merger, consolidation, reorganization, or partial or complete liquidation of the Company, such equitable adjustments described in the foregoing sentence may be made as

determined to be appropriate and equitable by the Committee to prevent dilution or enlargement of rights of participants. In either case, the decision of the Committee regarding any such adjustment shall be final, binding and conclusive.

4.6 **Assumption or Substitution of Awards.** The Committee may, without affecting the number of shares of Stock reserved or available hereunder, authorize the issuance or assumption of benefits under this Plan in connection with any merger, consolidation, acquisition of property or stock, or reorganization upon such terms and conditions as it may deem appropriate, subject to compliance with Section 409A and any other applicable provisions of the Code.

#### 5. Eligibility, Participation and Award Limitations.

5.1 **Persons Eligible for Awards.** Awards may be granted only to Employees, Officers, Consultants and Directors.

5.2 **Participation in the Plan.** Awards are granted solely at the discretion of the Committee. Eligible persons may be granted more than one Award. However, eligibility in accordance with this Section shall not entitle any person to be granted an Award, or, having been granted an Award, to be granted an additional Award.

#### 5.3 **Incentive Stock Option Limitations.**

(a) **Maximum Number of Shares Issuable Pursuant to Incentive Stock Options.** Subject to adjustment as provided in Section 4.5, the maximum aggregate number of shares of Stock that may be issued under the Plan pursuant to the exercise of Incentive Stock Options shall not exceed 15,250,000 shares. The maximum aggregate number of shares of Stock that may be issued under the Plan pursuant to all Awards other than Incentive Stock Options shall be the number of shares determined in accordance with Sections 4.1 and 4.2, subject to adjustment as provided in Sections 4.3, 4.4 and 4.5.

(b) **Persons Eligible.** An Incentive Stock Option may be granted only to a person who, on the effective date of grant, is an Employee of the Company, a Parent Corporation or a Subsidiary Corporation (each being an “**ISO-Qualifying Corporation**”). Any person who is not an Employee of an ISO-Qualifying Corporation on the effective date of the grant of an Option to such person may be granted only a Nonstatutory Stock Option.

(c) **Fair Market Value Limitation.** To the extent that options designated as Incentive Stock Options (granted under all stock plans of the Participating Company Group, including the Plan) become exercisable by a Participant for the first time during any calendar year for stock having a Fair Market Value greater than One Hundred Thousand Dollars (\$100,000), the portion of such options which exceeds such amount shall be treated as Nonstatutory Stock Options. For purposes of this Section, options designated as Incentive Stock Options shall be taken into account in the order in which they were granted, and the Fair Market Value of stock shall be determined as of the time the option with respect to such stock is granted. If the Code is amended to provide for a limitation different from that set forth in this Section, such different limitation shall be deemed incorporated herein effective as of the date and with respect to such Options as required or permitted by such amendment to the Code. If an Option is treated as an Incentive Stock Option in part and as a Nonstatutory Stock Option in part by reason

of the limitation set forth in this Section, the Participant may designate which portion of such Option the Participant is exercising. In the absence of such designation, the Participant shall be deemed to have exercised the Incentive Stock Option portion of the Option first. Upon exercise of the Option, shares issued pursuant to each such portion shall be separately identified.

5.4 **Nonemployee Director Award Limit.** The aggregate value of cash compensation and the grant date fair value of shares of Stock that may be awarded or granted during any fiscal year of the Company to any Nonemployee Director shall not exceed \$750,000; provided, however, that the limit set forth in this sentence shall be multiplied by two (2) for the first fiscal year in which a Nonemployee Director commences service on the Board.

## 6. Stock Options.

Options shall be evidenced by Award Agreements specifying the number of shares of Stock covered thereby, in such form as the Committee shall establish. Such Award Agreements may incorporate all or any of the terms of the Plan by reference and shall comply with and be subject to the following terms and conditions:

6.1 **Exercise Price.** The exercise price for each Option shall be established in the discretion of the Committee; provided, however, that (a) the exercise price per share shall be not less than the Fair Market Value of a share of Stock on the effective date of grant of the Option and (b) no Incentive Stock Option granted to a Ten Percent Owner shall have an exercise price per share less than one hundred ten percent (110%) of the Fair Market Value of a share of Stock on the effective date of grant of the Option. Notwithstanding the foregoing, an Option (whether an Incentive Stock Option or a Nonstatutory Stock Option) may be granted with an exercise price less than the minimum exercise price set forth above if such Option is granted pursuant to an assumption or substitution for another option in a manner that would qualify under the provisions of Section 409A or Section 424(a) of the Code.

6.2 **Exercisability and Term of Options.** Options shall be exercisable at such time or times, or upon such event or events, and subject to such terms, conditions, performance criteria and restrictions as shall be determined by the Committee and set forth in the Award Agreement evidencing such Option; provided, however, that (a) no Option shall be exercisable after the expiration of ten (10) years after the effective date of grant of such Option, (b) no Incentive Stock Option granted to a Ten Percent Owner shall be exercisable after the expiration of five (5) years after the effective date of grant of such Option and (c) no Option granted to an Employee who is a non-exempt employee for purposes of the Fair Labor Standards Act of 1938, as amended, shall be first exercisable until at least six (6) months following the date of grant of such Option (except in the event of such Employee's death, disability or retirement, upon a Change in Control, or as otherwise permitted by the Worker Economic Opportunity Act). Subject to the foregoing, unless otherwise specified by the Committee in the grant of an Option, each Option shall terminate ten (10) years after the effective date of grant of the Option, unless earlier terminated in accordance with its provisions.

6.3 **Payment of Exercise Price.**

(a) **Forms of Consideration Authorized.** Except as otherwise provided below, payment of the exercise price for the number of shares of Stock being purchased pursuant to any Option shall be made (i) in cash, by check or in cash equivalent; (ii) if permitted by the Committee and subject to the limitations contained in Section 6.3(b), by means of (1) a Cashless Exercise, (2) a Stock Tender Exercise or (3) a Net Exercise; (iii) by such other consideration as may be approved by the Committee from time to time to the extent permitted by applicable law, or (iv) by any combination thereof. The Committee may at any time or from time to time grant Options which do not permit all of the foregoing forms of consideration to be used in payment of the exercise price or which otherwise restrict one or more forms of consideration.

(b) **Forms of Consideration.**

(i) **Cashless Exercise.** A “*Cashless Exercise*” means the delivery of a properly executed notice of exercise together with irrevocable instructions to a broker providing for the assignment to the Company of the proceeds of a sale with respect to some or all of the shares being acquired upon the exercise of the Option (including, without limitation, through an exercise complying with the provisions of Regulation T as promulgated from time to time by the Board of Governors of the Federal Reserve System). The Company reserves, at any and all times, the right, in the Company’s sole and absolute discretion, to establish, decline to approve or terminate any program or procedures for the exercise of Options by means of a Cashless Exercise, including with respect to one or more Participants specified by the Company notwithstanding that such program or procedures may be available to other Participants.

(ii) **Stock Tender Exercise.** A “*Stock Tender Exercise*” means the delivery of a properly executed exercise notice accompanied by a Participant’s tender to the Company, or attestation to the ownership, in a form acceptable to the Company of whole shares of Stock owned by the Participant having a fair market value that does not exceed the aggregate exercise price for the shares with respect to which the Option is exercised. A Stock Tender Exercise shall not be permitted if it would constitute a violation of the provisions of any law, regulation or agreement restricting the redemption of the Company’s stock. If required by the Company, an Option may not be exercised by tender to the Company, or attestation to the ownership, of shares of Stock unless such shares either have been owned by the Participant for a period of time required by the Company (and not used for another option exercise by attestation during such period) or were not acquired, directly or indirectly, from the Company.

(iii) **Net Exercise.** A “*Net Exercise*” means the delivery of a properly executed exercise notice followed by a procedure pursuant to which (1) the Company will reduce the number of shares otherwise issuable to a Participant upon the exercise of an Option by the largest whole number of shares having a fair market value that does not exceed the aggregate exercise price for the shares with respect to which the Option is exercised, and (2) the Participant shall pay to the Company in cash the remaining balance of such aggregate exercise price not satisfied by such reduction in the number of whole shares to be issued.

**6.4 Effect of Termination of Service.**

(a) **Option Exercisability.** Subject to earlier termination of the Option as otherwise provided by this Plan and unless otherwise provided by the Committee in an Award

Agreement or otherwise, an Option shall terminate immediately upon the Participant's termination of Service to the extent that it is then unvested and shall be exercisable after the Participant's termination of Service to the extent it is then vested only during the applicable time period determined in accordance with this Section and thereafter shall terminate.

(i) **Disability.** If the Participant's Service terminates because of the Disability of the Participant, the Option, to the extent unexercised and exercisable for vested shares on the date on which the Participant's Service terminated, may be exercised by the Participant (or the Participant's guardian or legal representative) at any time prior to the expiration of twelve (12) months (or such longer or shorter period provided by the Award Agreement) after the date on which the Participant's Service terminated, but in any event no later than the date of expiration of the Option's term as set forth in the Award Agreement evidencing such Option (such date of expiration, the "**Option Expiration Date**").

(ii) **Death.** If the Participant's Service terminates because of the death of the Participant, the Option, to the extent unexercised and exercisable for vested shares on the date on which the Participant's Service terminated, may be exercised by the Participant's legal representative or other person who acquired the right to exercise the Option by reason of the Participant's death at any time prior to the expiration of twelve (12) months (or such longer or shorter period provided by the Award Agreement) after the date on which the Participant's Service terminated, but in any event no later than the Option Expiration Date. The Participant's Service shall be deemed to have terminated on account of death if the Participant dies within three (3) months (or such longer or shorter period provided by the Award Agreement) after the Participant's termination of Service.

(iii) **Termination for Cause.** Notwithstanding any other provision of the Plan to the contrary, if the Participant's Service is terminated for Cause or if, following the Participant's termination of Service and during any period in which the Option otherwise would remain exercisable, the Participant engages in any act that would constitute Cause, the Option, whether or not vested and exercisable, shall terminate in its entirety and cease to be exercisable immediately upon such termination of Service or act.

(iv) **Other Termination of Service.** If the Participant's Service terminates for any reason, except Disability, death or Cause, the Option, to the extent unexercised and exercisable for vested shares on the date on which the Participant's Service terminated, may be exercised by the Participant at any time prior to the expiration of three (3) months (or such longer or shorter period provided by the Award Agreement) after the date on which the Participant's Service terminated, but in any event no later than the Option Expiration Date.

(b) **Extension if Exercise Prevented by Law.** Notwithstanding the foregoing, other than termination of Service for Cause, if the exercise of an Option within the applicable time periods set forth in Section 6.4(a) or an Award Agreement is prevented by applicable law, the Option shall remain exercisable until the later of (i) thirty (30) days after the date such exercise first would no longer be prevented by applicable law or (ii) the end of the applicable time period under Section 6.4(a), but in any event no later than the Option Expiration Date.



**6.5 Transferability of Options.** During the lifetime of the Participant, an Option shall be exercisable only by the Participant or the Participant's guardian or legal representative. An Option shall not be subject in any manner to anticipation, alienation, sale, exchange, transfer, assignment, pledge, encumbrance, or garnishment by creditors of the Participant or the Participant's beneficiary, except transfer by will or by the laws of descent and distribution. Notwithstanding the foregoing, to the extent permitted by the Committee, in its discretion, and set forth in the Award Agreement evidencing such Option, an Option shall be assignable or transferable subject to the applicable limitations, if any, described in the General Instructions to Form S-8 under the Securities Act or, in the case of an Incentive Stock Option, only as permitted by applicable regulations under Section 421 of the Code in a manner that does not disqualify such Option as an Incentive Stock Option.

## **7. Stock Appreciation Rights.**

Stock Appreciation Rights shall be evidenced by Award Agreements specifying the number of shares of Stock subject to the Award, in such form as the Committee shall establish. Such Award Agreements may incorporate all or any of the terms of the Plan by reference and shall comply with and be subject to the following terms and conditions:

**7.1 Types of SARs Authorized.** SARs may be granted in tandem with all or any portion of a related Option (a "**Tandem SAR**") or may be granted independently of any Option (a "**Freestanding SAR**").

**7.2 Exercise Price.** The exercise price for each SAR shall be established in the discretion of the Committee; provided, however, that (a) the exercise price per share subject to a Tandem SAR shall be the exercise price per share under the related Option and (b) the exercise price per share subject to a Freestanding SAR shall be not less than the Fair Market Value of a share of Stock on the effective date of grant of the SAR. Notwithstanding the foregoing, an SAR may be granted with an exercise price lower than the minimum exercise price set forth above if such SAR is granted pursuant to an assumption or substitution for another stock appreciation right in a manner that would qualify under the provisions of Section 409A.

### **7.3 Exercisability and Term of SARs.**

(a) **Tandem SARs.** Tandem SARs shall be exercisable only at the time and to the extent, and only to the extent, that the related Option is exercisable, subject to such provisions as the Committee may specify where the Tandem SAR is granted with respect to less than the full number of shares of Stock subject to the related Option. The Committee may, in its discretion, provide in any Award Agreement evidencing a Tandem SAR that such SAR may not be exercised without the advance approval of the Company and, if such approval is not given, then the Option shall nevertheless remain exercisable in accordance with its terms. A Tandem SAR shall terminate and cease to be exercisable no later than the date on which the related Option expires or is terminated or canceled. Upon the exercise of a Tandem SAR with respect to some or all of the shares subject to such SAR, the related Option shall be canceled automatically as to the number of shares with respect to which the Tandem SAR was exercised. Upon the exercise of an Option related to a Tandem SAR as to some or all of the shares subject to such Option, the related Tandem SAR shall be canceled automatically as to the number of shares with respect to which the related Option was exercised.

(b) **Freestanding SARs.** Freestanding SARs shall be exercisable at such time or times, or upon such event or events, and subject to such terms, conditions, performance criteria and restrictions as shall be determined by the Committee and set forth in the Award Agreement evidencing such SAR; provided, however, that (i) no Freestanding SAR shall be exercisable after the expiration of ten (10) years after the effective date of grant of such SAR and (ii) no Freestanding SAR granted to an Employee who is a non-exempt employee for purposes of the Fair Labor Standards Act of 1938, as amended, shall be first exercisable until at least six (6) months following the date of grant of such SAR (except in the event of such Employee's death, disability or retirement, upon a Change in Control, or as otherwise permitted by the Worker Economic Opportunity Act).

7.4 **Exercise of SARs.** Upon the exercise (or deemed exercise pursuant to Section 7.5) of an SAR, the Participant (or the Participant's legal representative or other person who acquired the right to exercise the SAR by reason of the Participant's death) shall be entitled to receive payment of an amount for each share with respect to which the SAR is exercised equal to the excess, if any, of the Fair Market Value of a share of Stock on the date of exercise of the SAR over the exercise price. Payment of such amount shall be made (a) in the case of a Tandem SAR, solely in shares of Stock in a lump sum upon the date of exercise of the SAR and (b) in the case of a Freestanding SAR, in cash, shares of Stock, or any combination thereof as determined by the Committee and set forth in the Award Agreement, in a lump sum upon the date of exercise of the SAR. When payment is to be made in shares of Stock, the number of shares to be issued shall be determined on the basis of the Fair Market Value of a share of Stock on the date of exercise of the SAR. For purposes of Section 7, an SAR shall be deemed exercised on the date on which the Company receives notice of exercise from the Participant or as otherwise provided in Section 7.5.

7.5 **Deemed Exercise of SARs.** If, on the date on which an SAR would otherwise terminate or expire, the SAR by its terms remains exercisable immediately prior to such termination or expiration and, if so exercised, would result in a payment to the holder of such SAR, then any portion of such SAR which has not previously been exercised shall automatically be deemed to be exercised as of such date with respect to such portion.

7.6 **Effect of Termination of Service.** Subject to earlier termination of the SAR as otherwise provided herein and unless otherwise provided by the Committee, an SAR shall be exercisable after a Participant's termination of Service only to the extent and during the applicable time period determined in accordance with Section 6.4 (treating the SAR as if it were an Option) and thereafter shall terminate.

7.7 **Transferability of SARs.** During the lifetime of the Participant, an SAR shall be exercisable only by the Participant or the Participant's guardian or legal representative. An SAR shall not be subject in any manner to anticipation, alienation, sale, exchange, transfer, assignment, pledge, encumbrance, or garnishment by creditors of the Participant or the Participant's beneficiary, except transfer by will or by the laws of descent and distribution. Notwithstanding the foregoing, to the extent permitted by the Committee, in its discretion, and

set forth in the Award Agreement evidencing such Award, a Tandem SAR related to a Nonstatutory Stock Option or a Freestanding SAR shall be assignable or transferable subject to the applicable limitations, if any, described in the General Instructions to Form S-8 under the Securities Act.

## **8. Restricted Stock Awards.**

Restricted Stock Awards shall be evidenced by Award Agreements specifying the number of shares of Stock subject to the Award, in such form as the Committee shall establish. Such Award Agreements may incorporate all or any of the terms of the Plan by reference and shall comply with and be subject to the following terms and conditions:

**8.1 Types of Restricted Stock Awards Authorized.** Restricted Stock Awards may be granted upon such conditions as the Committee shall determine, including, without limitation, upon the attainment of one or more Performance Goals described in Section 10.4. If either the grant of or satisfaction of Vesting Conditions applicable to a Restricted Stock Award is to be contingent upon the attainment of one or more Performance Goals, the Committee shall follow procedures substantially equivalent to those set forth in Sections 10.3 through 10.5(a).

**8.2 Purchase Price.** The purchase price, if any, for shares of Stock issuable under a Restricted Stock Award shall be established by the Committee in its discretion. Unless otherwise determined by the Committee, no monetary payment (other than applicable tax withholding) shall be required as a condition of receiving shares of Restricted Stock, the consideration for which shall be services actually rendered to a Participating Company or for its benefit. Notwithstanding the foregoing, if required by applicable state corporate law, the Participant shall furnish consideration in the form of cash or past services rendered to a Participating Company or for its benefit having a value not less than the par value of the shares of Stock subject to a Restricted Stock Award.

**8.3 Payment of Purchase Price.** Except as otherwise provided below, payment of the purchase price for the number of shares of Stock being purchased pursuant to a grant of Restricted Stock shall be made (a) in cash, by check or in cash equivalent, (b) by such other consideration as may be approved by the Committee from time to time to the extent permitted by applicable law, or (c) by any combination thereof.

**8.4 Vesting and Restrictions on Transfer.** Shares issued pursuant to any Restricted Stock Award may (but need not) be made subject to Vesting Conditions based upon the satisfaction of such Service requirements, conditions, restrictions or performance criteria, including, without limitation, Performance Goals as described in Section 10.4, as shall be established by the Committee and set forth in the Award Agreement evidencing such Award. During any period in which shares acquired pursuant to a Restricted Stock Award remain subject to Vesting Conditions, such shares may not be sold, exchanged, transferred, pledged, assigned or otherwise disposed of other than pursuant to an Ownership Change Event or as provided in Section 8.7. The Committee, in its discretion, may provide in any Award Agreement evidencing a Restricted Stock Award that, if the satisfaction of Vesting Conditions with respect to any shares subject to such Restricted Stock Award would otherwise occur on a day on which the sale of such shares would violate the provisions of the Trading Compliance Policy, then satisfaction of the Vesting

Conditions automatically shall be determined on the next trading day on which the sale of such shares would not violate the Trading Compliance Policy. Upon request by the Company, each Participant shall execute any agreement evidencing such transfer restrictions prior to the receipt of shares of Stock hereunder and shall promptly present to the Company any and all certificates representing shares of Stock acquired hereunder for the placement on such certificates of appropriate legends evidencing any such transfer restrictions.

**8.5 Voting Rights; Dividends and Distributions.** Except as provided in this Section, Section 8.4 and any Award Agreement, during any period in which shares acquired pursuant to a Restricted Stock Award remain subject to Vesting Conditions, the Participant shall have all of the rights of a stockholder of the Company holding shares of Stock, including the right to vote such shares and to receive all dividends and other distributions paid with respect to such shares; provided, however, that such dividends and distributions shall be subject to the same Vesting Conditions as the shares subject to the Restricted Stock Award with respect to which such dividends or distributions were paid. In the event of a dividend or distribution paid in shares of Stock or other property or any other adjustment made upon a change in the capital structure of the Company as described in Section 4.5, any and all new, substituted or additional securities or other property to which the Participant is entitled by reason of the Participant's Restricted Stock Award shall be immediately subject to the same Vesting Conditions as the shares subject to the Restricted Stock Award with respect to which such dividends or distributions were paid or adjustments were made.

**8.6 Effect of Termination of Service.** Unless otherwise provided by the Committee in the Award Agreement evidencing a Restricted Stock Award or otherwise, if a Participant's Service terminates for any reason, whether voluntary or involuntary (including the Participant's death or disability), then the Participant shall forfeit to the Company any shares acquired by the Participant pursuant to a Restricted Stock Award which remain subject to Vesting Conditions as of the date of the Participant's termination of Service.

**8.7 Nontransferability of Restricted Stock Awards.** Shares of Stock granted pursuant to a Restricted Stock Award shall not be subject in any manner to anticipation, alienation, sale, exchange, transfer, assignment, pledge, encumbrance or garnishment by creditors of the Participant or the Participant's beneficiary, except transfer by will or the laws of descent and distribution. All rights with respect to a Restricted Stock Award granted to a Participant hereunder shall be exercisable during his or her lifetime only by such Participant or the Participant's guardian or legal representative.

## **9. Restricted Stock Units.**

Restricted Stock Unit Awards shall be evidenced by Award Agreements specifying the number of Restricted Stock Units subject to the Award, in such form as the Committee shall establish. Such Award Agreements may incorporate all or any of the terms of the Plan by reference and shall comply with and be subject to the following terms and conditions:

**9.1 Grant of Restricted Stock Unit Awards.** Restricted Stock Unit Awards may be granted upon such conditions as the Committee shall determine, including, without limitation, upon the attainment of one or more Performance Goals described in Section 10.4. If either the grant of a

Restricted Stock Unit Award or the Vesting Conditions with respect to such Award is to be contingent upon the attainment of one or more Performance Goals, the Committee shall follow procedures substantially equivalent to those set forth in Sections 10.3 through 10.5(a).

**9.2 Purchase Price.** No monetary payment (other than applicable tax withholding, if any) shall be required as a condition of receiving a Restricted Stock Unit Award, the consideration for which shall be services actually rendered to a Participating Company or for its benefit. Notwithstanding the foregoing, if required by applicable state corporate law, the Participant shall furnish consideration in the form of cash or past services rendered to a Participating Company or for its benefit having a value not less than the par value of the shares of Stock issued upon settlement of the Restricted Stock Unit Award.

**9.3 Vesting.** Restricted Stock Unit Awards may (but need not) be made subject to Vesting Conditions based upon the satisfaction of such Service requirements, conditions, restrictions or performance criteria, including, without limitation, Performance Goals as described in Section 10.4, as shall be established by the Committee and set forth in the Award Agreement evidencing such Award.

**9.4 Voting Rights, Dividend Equivalent Rights and Distributions.** Participants shall have no voting rights with respect to shares of Stock represented by Restricted Stock Units until the date of the issuance of such shares (as evidenced by the appropriate entry on the books of the Company or of a duly authorized transfer agent of the Company). However, the Committee, in its discretion, may provide in the Award Agreement evidencing any Restricted Stock Unit Award that the Participant shall be entitled to Dividend Equivalent Rights with respect to the payment of cash dividends on Stock during the period beginning on the date such Award is granted and ending, with respect to each share subject to the Award, on the earlier of the date the Award is settled or the date on which it is terminated. Dividend Equivalent Rights, if any, shall be paid by crediting the Participant with a cash amount or with additional whole Restricted Stock Units as of the date of payment of such cash dividends on Stock, as determined by the Committee. The number of additional Restricted Stock Units (rounded down to the nearest whole number), if any, to be credited shall be determined by dividing (a) the amount of cash dividends paid on the dividend payment date with respect to the number of shares of Stock represented by the Restricted Stock Units previously credited to the Participant by (b) the Fair Market Value per share of Stock on such date. Such cash amount or additional Restricted Stock Units shall be subject to the same terms and conditions and shall be settled in the same manner and at the same time as the Restricted Stock Units originally subject to the Restricted Stock Unit Award. In the event of a dividend or distribution paid in shares of Stock or other property or any other adjustment made upon a change in the capital structure of the Company as described in Section 4.5, appropriate adjustments shall be made in the Participant's Restricted Stock Unit Award so that it represents the right to receive upon settlement any and all new, substituted or additional securities or other property to which the Participant would be entitled by reason of the shares of Stock issuable upon settlement of the Award, and all such new, substituted or additional securities or other property shall be immediately subject to the same Vesting Conditions as are applicable to the Award.

**9.5 Effect of Termination of Service.** Unless otherwise provided by the Committee and set forth in the Award Agreement evidencing a Restricted Stock Unit Award or otherwise, if a

Participant's Service terminates for any reason, whether voluntary or involuntary (including the Participant's death or disability), then the Participant shall forfeit to the Company any Restricted Stock Units pursuant to the Award which remain subject to Vesting Conditions as of the date of the Participant's termination of Service.

**9.6 Settlement of Restricted Stock Unit Awards.** The Company shall issue to a Participant on the date on which Restricted Stock Units subject to the Participant's Restricted Stock Unit Award vest or on such other date determined by the Committee in compliance with Section 409A, if applicable, and set forth in the Award Agreement one (1) share of Stock (and/or any other new, substituted or additional securities or other property pursuant to an adjustment described in Section 9.4) for each Restricted Stock Unit then becoming vested or otherwise to be settled on such date, subject to the withholding of applicable taxes, if any. The Committee, in its discretion, may provide in any Award Agreement evidencing a Restricted Stock Unit Award that if the settlement date with respect to any shares issuable upon vesting of Restricted Stock Units would otherwise occur on a day on which the sale of such shares would violate the provisions of the Trading Compliance Policy, then the settlement date shall be deferred until the next trading day on which the sale of such shares would not violate the Trading Compliance Policy but in any event no later than the expiration of the Short-Term Deferral Period (as defined below). If permitted by the Committee, the Participant may elect, consistent with the requirements of Section 409A, to defer receipt of all or any portion of the shares of Stock or other property otherwise issuable to the Participant pursuant to this Section, and such deferred issuance date(s) and amount(s) elected by the Participant shall be set forth in the Award Agreement, Notwithstanding the foregoing, the Committee, in its discretion, may provide in an Award Agreement for settlement of any Restricted Stock Unit Award by payment to the Participant in cash of an amount equal to the Fair Market Value on the payment date of the shares of Stock or other property otherwise issuable to the Participant pursuant to this Section.

**9.7 Nontransferability of Restricted Stock Unit Awards.** The right to receive shares pursuant to a Restricted Stock Unit Award shall not be subject in any manner to anticipation, alienation, sale, exchange, transfer, assignment, pledge, encumbrance, or garnishment by creditors of the Participant or the Participant's beneficiary, except transfer by will or by the laws of descent and distribution. All rights with respect to a Restricted Stock Unit Award granted to a Participant hereunder shall be exercisable during his or her lifetime only by such Participant or the Participant's guardian or legal representative.

#### **10. Performance Awards.**

Performance Awards shall be evidenced by Award Agreements in such form as the Committee shall establish. Such Award Agreements may incorporate all or any of the terms of the Plan by reference and shall comply with and be subject to the following terms and conditions:

**10.1 Types of Performance Awards Authorized.** Performance Awards may be granted in the form of either Performance Shares or Performance Units. Each Award Agreement evidencing a Performance Award shall specify the number of Performance Shares or Performance Units subject thereto, the Performance Award Formula, the Performance Goal(s) and Performance Period applicable to the Award, and the other terms, conditions and restrictions of the Award.

10.2 **Initial Value of Performance Shares and Performance Units.** Unless otherwise provided by the Committee in granting a Performance Award, each Performance Share shall have an initial monetary value equal to the Fair Market Value of one (1) share of Stock, subject to adjustment as provided in Section 4.5, on the effective date of grant of the Performance Share, and each Performance Unit shall have an initial monetary value established by the Committee at the time of grant. The final value payable to the Participant in settlement of a Performance Award determined on the basis of the applicable Performance Award Formula will depend on the extent to which Performance Goals established by the Committee are attained within the applicable Performance Period established by the Committee.

10.3 **Establishment of Performance Period, Performance Goals and Performance Award Formula.** In granting each Performance Award, the Committee shall establish in writing the applicable Performance Period, Performance Award Formula and one or more Performance Goals which, when measured at the end of the Performance Period, shall determine on the basis of the Performance Award Formula the final value of the Performance Award to be paid to the Participant. The Company shall notify each Participant granted a Performance Award of the terms of such Award, including the Performance Period, Performance Goal(s) and Performance Award Formula.

10.4 **Measurement of Performance Goals.** Performance Goals shall be established by the Committee on the basis of targets to be attained (“**Performance Targets**”) with respect to one or more measures of business or financial performance or other criteria established by the Committee (each, a “**Performance Measure**”), subject to the following:

(a) **Performance Measures.** Performance Measures based on objective criteria shall be calculated in accordance with the Company’s financial statements, or, if such measures are not reported in the Company’s financial statements, they shall be calculated in accordance with generally accepted accounting principles, a method used generally in the Company’s industry, or in accordance with a methodology established by the Committee prior to the grant of the Performance Award. Performance Measures based on subjective criteria shall be determined on the basis established by the Committee in granting the Award. As specified by the Committee, Performance Measures may be calculated with respect to the Company and each Subsidiary Corporation consolidated therewith for financial reporting purposes, one or more Subsidiary Corporations, such division or other business unit of any of them selected by the Committee or on an individual basis. In establishing a Performance Goal or determining the achievement of a Performance Goal, the Committee may provide that achievement of the applicable Performance Goals may be amended or adjusted to include or exclude components of any Performance Goal, including, without limitation, foreign exchange gains and losses, asset write-downs, acquisitions and divestitures, change in fiscal year, unbudgeted capital expenditures, special charges such as restructuring or impairment charges, debt refinancing costs, extraordinary or noncash items, unusual, infrequently occurring, nonrecurring or one-time events affecting the Company or its financial statements or changes in law or accounting principles. Performance Goals shall be subject to such other special rules and conditions as the Committee may establish at any time. Performance Measures may be based on such measures as the Committee may determine (whether or not listed herein), including, without limitation:

- (i) revenue;

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- (ii) sales;
  - (iii) expenses;
  - (iv) operating income;
  - (v) gross margin;
  - (vi) operating margin;
  - (vii) earnings;
  - viii) pre-tax profit;
  - (ix) net operating income;
  - (x) net income;
  - (xi) economic value added;
  - (xii) free cash flow;
  - (xiii) operating cash flow;
  - (xiv) balance of cash, cash equivalents and marketable securities;
  - (xv) stock price;
  - (xvi) earnings per share;
  - (xvii) return on stockholder equity;
  - (xviii) return on capital;
  - (xix) return on assets;
  - (xx) return on investment;
  - (xxi) total stockholder return;
  - (xxii) employee satisfaction;
  - (xxiii) employee retention;
  - (xxiv) market share;
  - (xxv) customer satisfaction;
  - (xxvi) product development;



- (xxvii) research and development expenses;
- (xxviii) completion of an identified special project;
- (xxix) completion of a joint venture or other corporate transaction; and
- (xxx) personal performance objectives established for an individual Participant or group of Participants.

(b) **Performance Targets.** Performance Targets may include a minimum, maximum, target level and/or intermediate levels of performance, with the final value of a Performance Award determined under the applicable Performance Award Formula by the Performance Target level attained during the applicable Performance Period. A Performance Target may be stated as an absolute value, an increase or decrease in a value, or as a value determined relative to an index, budget or other standard selected by the Committee.

#### 10.5 Settlement of Performance Awards.

(a) **Determination of Final Value.** As soon as practicable following the completion of the Performance Period applicable to a Performance Award, the Committee shall determine the extent to which the applicable Performance Goals have been attained and the resulting final value of the Award earned by the Participant and to be paid upon its settlement in accordance with the applicable Performance Award Formula.

(b) **Discretionary Adjustment of Award Formula.** In its discretion, the Committee may, either at the time it grants a Performance Award or at any time thereafter, provide for the positive or negative adjustment of the Performance Award Formula applicable to a Performance Award to reflect such Participant's individual performance in his or her position with the Company or such other factors as the Committee may determine.

(c) **Effect of Leaves of Absence.** Unless otherwise required by law or a Participant's Award Agreement, payment of the final value, if any, of a Performance Award held by a Participant who has taken in excess of thirty (30) days in unpaid leaves of absence during a Performance Period shall be prorated on the basis of the number of days of the Participant's Service during the Performance Period during which the Participant was not on an unpaid leave of absence.

(d) **Notice to Participants.** As soon as practicable following the Committee's determination in accordance with Sections 10.5(a) and (b), the Company shall notify each Participant of the determination of the Committee.

(e) **Payment in Settlement of Performance Awards.** As soon as practicable following the Committee's determination in accordance with Sections 10.5(a) and (b), but in any event within the Short-Term Deferral Period described in Section 15.1 (except as otherwise provided below or consistent with the requirements of Section 409A), payment shall be made to each eligible Participant (or such Participant's legal representative or other person who acquired the right to receive such payment by reason of the Participant's death) of the final value of the Participant's Performance Award. Payment of such amount shall be made in cash, shares of

Stock, or a combination thereof as determined by the Committee and set forth in the Award Agreement. Unless otherwise provided in the Award Agreement evidencing a Performance Award, payment shall be made in a lump sum. If permitted by the Committee, the Participant may elect, consistent with the requirements of Section 409A, to defer receipt of all or any portion of the payment to be made to the Participant pursuant to this Section, and such deferred payment date(s) elected by the Participant shall be set forth in the Award Agreement. If any payment is to be made on a deferred basis, the Committee may, but shall not be obligated to, provide for the payment during the deferral period of Dividend Equivalent Rights or interest.

(f) **Provisions Applicable to Payment in Shares.** If payment is to be made in shares of Stock, the number of such shares shall be determined by dividing the final value of the Performance Award by the Fair Market Value of a share of Stock determined by the method specified in the Award Agreement or such other method as specified by the Committee at the time of grant. Shares of Stock issued in payment of any Performance Award may be fully vested and freely transferable shares or may be shares of Stock subject to Vesting Conditions as provided in Section 8.4. Any shares subject to Vesting Conditions shall be evidenced by an appropriate Award Agreement and shall be subject to the provisions of Sections 8.4 through 8.7 above.

**10.6 Voting Rights; Dividend Equivalent Rights and Distributions.** Participants shall have no voting rights with respect to shares of Stock represented by Performance Awards until the date of the issuance of such shares, if any (as evidenced by the appropriate entry on the books of the Company or of a duly authorized transfer agent of the Company). However, the Committee, in its discretion, may provide in the Award Agreement evidencing any Performance Share Award that the Participant shall be entitled to Dividend Equivalent Rights with respect to the payment of cash dividends on Stock during the period beginning on the date the Award is granted and ending, with respect to each share subject to the Award, on the earlier of the date on which the Performance Shares are settled or the date on which they are forfeited. Such Dividend Equivalent Rights, if any, shall be credited to the Participant either in cash or in the form of additional whole Performance Shares as of the date of payment of such cash dividends on Stock, as determined by the Committee. The number of additional Performance Shares (rounded down to the nearest whole number), if any, to be so credited shall be determined by dividing (a) the amount of cash dividends paid on the dividend payment date with respect to the number of shares of Stock represented by the Performance Shares previously credited to the Participant by (b) the Fair Market Value per share of Stock on such date. Dividend Equivalent Rights, if any, shall be accumulated and paid to the extent that the related Performance Shares become nonforfeitable. Settlement of Dividend Equivalent Rights may be made in cash, shares of Stock, or a combination thereof as determined by the Committee, and may be paid on the same basis as settlement of the related Performance Share as provided in Section 10.5. Dividend Equivalent Rights shall not be paid with respect to Performance Units. In the event of a dividend or distribution paid in shares of Stock or other property or any other adjustment made upon a change in the capital structure of the Company as described in Section 4.5, appropriate adjustments shall be made in the Participant's Performance Share Award so that it represents the right to receive upon settlement any and all new, substituted or additional securities or other property (other than regular, periodic cash dividends) to which the Participant would be entitled by reason of the shares of Stock issuable upon settlement of the Performance Share Award, and all such new, substituted or additional securities or other property shall be immediately subject to the same Performance Goals as are applicable to the Award.

10.7 **Effect of Termination of Service.** Unless otherwise provided by the Committee and set forth in the Award Agreement evidencing a Performance Award or otherwise, the effect of a Participant's termination of Service on the Performance Award shall be as follows:

(a) **Death or Disability.** If the Participant's Service terminates because of the death or Disability of the Participant before the completion of the Performance Period applicable to the Performance Award, the final value of the Participant's Performance Award shall be determined by the extent to which the applicable Performance Goals have been attained with respect to the entire Performance Period and shall be prorated based on the number of months of the Participant's Service during the Performance Period. Payment shall be made following the end of the Performance Period in any manner permitted by Section 10.5.

(b) **Other Termination of Service.** If the Participant's Service terminates for any reason except death or Disability before the completion of the Performance Period applicable to the Performance Award, such Award shall be forfeited in its entirety.

10.8 **Nontransferability of Performance Awards.** Prior to settlement in accordance with the provisions of the Plan, no Performance Award shall be subject in any manner to anticipation, alienation, sale, exchange, transfer, assignment, pledge, encumbrance, or garnishment by creditors of the Participant or the Participant's beneficiary, except transfer by will or by the laws of descent and distribution. All rights with respect to a Performance Award granted to a Participant hereunder shall be exercisable during his or her lifetime only by such Participant or the Participant's guardian or legal representative.

#### **11. Cash-Based Awards and Other Stock-Based Awards.**

Cash-Based Awards and Other Stock-Based Awards shall be evidenced by Award Agreements in such form as the Committee shall establish. Such Award Agreements may incorporate all or any of the terms of the Plan by reference and shall comply with and be subject to the following terms and conditions:

11.1 **Grant of Cash-Based Awards.** Subject to the provisions of the Plan, the Committee, at any time and from time to time, may grant Cash-Based Awards to Participants in such amounts and upon such terms and conditions, including the achievement of performance criteria, as the Committee may determine.

11.2 **Grant of Other Stock-Based Awards.** The Committee may grant other types of equity-based or equity-related Awards not otherwise described by the terms of this Plan (including the grant or offer for sale of unrestricted securities, stock-equivalent units, stock appreciation units, securities or debentures convertible into common stock or other forms determined by the Committee) in such amounts and subject to such terms and conditions as the Committee shall determine. Other Stock-Based Awards may be made available as a form of payment in the settlement of other Awards or as payment in lieu of compensation to which a Participant is otherwise entitled. Other Stock-Based Awards may involve the transfer of actual shares of Stock to Participants, or payment in cash or otherwise of amounts based on the value of Stock and may include, without limitation, Awards designed to comply with or take advantage of the applicable local laws of jurisdictions other than the United States.

**11.3 Value of Cash-Based and Other Stock-Based Awards.** Each Cash-Based Award shall specify a monetary payment amount or payment range as determined by the Committee. Each Other Stock-Based Award shall be expressed in terms of shares of Stock or units based on such shares of Stock, as determined by the Committee. The Committee may require the satisfaction of such Service requirements, conditions, restrictions or performance criteria, including, without limitation, Performance Goals as described in Section 10.4, as shall be established by the Committee and set forth in the Award Agreement evidencing such Award. If the Committee exercises its discretion to establish performance criteria, the final value of Cash-Based Awards or Other Stock-Based Awards that will be paid to the Participant will depend on the extent to which the performance criteria are met.

**11.4 Payment or Settlement of Cash-Based Awards and Other Stock-Based Awards.** Payment or settlement, if any, with respect to a Cash-Based Award or an Other Stock-Based Award shall be made in accordance with the terms of the Award, in cash, shares of Stock or other securities or any combination thereof as the Committee determines. To the extent applicable, payment or settlement with respect to each Cash-Based Award and Other Stock-Based Award shall be made in compliance with the requirements of Section 409A.

**11.5 Voting Rights; Dividend Equivalent Rights and Distributions.** Participants shall have no voting rights with respect to shares of Stock represented by Other Stock-Based Awards until the date of the issuance of such shares of Stock (as evidenced by the appropriate entry on the books of the Company or of a duly authorized transfer agent of the Company), if any, in settlement of such Award. However, the Committee, in its discretion, may provide in the Award Agreement evidencing any Other Stock-Based Award that the Participant shall be entitled to Dividend Equivalent Rights with respect to the payment of cash dividends on Stock during the period beginning on the date such Award is granted and ending, with respect to each share subject to the Award, on the earlier of the date the Award is settled or the date on which it is terminated. Such Dividend Equivalent Rights, if any, shall be paid in accordance with the provisions set forth in Section 9.4. Dividend Equivalent Rights shall not be granted with respect to Cash-Based Awards. In the event of a dividend or distribution paid in shares of Stock or other property or any other adjustment made upon a change in the capital structure of the Company as described in Section 4.5, appropriate adjustments shall be made in the Participant's Other Stock-Based Award so that it represents the right to receive upon settlement any and all new, substituted or additional securities or other property (other than regular, periodic cash dividends) to which the Participant would be entitled by reason of the shares of Stock issuable upon settlement of such Award, and all such new, substituted or additional securities or other property shall be immediately subject to the same Vesting Conditions and performance criteria, if any, as are applicable to the Award.

**11.6 Effect of Termination of Service.** Each Award Agreement evidencing a Cash-Based Award or Other Stock-Based Award shall set forth the extent to which the Participant shall have the right to retain such Award following termination of the Participant's Service. Such provisions shall be determined in the discretion of the Committee, need not be uniform among all Cash Based Awards or Other Stock-Based Awards, and may reflect distinctions based on the reasons for termination, subject to the requirements of Section 409A, if applicable.

11.7 **Nontransferability of Cash-Based Awards and Other Stock-Based Awards.** Prior to the payment or settlement of a Cash-Based Award or Other Stock-Based Award, the Award shall not be subject in any manner to anticipation, alienation, sale, exchange, transfer, assignment, pledge, encumbrance, or garnishment by creditors of the Participant or the Participant's beneficiary, except transfer by will or by the laws of descent and distribution. The Committee may impose such additional restrictions on any shares of Stock issued in settlement of Cash-Based Awards and Other Stock-Based Awards as it may deem advisable, including, without limitation, minimum holding period requirements, restrictions under applicable federal securities laws, under the requirements of any stock exchange or market upon which such shares of Stock are then listed and/or traded, or under any state securities laws or foreign law applicable to such shares of Stock.

## 12. **Standard Forms of Award Agreement.**

12.1 **Award Agreements.** Each Award shall comply with and be subject to the terms and conditions set forth in the appropriate form of Award Agreement approved by the Committee and as amended from time to time.

12.2 **Authority to Vary Terms.** The Committee shall have the authority from time to time to vary the terms of any standard form of Award Agreement either in connection with the grant or amendment of an individual Award or in connection with the authorization of a new standard form or forms; provided, however, that the terms and conditions of any such new, revised or amended standard form or forms of Award Agreement are not inconsistent with the terms of the Plan.

## 13. **Change in Control.**

13.1 **Effect of Change in Control on Awards.** In the event of a Change in Control, outstanding Awards shall be subject to the definitive agreement entered into by the Company in connection with the Change in Control. Subject to the requirements and limitations of Section 409A, if applicable, the Committee may provide for any treatment of outstanding Awards, including, without limitation, any one or more of the following:

(a) **Accelerated Vesting.** In its discretion, the Committee may provide in the grant of any Award or at any other time may take such action as it deems appropriate to provide for acceleration of the exercisability, vesting and/or settlement in connection with a Change in Control of each or any outstanding Award or portion thereof and shares acquired pursuant thereto upon such conditions, including termination of the Participant's Service prior to, upon, or following the Change in Control, and to such extent as the Committee determines.

(b) **Assumption, Continuation or Substitution.** In the event of a Change in Control, the surviving, continuing, successor, or purchasing corporation or other business entity or parent thereof, as the case may be (the "**Acquiror**"), may, without the consent of any Participant, assume or continue the Company's rights and obligations under each or any Award or portion thereof outstanding immediately prior to the Change in Control or substitute for each

or any such outstanding Award or portion thereof a substantially equivalent award with respect to the Acquiror's stock, cash or other property. Any Award or portion thereof which is neither assumed or continued by the Acquiror in connection with the Change in Control nor exercised or settled as of the time of consummation of the Change in Control shall terminate and cease to be outstanding effective as of the time of consummation of the Change in Control.

(c) **Cash-Out of Outstanding Stock-Based Awards.** The Committee may, in its discretion and without the consent of any Participant, determine that, upon the occurrence of a Change in Control, each or any Award denominated in shares of Stock or portion thereof outstanding immediately prior to the Change in Control and not previously exercised or settled shall be canceled in exchange for a payment with respect to each vested share (and each unvested share, if so determined by the Committee) of Stock subject to such canceled Award in (i) cash, (ii) stock of the Company or of a corporation or other business entity that is a party to the Change in Control, or (iii) other property which, in any such case, shall be in an amount having a Fair Market Value equal to the Fair Market Value of the consideration to be paid per share of Stock in the Change in Control, reduced (but not below zero) by the exercise or purchase price per share, if any, under such Award. In the event such determination is made by the Committee, an Award having an exercise or purchase price per share equal to or greater than the Fair Market Value of the consideration to be paid per share of Stock in the Change in Control may be canceled without payment of consideration to the holder thereof. Payment pursuant to this Section (reduced by applicable withholding taxes, if any) shall be made to Participants in respect of the vested portions of their canceled Awards as soon as practicable following the date of the Change in Control and in respect of the unvested portions of their canceled Awards in accordance with the vesting schedules applicable to such Awards; provided, however, that any escrow, holdback, earnout or similar provisions in the definitive documents relating to any such Change in Control may, in the sole discretion of the Committee, apply to any payment to the holders of Awards to the same extent and in the same manner as such provisions apply to the holders of Stock.

**13.2 Effect of Change in Control on Nonemployee Director Awards.** Subject to the requirements and limitations of Section 409A, if applicable, including as provided by Section 15.4(f), in the event of a Change in Control, each outstanding Nonemployee Director Award shall become immediately exercisable and vested in full and, except to the extent assumed, continued or substituted for pursuant to Section 13.1(b), shall be settled effective immediately prior to the time of consummation of the Change in Control.

**13.3 Federal Excise Tax Under Section 4999 of the Code.**

(a) **Excess Parachute Payment.** If any acceleration of vesting pursuant to an Award and any other payment or benefit received or to be received by a Participant would subject the Participant to any excise tax pursuant to Section 4999 of the Code due to the characterization of such acceleration of vesting, payment or benefit as an "excess parachute payment" under Section 280G of the Code, then, provided such election would not subject the Participant to taxation under Section 409A, the Participant may elect to reduce the amount of any acceleration of vesting called for under the Award in order to avoid such characterization.

(b) **Determination by Tax Firm.** To aid the Participant in making any election called for under Section 13.3(a), no later than the date of the occurrence of any event that might reasonably be anticipated to result in an “excess parachute payment” to the Participant as described in Section 13.3(a), the Company shall request a determination in writing by the professional firm engaged by the Company for general tax purposes, or, if the tax firm so engaged by the Company is serving as accountant or auditor for the Acquiror, the Company will appoint a nationally recognized tax firm to make the determinations required by this Section (the “**Tax Firm**”). As soon as practicable thereafter, the Tax Firm shall determine and report to the Company and the Participant the amount of such acceleration of vesting, payments and benefits which would produce the greatest after-tax benefit to the Participant. For the purposes of such determination, the Tax Firm may rely on reasonable, good faith interpretations concerning the application of Sections 280G and 4999 of the Code. The Company and the Participant shall furnish to the Tax Firm such information and documents as the Tax Firm may reasonably request in order to make its required determination. The Company shall bear all fees and expenses the Tax Firm charges in connection with its services contemplated by this Section.

#### **14. Compliance with Securities Law.**

The grant of Awards and the issuance of shares of Stock pursuant to any Award shall be subject to compliance with all applicable requirements of federal, state and foreign law with respect to such securities and the requirements of any stock exchange or market system upon which the Stock may then be listed. In addition, no Award may be exercised or shares issued pursuant to an Award unless (a) a registration statement under the Securities Act shall at the time of such exercise or issuance be in effect with respect to the shares issuable pursuant to the Award, or (b) in the opinion of legal counsel to the Company, the shares issuable pursuant to the Award may be issued in accordance with the terms of an applicable exemption from the registration requirements of the Securities Act. The inability of the Company to obtain from any regulatory body having jurisdiction the authority, if any, deemed by the Company’s legal counsel to be necessary to the lawful issuance and sale of any shares under the Plan shall relieve the Company of any liability in respect of the failure to issue or sell such shares as to which such requisite authority shall not have been obtained. As a condition to issuance of any Stock, the Company may require the Participant to satisfy any qualifications that may be necessary or appropriate, to evidence compliance with any applicable law or regulation and to make any representation or warranty with respect thereto as may be requested by the Company.

#### **15. Compliance with Section 409A.**

15.1 **Awards Subject to Section 409A.** The Company intends that Awards granted pursuant to the Plan shall either be exempt from or comply with Section 409A, and the Plan shall be so construed. The provisions of this Section 15 shall apply to any Award or portion thereof that constitutes or provides for payment of Section 409A Deferred Compensation. Such Awards may include, without limitation:

(a) A Nonstatutory Stock Option or SAR that includes any feature for the deferral of compensation other than the deferral of recognition of income until the later of (i) the exercise or disposition of the Award or (ii) the time the stock acquired pursuant to the exercise of the Award first becomes substantially vested.

(b) Any Restricted Stock Unit Award, Performance Award, Cash-Based Award or Other Stock-Based Award that either (i) provides by its terms for settlement of all or any portion of the Award at a time or upon an event that will or may occur later than the end of the Short-Term Deferral Period or (ii) permits the Participant granted the Award to elect one or more dates or events upon which the Award will be settled after the end of the Short-Term Deferral Period.

Subject to the provisions of Section 409A, the term “Short-Term Deferral Period” means the period ending on the later of (i) the 15th day of the third month following the end of the Participant’s taxable year in which the right to payment under the applicable portion of the Award is no longer subject to a substantial risk of forfeiture or (ii) the 15th day of the third month following the end of the Company’s taxable year in which the right to payment under the applicable portion of the Award is no longer subject to a substantial risk of forfeiture. For this purpose, the term “substantial risk of forfeiture” shall have the meaning provided by Section 409A.

**15.2 Deferral and/or Distribution Elections.** Except as otherwise permitted or required by Section 409A, the following rules shall apply to any compensation deferral and/or payment elections (each, an “**Election**”) that may be permitted or required by the Committee pursuant to an Award providing Section 409A Deferred Compensation:

(a) Elections must be in writing and specify the amount of the payment in settlement of an Award being deferred, as well as the time and form of payment as permitted by this Plan.

(b) Elections shall be made by the end of the Participant’s taxable year prior to the year in which services commence for which an Award may be granted to the Participant.

**15.3 Subsequent Elections.** Except as otherwise permitted or required by Section 409A, any Award providing Section 409A Deferred Compensation which permits a subsequent Election to delay the payment or change the form of payment in settlement of such Award shall comply with the following requirements:

(a) No subsequent Election may take effect until at least twelve (12) months after the date on which the subsequent Election is made.

(b) Each subsequent Election related to a payment in settlement of an Award not described in Section 15.4(a)(ii), 15.4(a)(iii) or 15.4(a)(vi) must result in a delay of the payment for a period of not less than five (5) years from the date on which such payment would otherwise have been made.

(c) No subsequent Election related to a payment pursuant to Section 15.4(a)(iv) shall be made less than twelve (12) months before the date on which such payment would otherwise have been made.

**15.4 Payment of Section 409A Deferred Compensation.**



(a) **Permissible Payments.** Except as otherwise permitted or required by Section 409A, an Award providing Section 409A Deferred Compensation must provide for payment in settlement of the Award only upon one or more of the following:

- (i) The Participant's "separation from service" (as defined by Section 409A);
- (ii) The Participant's becoming "disabled" (as defined by Section 409A);
- (iii) The Participant's death;
- (iv) A time or fixed schedule that is either (i) specified by the Committee upon the grant of an Award and set forth in the Award Agreement evidencing such Award or (ii) specified by the Participant in an Election complying with the requirements of Section 15.2 or 15.3, as applicable;
- (v) A change in the ownership or effective control of the Company or in the ownership of a substantial portion of the assets of the Company determined in accordance with Section 409A; or
- (vi) The occurrence of an "unforeseeable emergency" (as defined by Section 409A).

(b) **Installment Payments.** It is the intent of this Plan that any right of a Participant to receive installment payments (within the meaning of Section 409A) shall, for all purposes of Section 409A, be treated as a right to a series of separate payments.

(c) **Required Delay in Payment to Specified Employee Pursuant to Separation from Service.** Notwithstanding any provision of the Plan or an Award Agreement to the contrary, except as otherwise permitted by Section 409A, no payment pursuant to Section 15.4(a)(i) in settlement of an Award providing for Section 409A Deferred Compensation may be made to a Participant who is a "specified employee" (as defined by Section 409A) as of the date of the Participant's separation from service before the date (the "**Delayed Payment Date**") that is six (6) months after the date of such Participant's separation from service, or, if earlier, the date of the Participant's death. All such amounts that would, but for this paragraph, become payable prior to the Delayed Payment Date shall be accumulated and paid on the Delayed Payment Date.

(d) **Payment Upon Disability.** All distributions of Section 409A Deferred Compensation payable pursuant to Section 15.4(a)(ii) by reason of a Participant becoming disabled (as defined by Section 409A) shall be paid in a lump sum or in periodic installments as established by the Participant's Election. If the Participant has made no Election with respect to distributions of Section 409A Deferred Compensation upon becoming disabled, all such distributions shall be paid in a lump sum upon the determination that the Participant has become disabled.

(e) **Payment Upon Death.** If a Participant dies before complete distribution of amounts payable upon settlement of an Award subject to Section 409A, such undistributed amounts shall be distributed to his or her beneficiary under the distribution method for death established by the Participant's Election upon receipt by the Committee of satisfactory notice and

confirmation of the Participant's death. If the Participant has made no Election with respect to distributions of Section 409A Deferred Compensation upon death, all such distributions shall be paid in a lump sum upon receipt by the Committee of satisfactory notice and confirmation of the Participant's death.

(f) **Payment Upon Change in Control.** Notwithstanding any provision of the Plan or an Award Agreement to the contrary, to the extent that any amount constituting Section 409A Deferred Compensation would become payable under this Plan by reason of a Change in Control, such amount shall become payable only if the event constituting a Change in Control would also constitute a change in ownership or effective control of the Company or a change in the ownership of a substantial portion of the assets of the Company within the meaning of Section 409A. Any Award which constitutes Section 409A Deferred Compensation and which would vest and otherwise become payable upon a Change in Control as a result of the failure of the Acquiror to assume, continue or substitute for such Award in accordance with Section 13.1(b) shall vest to the extent provided by such Award but shall be converted automatically at the effective time of such Change in Control into a right to receive, in cash on the date or dates such award would have been settled in accordance with its then existing settlement schedule (or as required by Section 15.4(c)), an amount or amounts equal in the aggregate to the intrinsic value of the Award at the time of the Change in Control.

(g) **Payment Upon Unforeseeable Emergency.** The Committee shall have the authority to provide in the Award Agreement evidencing any Award providing for Section 409A Deferred Compensation for payment pursuant to Section 15.4(a)(vi) in settlement of all or a portion of such Award in the event that a Participant establishes, to the satisfaction of the Committee, the occurrence of an unforeseeable emergency. In such event, the amount(s) distributed with respect to such unforeseeable emergency cannot exceed the amounts reasonably necessary to satisfy the emergency need plus amounts necessary to pay taxes reasonably anticipated as a result of such distribution(s), after taking into account the extent to which such emergency need is or may be relieved through reimbursement or compensation by insurance or otherwise, by liquidation of the Participant's assets (to the extent the liquidation of such assets would not itself cause severe financial hardship) or by cessation of deferrals under the Award. All distributions with respect to an unforeseeable emergency shall be made in a lump sum upon the Committee's determination that an unforeseeable emergency has occurred. The Committee's decision with respect to whether an unforeseeable emergency has occurred and the manner in which, if at all, the payment in settlement of an Award shall be altered or modified, shall be final, conclusive, and not subject to approval or appeal.

(h) **Prohibition of Acceleration of Payments.** Notwithstanding any provision of the Plan or an Award Agreement to the contrary, this Plan does not permit the acceleration of the time or schedule of any payment under an Award providing Section 409A Deferred Compensation, except as permitted by Section 409A.

(i) **No Representation Regarding Section 409A Compliance.** Notwithstanding any other provision of the Plan, the Company makes no representation that Awards shall be exempt from or comply with Section 409A. No Participating Company shall be liable for any tax, penalty or interest imposed on a Participant by Section 409A.

## **16. Tax Withholding.**

16.1 **Tax Withholding in General.** The Company shall have the right to deduct from any and all payments made under the Plan, or to require the Participant, through payroll withholding, cash payment or otherwise, to make adequate provision for, the federal, state, local and foreign taxes (including social insurance), if any, required by law to be withheld by any Participating Company with respect to an Award or the shares acquired pursuant thereto. The Company shall have no obligation to deliver shares of Stock, to release shares of Stock from an escrow established pursuant to an Award Agreement, or to make any payment in cash under the Plan until the Participating Company Group's tax withholding obligations have been satisfied by the Participant.

16.2 **Withholding in or Directed Sale of Shares.** The Company shall have the right, but not the obligation, to deduct from the shares of Stock issuable to a Participant upon the exercise or settlement of an Award, or to accept from the Participant the tender of, a number of whole shares of Stock having a Fair Market Value, as determined by the Company, equal to all or any part of the tax withholding obligations of any Participating Company. The Fair Market Value of any shares of Stock withheld or tendered to satisfy any such tax withholding obligations shall not exceed the amount determined by the applicable minimum statutory withholding rates (or the maximum individual statutory withholding rates for the applicable jurisdiction if use of such rates would not result in adverse accounting consequences or cost). The Company may require a Participant to direct a broker, upon the vesting, exercise or settlement of an Award, to sell a portion of the shares subject to the Award determined by the Company in its discretion to be sufficient to cover the tax withholding obligations of any Participating Company and to remit an amount equal to such tax withholding obligations to such Participating Company in cash.

## **17. Amendment, Suspension or Termination of Plan.**

The Committee may amend, suspend or terminate the Plan at any time. However, without the approval of the Company's stockholders, there shall be (a) no increase in the maximum aggregate number of shares of Stock that may be issued under the Plan (except by operation of the provisions of Sections 4.2, 4.3, 4.4 and 4.5), (b) no change in the class of persons eligible to receive Incentive Stock Options, and (c) no other amendment of the Plan that would require approval of the Company's stockholders under any applicable law, regulation or rule, including the rules of any stock exchange or quotation system upon which the Stock may then be listed or quoted. No amendment, suspension or termination of the Plan shall affect any then outstanding Award unless expressly provided by the Committee. Except as provided by the next sentence, no amendment, suspension or termination of the Plan may have a materially adverse effect on any then outstanding Award without the consent of the Participant. Notwithstanding any other provision of the Plan or any Award Agreement to the contrary, the Committee may, in its sole and absolute discretion and without the consent of any Participant, amend the Plan or any Award Agreement, to take effect retroactively or otherwise, as it deems necessary or advisable for the purpose of conforming the Plan or such Award Agreement to any present or future law, regulation or rule applicable to the Plan, including, but not limited to, Section 409A.

## **18. Miscellaneous Provisions.**

## 18.1 Forfeiture Events.

(a) The Committee may specify in an Award Agreement that the Participant's rights, payments, and benefits with respect to an Award shall be subject to reduction, cancellation, forfeiture, or recoupment upon the occurrence of specified events, in addition to any otherwise applicable vesting or performance conditions of an Award. Such events may include, but shall not be limited to, termination of Service for Cause or any act by a Participant, whether before or after termination of Service, that would constitute Cause for termination of Service, or any accounting restatement due to material noncompliance of the Company with any financial reporting requirements of securities laws as a result of which, and to the extent that, such reduction, cancellation, forfeiture, or recoupment is required by applicable securities laws. In addition, to the extent that claw-back or similar provisions applicable to Awards are required by applicable law, listing standards and/or policies adopted by the Company, Awards granted under the Plan shall be subject to such provisions.

(b) If the Company is required to prepare an accounting restatement due to the material noncompliance of the Company, as a result of misconduct, with any financial reporting requirement under the securities laws, any Participant who knowingly or through gross negligence engaged in the misconduct, or who knowingly or through gross negligence failed to prevent the misconduct, and any Participant who is one of the individuals subject to automatic forfeiture under Section 304 of the Sarbanes-Oxley Act of 2002, shall reimburse the Company for (i) the amount of any payment in settlement of an Award received by such Participant during the twelve- (12-) month period following the first public issuance or filing with the United States Securities and Exchange Commission (whichever first occurred) of the financial document embodying such financial reporting requirement, and (ii) any profits realized by such Participant from the sale of securities of the Company during such twelve- (12-) month period.

**18.2 Rights as Employee, Consultant or Director.** No person, even though eligible pursuant to Section 5, shall have a right to be selected as a Participant, or, having been so selected, to be selected again as a Participant. Nothing in the Plan or any Award granted under the Plan shall confer on any Participant a right to remain an Employee, Officer, Consultant or Director or interfere with or limit in any way any right of a Participating Company to terminate the Participant's Service at any time. To the extent that an Employee of a Participating Company other than the Company receives an Award under the Plan, that Award shall in no event be understood or interpreted to mean that the Company is the Employee's employer or that the Employee has an employment relationship with the Company.

**18.3 Rights as a Stockholder.** A Participant shall have no rights as a stockholder with respect to any shares covered by an Award until the date of the issuance of such shares (as evidenced by the appropriate entry on the books of the Company or of a duly authorized transfer agent of the Company). No adjustment shall be made for dividends, distributions or other rights for which the record date is prior to the date such shares are issued, except as provided in Section 4.5 or another provision of the Plan.

**18.4 Delivery of Title to Shares.** Subject to any governing rules or regulations, the Company shall issue or cause to be issued the shares of Stock acquired pursuant to an Award and shall deliver such shares to or for the benefit of the Participant by means of one or more of the

following: (a) by delivering to the Participant evidence of book entry shares of Stock credited to the account of the Participant, (b) by depositing such shares of Stock for the benefit of the Participant with any broker with which the Participant has an account relationship, or (c) by delivering such shares of Stock to the Participant in certificate form.

18.5 **Fractional Shares.** The Company shall not be required to issue fractional shares upon the exercise or settlement of any Award.

18.6 **Retirement and Welfare Plans.** Neither Awards made under this Plan nor shares of Stock or cash paid pursuant to such Awards may be included as “compensation” for purposes of computing the benefits payable to any Participant under any Participating Company’s retirement plans (both qualified and non-qualified) or welfare benefit plans unless such other plan expressly provides that such compensation shall be taken into account in computing a Participant’s benefit. In addition, unless a written employment agreement or other service agreement specifically references Awards, a general reference to “benefits” or a similar term in such agreement shall not be deemed to refer to Awards granted hereunder.

18.7 **Beneficiary Designation.** Subject to local laws and procedures, each Participant may file with the Company a written designation of a beneficiary who is to receive any benefit under the Plan to which the Participant is entitled in the event of such Participant’s death before he or she receives any or all of such benefit. Each designation will revoke all prior designations by the same Participant, shall be in a form prescribed by the Company, and will be effective only when filed by the Participant in writing with the Company during the Participant’s lifetime. If a married Participant designates a beneficiary other than the Participant’s spouse, the effectiveness of such designation may be subject to the consent of the Participant’s spouse. If a Participant dies without an effective designation of a beneficiary who is living at the time of the Participant’s death, the Company will pay any remaining unpaid benefits to the Participant’s legal representative.

18.8 **Severability.** If any one or more of the provisions (or any part thereof) of this Plan shall be held invalid, illegal or unenforceable in any respect, such provision shall be modified so as to make it valid, legal and enforceable, and the validity, legality and enforceability of the remaining provisions (or any part thereof) of the Plan shall not in any way be affected or impaired thereby.

18.9 **No Constraint on Corporate Action.** Nothing in this Plan shall be construed to: (a) limit, impair, or otherwise affect the Company’s or another Participating Company’s right or power to make adjustments, reclassifications, reorganizations, or changes of its capital or business structure, or to merge or consolidate, or dissolve, liquidate, sell, or transfer all or any part of its business or assets; or (b) limit the right or power of the Company or another Participating Company to take any action which such entity deems to be necessary or appropriate.

18.10 **Unfunded Obligation.** Participants shall have the status of general unsecured creditors of the Company. Any amounts payable to Participants pursuant to the Plan shall be considered unfunded and unsecured obligations for all purposes, including, without limitation, Title I of the Employee Retirement Income Security Act of 1974. No Participating Company shall be required to segregate any monies from its general funds, or to create any trusts, or establish any special

accounts with respect to such obligations. The Company shall retain at all times beneficial ownership of any investments, including trust investments, which the Company may make to fulfill its payment obligations hereunder. Any investments or the creation or maintenance of any trust or any Participant account shall not create or constitute a trust or fiduciary relationship between the Committee or any Participating Company and a Participant, or otherwise create any vested or beneficial interest in any Participant or the Participant's creditors in any assets of any Participating Company. The Participants shall have no claim against any Participating Company for any changes in the value of any assets which may be invested or reinvested by the Company with respect to the Plan.

18.11 **Protected Rights.** Nothing contained in this Plan is intended to limit the Participant's ability to (i) report possible violations of law or regulation to, or file a charge or complaint with, the Securities and Exchange Commission, the Equal Employment Opportunity Commission, the National Labor Relations Board, the Occupational Safety and Health Administration, the Department of Justice, the Congress, any Inspector General, or any other federal, state or local governmental agency or commission ("**Government Agencies**"), (ii) communicate with any Government Agencies or otherwise participate in any investigation or proceeding that may be conducted by any Government Agency, including providing documents or other information, without notice to the Company or (iii) under applicable United States federal law to (A) disclose in confidence trade secrets to federal, state, and local government officials, or to an attorney, for the sole purpose of reporting or investigating a suspected violation of law or (B) disclose trade secrets in a document filed in a lawsuit or other proceeding, but only if the filing is made under seal and protected from public disclosure.

18.12 **Choice of Law.** Except to the extent governed by applicable federal law, the validity, interpretation, construction and performance of the Plan and each Award Agreement shall be governed by the laws of the State of Delaware, without regard to its conflict of law rules.

## nCINO, INC.

## EMPLOYEE STOCK PURCHASE PLAN

1. Purpose. The purpose of the nCino, Inc. Employee Share Purchase Plan (this “Plan”) is to provide eligible Employees of the Company and Participating Subsidiaries with a convenient means of acquiring an equity interest in the Company through payroll deductions or other contributions in order to enhance such employees’ sense of participation in the affairs of the Company. This Plan shall apply to Offering Periods beginning on or after the effective date of the initial public offering of the Shares, as determined by the Committee (as defined below).

This Plan includes two components: (a) a component intended to qualify as an “employee stock purchase plan” under Section 423 of the Code (the “423 Component”), the provisions of which shall be construed so as to extend and limit participation in a uniform and nondiscriminatory manner consistent with the requirements of Section 423 of the Code; and (b) a component that does not qualify as an “employee stock purchase plan” under Section 423 of the Code (the “Non-423 Component”), under which options shall be granted pursuant to rules, procedures or sub-plans adopted by the Committee designed to achieve tax, securities laws or other objectives for eligible Employees, the Company and its Participating Subsidiaries. Except as otherwise provided in this Plan, the Non-423 Component will operate and be administered in the same manner as the 423 Component.

2. Definitions. As used herein, the terms set forth below have the meanings assigned to them in this Section 2 and shall include the plural as well as the singular.

*1933 Act* means the Securities Act of 1933, as amended.

*1934 Act* means the Securities Exchange Act of 1934, as amended.

*Board* means the Board of Directors of nCino, Inc.

*Business Day* shall mean a day on which NASDAQ is open for trading.

*Brokerage Account* means the account in which the Purchased Shares are held.

*Code* means the Internal Revenue Code of 1986, as amended.

*Committee* means the Compensation Committee of the Board, or the designee of the Compensation Committee.

*Company* means nCino, Inc., a Delaware corporation.

*Compensation* means the base pay received by a Participant, plus commissions, overtime and regular annual, quarterly and monthly cash bonuses and vacation, holiday and sick pay. Compensation does not include: (1) income related to stock option awards, stock grants and other equity incentive awards, (2) expense reimbursements, (3) relocation-related payments, (4) benefit plan payments (including but not limited to short-term disability pay, long-term disability pay, maternity pay, military pay, tuition reimbursement and adoption assistance), (5) accrued but unpaid compensation for a deceased Participant, (6) income from non-cash and fringe benefits, (7) severance payments, and (8) other forms of compensation not specifically listed herein.

*Employee* means any individual who is a common law employee of the Company or any other Participating Subsidiary. For purposes of the Plan, the employment relationship shall be treated as continuing intact while the individual is on sick leave or other leave of absence approved by the Company

or the Participating Subsidiary, as appropriate, and only to the extent permitted under Section 423 of the Code with respect to the 423 Component. For purposes of the Plan, an individual who performs services for the Company or a Participating Subsidiary pursuant to an agreement (written or oral) that classifies such individual's relationship with the Company or a Participating Subsidiary as other than a common law employee shall not be considered an "employee" with respect to any period preceding the date on which a court or administrative agency issues a final determination that such individual is an "employee."

*Enrollment Date* means the first Business Day of each Offering Period.

*Exercise Date* means the last Business Day of each Offering Period (or, if determined by the Committee, the Purchase Period if different from the Offering Period).

*Fair Market Value* on or as of any date means the official closing price for a Share as reported on NASDAQ on the relevant valuation date or, if no official closing price is reported on such date, on the preceding day on which an official closing price is reported on NASDAQ was reported; or, if the Shares are no longer listed on NASDAQ, the closing price for Shares as reported on the official website for such other exchange on which the Shares are listed.

*Offering Period* means every six-month period beginning each January 1st and July 1st or such other period designated by the Committee; provided that in no event shall an Offering Period exceed 27 months, with the commencement of the first Offering Period to be determined by the Committee. Notwithstanding anything herein to the contrary, the Committee may establish an Offering Period with multiple Purchase Periods within such Offering Period.

*Option* means an option granted under this Plan that entitles a Participant to purchase Shares.

*Participant* means an Employee who satisfies the requirements of Sections 3 and 5 of the Plan.

*Participating Subsidiary* means each Subsidiary other than those that the Committee or the Board has excluded from participation in the Plan.

*Plan* means this nCino, Inc. Employee Stock Purchase Plan, as amended from time to time.

*Purchase Account* means the account used to purchase Shares through the exercise of Options under the Plan.

*Purchase Period* means the period designated by Committee during which payroll deductions or other contributions of the Participants are accumulated under the Plan. A Purchase Period may coincide with an entire Offering Period or there may be multiple Purchase Periods within an Offering Period, as determined by the Committee prior to the commencement of the applicable Offering Period.

*Purchase Price* shall be the lesser of: (i) 85% percent of the Fair Market Value of a Share on the applicable Enrollment Date for an Offering Period and (ii) 85% percent of the Fair Market Value of a Share on the applicable Exercise Date; provided, however, that the Committee may determine a different per share Purchase Price provided that such per share Purchase Price is communicated to Participants prior to the beginning of the Offering Period and provided that in no event shall such per share Purchase Price be less than the lesser of (i) 85% of the Fair Market Value of a Share on the applicable Enrollment Date or (ii) 85% of the Fair Market Value of a Share on the Exercise Date.

*Purchased Shares* means the full Shares issued or delivered pursuant to the exercise of Options under the Plan.

*Shares* means shares of the common stock of the Company.



*Subsidiary* means an entity, domestic or foreign, of which not less than 50% of the voting equity is held by the Company or a Subsidiary, whether or not such entity now exists or is hereafter organized or acquired by the Company or a Subsidiary; provided such entity is also a “subsidiary” within the meaning of Section 424 of the Code.

*Termination Date* means (i) the date on which a Participant terminates employment or on which the Participant ceases to provide services to the Company or a Subsidiary as an employee or as otherwise required under Section 423 with respect to the 423 Component or (ii) subject to Section 423 of the Code with respect to the 423 Component, the date on which the Participant’s employment is determined to have been terminated for purposes of the Plan by the Committee. The Termination Date specifically does not include any period following that date which the Participant may be eligible for or in receipt of other payments from the Company including in lieu of notice or termination or severance pay or as wrongful dismissal damages.

### 3. Eligibility.

(a) Only Employees of the Company or a Participating Subsidiary shall be eligible to be granted Options under the Plan and, in no event may a Participant be granted an Option under the Plan following his or her Termination Date.

(b) Any provisions of the Plan to the contrary notwithstanding, no Employee shall be granted an Option under the 423 Component of the Plan if (i) immediately after the grant, such Employee (or any other person whose stock would be attributed to such Employee pursuant to Section 424(d) of the Code) would own capital stock of the Company and/or hold outstanding Options or options to purchase stock possessing 5% or more of the total combined voting power or value of all classes of stock of the Company or of any of its Subsidiaries or (ii) such Option would permit his or her rights to purchase stock under all employee stock purchase plans (described in Section 423 of the Code) of the Company and its Subsidiaries to accrue at a rate that exceeds \$25,000 of the Fair Market Value of such stock (determined at the time each such Option is granted) for each calendar year in which such Option is outstanding at any time. Except as otherwise determined by the Committee prior to the commencement of an Offering Period, no Participant may purchase more than 5,000 Shares during any Offering Period.

4. Exercise of an Option. Options shall be exercised on behalf of Participants in the Plan every Exercise Date, using payroll deductions that have accumulated in the Participants’ Purchase Accounts during the immediately preceding Purchase Period or that have been retained from a prior Purchase Period pursuant to Section 8 hereof.

### 5. Participation.

(a) An Employee shall be eligible to participate on the first Enrollment Date that occurs at least 90 days (or such other time determined by the Committee and consistent with Section 423 of the Code with respect to the 423 Component) after such Employee’s first date of employment with the Company or a Participating Subsidiary; provided, that such Employee properly completes and submits an election form by the deadline prescribed by the Company.

(b) An Employee who does not become a Participant on the first Enrollment Date on which he or she is eligible may thereafter become a Participant on any subsequent Enrollment Date by properly completing and submitting an election form by the deadline prescribed by the Company.

(c) Payroll deductions for a Participant shall commence on the first payroll date following the Enrollment Date and shall end on the last payroll date in the Purchase Period to which such authorization is applicable, unless sooner terminated by the Participant as provided in Section 12 hereof.

## 6. Payroll Deductions.

(a) A Participant shall elect to have payroll deductions made during a Purchase Period equal to no less than 1% of the Participant's Compensation up to a maximum of 15% (or such greater amount as the Committee establishes from time to time). The amount of such payroll deductions shall be in whole percentages. All payroll deductions made by a Participant shall be credited to his or her Purchase Account. A Participant may not make any additional payments into his or her Purchase Account. Notwithstanding the foregoing or any provisions to the contrary in the Plan, the Committee may allow participants to make other contributions under the Plan via cash, check, or other means instead of payroll deductions if payroll deductions are not permitted under applicable local law, and for any Offering Period under the 423 Component, the Committee determines that such other contributions are permissible under Section 423 of the Code.

(b) Except as otherwise determined by the Committee prior to the commencement of an Offering Period, a Participant may not increase or decrease the rate of payroll deductions during an Offering Period. A Participant may change his or her payroll deduction percentage under subsection (a) above for any subsequent Offering Period by properly completing and submitting an election change form in accordance with the procedures prescribed by the Committee. The change in amount shall be effective as of the first Enrollment Date following the date of filing of the election change form. Unless otherwise determined by the Committee prior to the commencement of an Offering Period, a payroll deduction election will automatically apply to the next Offering Period, unless otherwise cancelled or changed by the Participant prior to the commencement of such Offering Period.

(c) Notwithstanding the foregoing, to the extent necessary to comply with Section 423(b)(8) of the Code and Section 3(b) hereof, a Participant's payroll deductions may be decreased to 0% at any time during an Offering Period. Payroll deductions shall recommence at the rate provided in such Participant's election form at the beginning of the first Offering Period which is scheduled to end in the following calendar year, unless terminated by the Participant as provided in Section 12 hereof.

7. Grant of Option. On the applicable Enrollment Date, each Participant in an Offering Period shall be granted an Option to purchase on the applicable Exercise Date a number of full Shares determined by dividing such Participant's payroll deductions accumulated prior to such Exercise Date and retained in the Participant's Purchase Account as of the applicable Exercise Date by the applicable Purchase Price.

8. Exercise of Option. A Participant's Option for the purchase of Shares shall be exercised automatically on the Exercise Date, and the maximum number of Shares subject to the Option shall be purchased for such Participant at the applicable Purchase Price with the accumulated payroll deductions in his or her Purchase Account. If the Fair Market Value of a Share on the first day of the current Offering Period in which a participant is enrolled is higher than the Fair Market Value of a Share on the first day of any subsequent Offering Period, the Company may establish procedures to automatically enroll such participant in the subsequent Offering Period and any funds accumulated in a participant's account prior to the first day of such subsequent Offering Period will be applied to the purchase of shares on the Exercise Date immediately prior to the first day of such subsequent Offering Period. A participant does not need to file any forms with the Company to be automatically enrolled in the subsequent Offering Period.

No fractional Shares shall be purchased; any payroll deductions accumulated in a Participant's Purchase Account which are not sufficient to purchase a full Share shall be retained in the Purchase Account for the next subsequent Purchase Period, subject to earlier withdrawal by the Participant as provided in Section 12 hereof. All other payroll deductions accumulated in a Participant's Purchase Account and not used to purchase Shares on an Exercise Date shall be distributed to the Participant. During a Participant's lifetime, a Participant's Option is exercisable only by him or her. The Company shall satisfy the exercise

of all Participants' Options for the purchase of Shares through (a) the issuance of authorized but unissued Shares, (b) the transfer of treasury Shares, (c) the purchase of Shares on behalf of the applicable Participants on the open market through an independent broker and/or (d) a combination of the foregoing.

9. Issuance of Stock. The Shares purchased by each Participant shall be issued in book entry form and shall be considered to be issued and outstanding to such Participant's credit as of the end of the last day of each Purchase Period. The Committee may permit or require that shares be deposited directly in a Brokerage Account with one or more brokers designated by the Committee or to one or more designated agents of the Company, and the Committee may use electronic or automated methods of share transfer. The Committee may require that Shares be retained with such brokers or agents for a designated period of time and/or may establish other procedures to permit tracking of disqualifying dispositions of such shares, and may also impose a transaction fee with respect to a sale of Shares issued to a Participant's credit and held by such a broker or agent. The Committee may permit Shares purchased under the Plan to participate in a dividend reinvestment plan or program maintained by the Company, and establish a default method for the payment of dividends.

10. Approval by Stockholders. Notwithstanding the above, the Plan is expressly made subject to the approval of the stockholders of the Company within 12 months before or after the date the Plan is adopted by the Board. Such stockholder approval shall be obtained in the manner and to the degree required under applicable federal and state law. If the Plan is not so approved by the stockholders within 12 months before or after the date the Plan is adopted by the Board, this Plan shall not come into effect.

#### 11. Administration.

(a) Powers and Duties of the Committee. The Plan shall be administered by the Committee. Subject to the provisions of the Plan, Section 423 of the Code and the regulations thereunder with respect to the 423 Component, the Committee shall have the discretionary authority to determine the time and frequency of granting Options, the duration of Offering Periods and Purchase Periods, the terms and conditions of the Options and the number of Shares subject to each Option. The Committee shall also have the discretionary authority to do everything necessary and appropriate to administer the Plan, including, without limitation, interpreting the provisions of the Plan (but any such interpretation shall not be inconsistent with the provisions of Section 423 of the Code with respect to the 423 Component). All actions, decisions and determinations of, and interpretations by the Committee with respect to the Plan shall be final and binding upon all Participants and upon their executors, administrators, personal representatives, heirs and legatees. No member of the Board or the Committee shall be liable for any action, decision, determination or interpretation made in good faith with respect to the Plan or any Option granted hereunder. With respect to the 423 Component, an Offering Period shall be administered so as to ensure that all Participants have the same rights and privileges as provided by Section 423(b)(5) of the Code.

(b) Administrator. The Company, Board or the Committee may engage the services of a brokerage firm or financial institution to perform certain ministerial and procedural duties under the Plan including, but not limited to, mailing and receiving notices contemplated under the Plan, determining the number of Purchased Shares for each Participant, maintaining or causing to be maintained the Purchase Account and the Brokerage Account, disbursing funds maintained in the Purchase Account or proceeds from the sale of Shares through the Brokerage Account, and filing with the appropriate tax authorities proper tax returns and forms (including information returns) and providing to each Participant statements as required by law or regulation.

(c) Indemnification. Each person who is or shall have been (a) a member of the Board, (b) a member of the Committee, or (c) an officer or employee of the Company to whom authority was delegated in relation

to this Plan, shall be indemnified and held harmless by the Company against and from any loss, cost, liability or expense that may be imposed upon or reasonably incurred by him or her in connection with or resulting from any claim, action, suit or proceeding to which he or she may be a party or in which he or she may be involved by reason of any action taken or failure to act under the Plan and against and from any and all amounts paid by him or her in settlement thereof, with the Company's approval, or paid by him or her in satisfaction of any judgment in any such claim, action, suit or proceeding against him or her; provided, however, that he or she shall give the Company an opportunity, at its own expense, to handle and defend the same before he or she undertakes to handle and defend it on his or her own behalf, unless such loss, cost, liability or expense is a result of his or her own willful misconduct or except as expressly provided by statute.

The foregoing right of indemnification shall not be exclusive of any other rights of indemnification to which such persons may be entitled under the Company's certificate of incorporation or bylaws, any contract with the Company, as a matter of law, or otherwise, or of any power that the Company may have to indemnify them or hold them harmless.

12. Withdrawal. A Participant may withdraw from the Plan by properly completing and submitting to the Company a withdrawal form in accordance with the procedures prescribed by the Committee, which must be submitted prior to the date specified by the Committee before the last day of the applicable Offering Period. Upon withdrawal, any payroll deductions credited to the Participant's Purchase Account prior to the effective date of the Participant's withdrawal from the Plan will be returned to the Participant. No further payroll deductions for the purchase of Shares will be made during subsequent Offering Periods, unless the Participant properly completes and submits an election form, by the deadline prescribed by the Company. A Participant's withdrawal from an offering will not have any effect upon his or her eligibility to participate in the Plan or in any similar plan that may hereafter be adopted by the Company.

13. Termination of Employment. On the Termination Date of a Participant for any reason prior to the applicable Exercise Date, whether voluntary or involuntary, and including termination of employment due to retirement, death or as a result of liquidation, dissolution, sale, merger or a similar event affecting the Company or a Participating Subsidiary, the corresponding payroll deductions credited to his or her Purchase Account will be returned to him or her or, in the case of the Participant's death, to the person or persons entitled thereto under Section 16, and his or her Option will be automatically terminated.

14. Interest. No interest shall accrue on the payroll deductions of a Participant in the Plan.

15. Stock.

(a) The stock subject to Options shall be common stock of the Company as traded on NASDAQ or on such other exchange as the Shares may be listed.

(b) Subject to adjustment upon changes in capitalization of the Company as provided in Section 18 hereof, the maximum number of Shares which shall be made available for sale under the Plan shall be 1,800,000 Shares. In addition, subject to adjustments upon changes in capitalization of the Company as provided in Section 18 hereof, the maximum number of Shares which shall be made available for sale under the Plan shall automatically increase on the first day of each fiscal year, beginning with the fiscal year ending January 31, 2022, and continuing until (and including) the fiscal year ending January 31, 2031, with such annual increase equal to the lesser of (i) 1,800,000 Shares, (ii) 1% of the number of Shares issued and outstanding on January 31 of the immediately preceding fiscal year, and (iii) an amount determined by the Board. If, on a given Exercise Date, the number of Shares with respect to which Options are to be exercised exceeds the number of Shares then available under the Plan, the Committee shall make a pro rata allocation of the Shares remaining available for purchase in as uniform a manner as shall be practicable and as it shall determine to be equitable.

(c) A Participant shall have no interest or voting right in Shares covered by his or her Option until such Option has been exercised and the Participant has become a holder of record of Shares acquired pursuant to such exercise.

16. Designation of Beneficiary. The Committee may permit Participants to designate beneficiaries to receive any Purchased Shares or payroll deductions, if any, in the Participant's accounts under the Plan in the event of such Participant's death. Beneficiary designations shall be made in accordance with procedures prescribed by the Committee. If no properly designated beneficiary survives the Participant, the Purchased Shares and payroll deductions, if any, will be distributed to the Participant's estate.

17. Assignability of Options. Neither payroll deductions credited to a Participant's Purchase Account nor any rights with regard to the exercise of an Option or to receive Shares under the Plan may be assigned, transferred, pledged or otherwise disposed of in any way (other than by will, the laws of descent and distribution or as provided in Section 16 hereof) by the Participant. Any such attempt at assignment, transfer, pledge or other disposition shall be without effect, except that the Company may treat such act as an election to withdraw from an Offering Period in accordance with Section 12 hereof.

18. Adjustment of Number of Shares Subject to Options.

(a) Adjustment. Subject to any required action by the stockholders of the Company, the maximum number of securities available for purchase under the Plan, as well as the price per security and the number of securities covered by each Option under the Plan which has not yet been exercised shall be appropriately adjusted in the event of any a stock split, reverse stock split, stock dividend, combination or reclassification of the common stock of the Company, or any other increase or decrease in the number of Shares effected without receipt of consideration by the Company; provided, however, that conversion of any convertible securities of the Company shall not be deemed to have been "effected without receipt of consideration." Such adjustment shall be made by the Board or the Committee, whose determination in that respect shall be final, binding and conclusive. If any such adjustment would result in a fractional security being available under the Plan, such fractional security shall be disregarded. Except as expressly provided herein, no issuance by the Company of shares of stock of any class, or securities convertible into shares of stock of any class, shall affect, and no adjustment by reason thereof shall be made with respect to, the number or price of Shares subject to an Option. With respect to the 423 Component, the Options granted pursuant to the Plan shall not be adjusted in a manner that causes the Options to fail to qualify as options issued pursuant to an "employee stock purchase plan" within the meaning of Section 423 of the Code.

(b) Dissolution or Liquidation. In the event of the proposed dissolution or liquidation of the Company, any Offering Period then in progress will terminate immediately prior to the consummation of such proposed action, unless otherwise provided by the Board, and the Board may either provide for the purchase of Shares as of the date on which such Offering Period terminates or return to each Participant the payroll deductions credited to such Participant's Purchase Account.

(c) Merger or Asset Sale. In the event of a proposed sale of all or substantially all of the assets of the Company, or the merger of the Company with or into another corporation, each outstanding Option shall be assumed or an equivalent option substituted by the successor corporation or a parent or subsidiary of the successor corporation, unless the Board determines, in the exercise of its sole discretion, that in lieu of such assumption or substitution to either terminate all outstanding Options and return to each Participant the payroll deductions credited to such Participant's Purchase Account or to provide for the Offering Period in progress to end on a date prior to the consummation of such sale or merger.

19. Amendments or Termination of the Plan.

(a) The Board or the Committee may at any time and for any reason amend, modify, suspend, discontinue or terminate the Plan without notice; provided that no Participant's existing rights in respect of existing Options are adversely affected thereby. To the extent necessary to comply with Section 423 of the Code (or any other applicable law, regulation or stock exchange rule), the Company shall obtain stockholder approval in such a manner and to such a degree as required.

(b) Without stockholder consent and without regard to whether any Participant rights may be considered to have been "adversely affected," the Board or the Committee shall be entitled to change the Purchase Price, Offering Periods, Purchase Periods, eligibility requirements, limit or increase the frequency and/or number of changes in the amount withheld during a Purchase Period, establish the exchange ratio applicable to amounts withheld in a currency other than U.S. dollars, permit payroll withholding in an amount less than or greater than the amount designated by a Participant in order to adjust for delays or mistakes in the Company's processing of properly completed withholding elections, establish reasonable waiting and adjustment periods and/or accounting and crediting procedures to ensure that amounts applied toward the purchase of Shares for each Participant properly correspond with amounts withheld from the Participant's Compensation, and establish such other limitations or procedures as the Board or the Committee determines in its sole discretion advisable which are consistent with the Plan; provided, however, that changes to (i) the Purchase Price, (ii) the Offering Period, (iii) the Purchase Period, (iv) the maximum percentage of Compensation that may be deducted pursuant to Section 6(a) or (v) the maximum number of Shares that may be purchased in a Purchase Period, shall not be effective until communicated to Participants in a reasonable manner, with the determination of such reasonable manner in the sole discretion of the Board or the Committee.

20. No Other Obligations. The receipt of an Option pursuant to the Plan shall impose no obligation upon the Participant to purchase any Shares covered by such Option. Nor shall the granting of an Option pursuant to the Plan constitute an agreement or an understanding, express or implied, on the part of the Company to employ the Participant for any specified period.

21. Notices and Communication. Any notice or other form of communication which the Company or a Participant may be required or permitted to give to the other shall be provided through such means as designated by the Committee, including but not limited to any paper or electronic method.

22. Condition upon Issuance of Shares.

(a) Shares shall not be issued with respect to an Option unless the exercise of such Option and the issuance and delivery of such Shares pursuant thereto shall comply with all applicable provisions of law, domestic or foreign, including, without limitation, the 1933 Act and the 1934 Act and the rules and regulations promulgated thereunder, and the requirements of any stock exchange upon which the Shares may then be listed, and shall be further subject to the approval of counsel for the Company with respect to such compliance.

(b) As a condition to the exercise of an Option, the Company may require the person exercising such Option to represent and warrant at the time of any such exercise that the Shares are being purchased only for investment and without any present intention to sell or distribute such Shares if, in the opinion of counsel for the Company, such a representation is required by any of the aforementioned applicable provisions of law.

23. General Compliance. The Plan will be administered and Options will be exercised in compliance with the 1933 Act, 1934 Act and all other applicable securities laws and Company policies, including without limitation, any insider trading policy of the Company.

24. Term of the Plan. The Plan shall become effective upon the earlier to occur of (i) its adoption by the Board and (ii) its approval by the stockholders of the Company (the earlier of such events, the "Effective Date"), and shall continue in effect until the earlier of (A) the termination of the Plan pursuant to Section 19 hereof and (B) the ten-year anniversary of the Effective Date, with no new Offering Periods commencing on or after such ten-year anniversary.

25. Governing Law. The Plan and all Options granted hereunder shall be construed in accordance with and governed by the laws of the State of Delaware without reference to choice of law principles and subject in all cases to the Code and the regulations thereunder.

26. Non-U.S. Participants. To the extent permitted under Section 423 of the Code, without the amendment of the Plan, the Company may provide for the participation in the Plan by Employees who are subject to the laws of foreign countries or jurisdictions on such terms and conditions different from those specified in the Plan as may in the judgment of the Company be necessary or desirable to foster and promote achievement of the purposes of the Plan and, in furtherance of such purposes the Company may make such modifications, amendments, procedures, subplans and the like as may be necessary or advisable to comply with provisions of laws of other countries or jurisdictions in which the Company or the Participating Subsidiaries operate or have employees. Each subplan shall constitute a separate "offering" under this Plan in accordance with Treas. Reg. §1.423-2(a) and, to the extent inconsistent with the requirements of Section 423, any such subplan shall be considered part of the Non-423 Component, and rights granted thereunder shall not be required by the terms of the Plan to comply with Section 423 of the Code.

27. Section 409A. The 423 Component is exempt from the application of Section 409A of the Code, and any ambiguities herein shall be interpreted to so be exempt from Section 409A of the Code. The Non-423 Component is intended to be exempt from the application of Section 409A of the Code under the short-term deferral exception and any ambiguities shall be construed and interpreted in accordance with such intent. In furtherance of the foregoing and notwithstanding any provision in the Plan to the contrary, if the Committee determines that an option granted under the Plan may be subject to Section 409A of the Code or that any provision in the Plan would cause an option under the Plan to be subject to Section 409A, the Committee may amend the terms of the Plan and/or of an outstanding option granted under the Plan, or take such other action the Committee determines is necessary or appropriate, in each case, without the participant's consent, to exempt any outstanding option or future option that may be granted under the Plan from or to allow any such options to comply with Section 409A of the Code, but only to the extent any such amendments or action by the Committee would not violate Section 409A of the Code. Notwithstanding the foregoing, the Company shall have no liability to a participant or any other party if the option under the Plan that is intended to be exempt from or compliant with Section 409A of the Code is not so exempt or compliant or for any action taken by the Committee with respect thereto.

**AMENDED AND RESTATED EMPLOYMENT AGREEMENT**

THIS AMENDED AND RESTATED EMPLOYMENT AGREEMENT (the "Agreement"), by and between nCino, Inc., a Delaware corporation (the "Company"), and Pierre Naude ("You" or "Your") (each, a "Party" and collectively, the "Parties"), is entered into and effective as of July 6, 2020 (the "Effective Date").

WHEREAS, You are an employee of the Company;

WHEREAS, the Parties desire to enter into this Agreement, as an amendment and restatement to the Compensation Agreement, effective as of October 25, 2017 between the Company and You (the "Prior Agreement"), to express the terms and conditions of Your continued employment with the Company (or any of its affiliates) as described herein; and

WHEREAS, as a condition to and as consideration for the Company's entry into this Agreement, including the enhanced severance benefits provided hereunder, You desire and agree to enter into the Amended and Restated Non-Disclosure, Restrictive Covenants and Assignment of Inventions Agreement as of the Effective Date.

NOW, THEREFORE, in consideration of the mutual agreements in this Agreement, the Parties agree as follows:

1. At-Will Employment. This Agreement does not create a contract for employment for a definite period or a contract for any particular benefits. Your employment with the Company shall be and remain at all times an at-will relationship. This means that at either Your option or the Company's option, Your employment may be terminated at any time, with or without Cause, and with or without notice. The period from the Effective Date through the date of the termination of Your employment hereunder is referred to herein as the "Term."

2. Positions and Authority. You shall serve in the positions of President and Chief Executive Officer of the Company, or in such other positions as the Parties may agree. On the Effective Date, You shall continue to serve as a member of the Board of Directors of the Company (the "Board") and, during Your service as President and Chief Executive Officer, the Company shall cause You to be nominated for election as a member of the Board. You agree to serve in the officer positions referred to in this Section 2 and continue to serve as a director of the Company, if elected or reelected by the stockholders of the Company, and to perform diligently and to the best of Your abilities the duties and services pertaining to such offices as set forth in the Bylaws of the Company, as well as such additional duties and services appropriate to such offices that the Parties may agree upon from time to time. Upon the Effective Date, Your principal place of work shall be located in Wilmington, North Carolina, subject to business travel as reasonably necessary in the performance of Your duties for the Company.

During the Term, You shall devote Your full business time and efforts to the business and affairs of the Company and its subsidiaries, provided that You shall be entitled to serve on civic, charitable, educational, religious, public interest or public service boards, and to manage Your personal and family investments, in each case, to the extent such activities do not materially



interfere with the performance of Your duties and responsibilities hereunder. You shall not become a director of any for profit entity without first receiving the approval of the Nominating and Corporate Governance Committee of the Board.

3. Compensation and Benefits.

(a) Base Salary. As compensation for Your performance of Your duties hereunder, Company shall pay to You an initial Base Salary of \$430,000 per year, payable in accordance with the normal payroll practices of the Company. The Base Salary shall be reviewed for increases but not decreases by the Compensation Committee of the Board (the "Compensation Committee") in good faith, based upon the Company's and Your performance and the Company's pay philosophy, not less often than annually. The term "Base Salary" shall refer to the Base Salary as may be in effect from time to time.

(b) Annual Incentive Compensation. During the Term, You shall be eligible to participate in the annual cash bonus program maintained for senior executive officers of the Company (the "Annual Incentive Program"), with an initial target annual bonus opportunity equal to 100% of Base Salary. The actual amount of the annual bonus earned by and payable to You for any year or portion of a year, as applicable, shall be determined upon the satisfaction of goals and objectives established by the Compensation Committee, and shall be subject to such other terms and conditions of the Annual Incentive Program as in effect from time to time. Each bonus paid under the Annual Incentive Program shall be paid to You no later than two and a half months following the fiscal year in which the bonus is earned. Except as provided in Section 4, Your right to a bonus under the Annual Incentive Program is subject to Your continued employment with the Company through the applicable payment date of the bonus.

(c) Equity Incentive Program. During the Term, You shall be eligible to participate in the equity incentive program maintained for senior executive officers of the Company (the "Equity Incentive Program"), with an Equity Incentive Program target opportunity and equity vehicles determined by the Compensation Committee for each year of participation thereunder.

(d) Employee Benefits and Perquisites. During the Term, You shall be entitled to receive all benefits and perquisites of employment generally available to other members of the Company's senior executive management, upon Your satisfaction of the eligibility or participation criteria therefor. The Company reserves the right to modify or terminate employee benefits and perquisites at its discretion.

(e) Business Expenses. Subject to Section 23, You shall be reimbursed for reasonable travel and other expenses incurred in the performance of Your duties on behalf of the Company in a manner consistent with the Company's policies regarding such reimbursements, as may be in effect from time to time

4. Compensation Upon Termination. Subject to the terms and conditions of this Agreement:

(a) Death. If Your employment with the Company (or any of its affiliates) is terminated as a result of Your death, the Company shall pay Your estate, or as may be directed by the legal representatives of Your estate, (i) Your Base Salary due through the date of termination, and (ii) a pro rata portion of Your annual cash bonus for the fiscal year of termination, with such bonus based on actual performance results for the fiscal year of termination and pro-rated for the portion of the year during which You were employed by the Company and such bonus payable at the same time bonuses are paid to executive officers of the Company (but in any event no later than two and a half months following the fiscal year in which the bonus is earned).

(b) Disability. If Your employment with the Company (or any of its affiliates) is terminated by the Company as a result of You being substantially unable to perform the essential functions of Your then-current position with the Company (or any of its affiliates) by reason of illness, physical or mental disability or other similar incapacity, which inability shall continue for three (3) consecutive months (provided that until such termination, You shall continue to receive Your then-current compensation and benefits, reduced by any benefits payable to You under any disability insurance policy or plan applicable to You), the Company shall pay You (i) Your Base Salary due through the date of termination, and (ii) a pro rata portion of Your annual cash bonus for the fiscal year of termination, with such bonus based on actual performance results for the fiscal year of termination and pro-rated for the portion of the year during which You were employed by the Company and such bonus payable at the same time bonuses are paid to executive officers of the Company (but in any event no later than two and a half months following the fiscal year in which the bonus is earned); provided, that payments so made to You with respect to any period that You are substantially unable to perform the essential functions of Your then-current position with the Company (or any of its affiliates) by reason of illness, physical or mental illness or other similar incapacity shall be reduced by the sum of the amounts, if any, payable to You by reason of such disability, at or prior to the time of any such payment, under any disability insurance policy or benefit plan and which amounts have not previously been applied to reduce any such payment.

(c) Termination by the Company for Cause or by You without Good Reason. If the Company (or any of its affiliates) terminates Your employment for Cause or You terminate Your employment without Good Reason, the Company shall pay You Your Base Salary due through the date of termination and shall have no further obligations to You.

(d) Termination by the Company without Cause or by You with Good Reason Prior to or More Than One Year Following a Change in Control. If (i) the Company (or any of its affiliates) terminates Your employment without Cause, or (ii) You terminate Your employment for Good Reason, in either case, prior to or more than one (1) year following a Change in Control, then the Company shall:

(A) pay You (i) Your Base Salary due through the date of termination, (ii) an amount equal to one (1) times Your then-current annual Base Salary, such amount paid in substantially equal installments as of the last day of each month during the twelve (12) month period commencing on Your date of termination (the "Severance Period"), with the first installment paid within sixty (60) days following Your termination of employment and such first

installment including such amounts as would have otherwise been paid during the period beginning on the date of Your termination of employment and ending on such payment date, and (iii) a pro rata portion of Your annual cash bonus for the fiscal year of termination, with such bonus based on actual performance results for the fiscal year of termination and pro-rated for the portion of the year during which You were employed by the Company and such bonus payable at the same time bonuses are paid to executive officers of the Company (but in any event no later than two and a half months following the fiscal year in which the bonus is earned); *provided, however*, that if the conditions of Section 5 have not been met upon the date(s) that any payment is or payments are due pursuant to clauses (ii) and (iii) under this Section 4(d)(A), such payment(s) will not be made upon the date specified above, and such withheld payment(s) will instead be made, subject to Section 23, on the first payroll date following the effective date of the Separation & Release Agreement.

(B) reimburse You, on a monthly basis, for any COBRA premiums You pay for You and any of Your dependents during the Severance Period (less the amount of any premium amount that would have been payable by You for such coverage, if any, if You had been actively employed by the Company), if and to the extent You and/or Your eligible dependents are entitled to and elect COBRA continuation coverage under the Company's major medical group plan in which You and/or Your dependents participated immediately prior to the date of termination, *provided, however*, that (i) notwithstanding anything in this subsection to the contrary, all other terms and provisions of the Company major medical group plan governing Your rights and Your dependent's rights under COBRA shall apply, (ii) payments pursuant to this Section 4(d)(B) shall cease earlier than the expiration of the Severance Period if You become eligible to receive health benefits pursuant to a plan maintained by a subsequent employer, including through a spouse's employer, during such period, and You shall promptly notify the Company of Your becoming eligible for such coverage, (iii) amounts paid by the Company will be taxable to the extent required to avoid adverse consequences to You or the Company under either Code §105(h) or the Patient Protection and Affordable Care Act of 2010 and (iv) if the conditions of Section 5 have not been met upon the date(s) that any reimbursement is or reimbursements are due pursuant to this Section 4(d)(B), such reimbursement(s) will not be made until the conditions of Section 5 have been met, and any such withheld reimbursement(s) will instead be made, subject to Section 23, on the first payroll date following the effective date of the Separation & Release Agreement; and

(C) if Your termination occurs before a Change in Control has occurred, cause any equity awards outstanding as of the Effective Date, including but not limited to, options to purchase common stock of the Company and restricted stock units, if any, then held by You to remain outstanding and be forfeited without consideration on the six (6) month anniversary of such termination unless a Change in Control occurs within such six (6) month period, in which case, such outstanding awards will be fully vested and exercisable immediately prior to such Change in Control (with You having ninety (90) days following such Change in Control to exercise such vested stock options if such options remain outstanding following such Change in Control).

(e) Termination by the Company without Cause or by You with Good Reason On or Prior to the One Year Anniversary of a Change in Control. If (i) the Company (or any of its affiliates) terminates Your employment without Cause, or (ii) You terminate Your employment for Good Reason, in each case, on or prior to the one (1) year anniversary of a Change in Control (a "CIC Qualifying Termination"), then, in lieu of the benefits set forth in Section 4(d), the Company shall:

(A) pay You (i) Your Base Salary due through the date of termination, and (ii) an aggregate amount equal to one and a half (1.5) times the sum of (x) Your then-current annual Base Salary and (y) Your target annual cash bonus for the fiscal year of termination (provided, that if Your termination occurs prior to the date on which target annual bonuses are determined for the fiscal year of termination, Your target annual bonus shall be based on the target annual bonus established for the fiscal year preceding the fiscal year of termination), in substantially equal installments as of the last day of each month during the eighteen (18) month period commencing on Your date of termination (the "CIC Severance Period"), with the first installment paid within sixty (60) days following Your termination of employment and such first installment including such amounts as would have otherwise been paid during the period beginning on the date of Your termination of employment and ending on such payment date; *provided, however*, that if the conditions of Section 5 have not been met upon the date(s) that any payment is or payments are due pursuant to clause (ii) under this Section 4(e)(A), such payment(s) will not be made upon the date specified above, and such withheld payment(s) will instead be made, subject to Section 23, on the first payroll date following the effective date of the Separation & Release Agreement; and

(B) reimburse You, on a monthly basis, for any COBRA premiums You pay for You and any of Your dependents during the CIC Severance Period (less the amount of any premium amount that would have been payable by You for such coverage, if any, if You had been actively employed by the Company), if and to the extent You and/or Your eligible dependents are entitled to and elect COBRA continuation coverage under the Company's major medical group plan in which You and/or Your dependents participated immediately prior to the date of termination, *provided, however*, that (i) notwithstanding anything in this subsection to the contrary, all other terms and provisions of the Company major medical group plan governing Your rights and Your dependent's rights under COBRA shall apply, (ii) payments pursuant to this Section 4(e)(B) shall cease earlier than the expiration of the Severance Period if You become eligible to receive health benefits pursuant to a plan maintained by a subsequent employer, including through a spouse's employer, during such period, and You shall promptly notify the Company of Your becoming eligible for such coverage, (iii) amounts paid by the Company will be taxable to the extent required to avoid adverse consequences to You or the Company under either Code §105(h) or the Patient Protection and Affordable Care Act of 2010 and (iv) if the conditions of Section 5 have not been met upon the date(s) that any reimbursement is or reimbursements are due pursuant to this Section 4(e)(B), such reimbursement(s) will not be made until the conditions of Section 5 have been met, and any such withheld reimbursement(s) will instead be made, subject to Section 23, on the first payroll date following the effective date of the Separation & Release Agreement.

5. **Release Obligations; No Other Severance.** The Company's obligation to pay You the separation payments set forth in Section 4(d) and Section 4(e) (excluding, in either case, Your Base Salary due through the date of termination) shall be conditioned upon Your execution and non-revocation, within the timeframe specified by the Company (but no later than fifty two (52) days following Your date of termination), and compliance with, a valid and binding separation and release agreement (the "Separation & Release Agreement") in the Company's customary form. You hereby acknowledge and agree that, other than the severance payments and benefits described in this Agreement, upon the effective date of the termination of Your employment, You shall not be entitled to any other severance payments or benefits of any kind under any Company benefit plan, severance policy generally available to the Company's employees or otherwise and all of Your other rights to compensation shall end as of such date, except as set forth in this Agreement.

6. **Change in Control Vesting.** Effective immediately prior to a Change in Control, all equity awards outstanding as of the Effective Date, including but not limited to, options to purchase common stock of the Company, shares of restricted stock, and restricted stock units, if any, then held by You will be fully vested and exercisable. Unless otherwise expressly provided for in an equity award agreement, any equity awards granted following the Effective Date, including but not limited to, options to purchase common stock of the Company, shares of restricted stock, and restricted stock units, if any, then held by You will be fully vested and exercisable in full in the event of Your CIC Qualifying Termination, with the level of performance achieved for any performance-based equity awards and the timing of settlement for any equity awards specified in the underlying equity award agreements.

7. **Section 280G.** Notwithstanding anything to the contrary in this Agreement, You expressly agree that if the payments and benefits provided for in this Agreement or any other payments and benefits which You have the right to receive from the Company and its affiliates (collectively, the "Payments"), would constitute a "parachute payment" (as defined in Section 280G(b)(2) of the Code), then the Payments shall be either (i) reduced (but not below zero) so that the present value of the Payments will be one dollar (\$1.00) less than three times Your "base amount" (as defined in Section 280G(b)(3) of the Code) and so that no portion of the Payments received by You shall be subject to the excise tax imposed by Section 4999 of the Code or (ii) paid in full, whichever produces the better net after-tax result to You. The reduction of Payments, if any, shall be made by reducing first any Payments that are exempt from Section 409A and then reducing any Payments subject to Section 409A in the reverse order in which such Payments would be paid or provided (beginning with such payment or benefit that would be made last in time and continuing, to the extent necessary, through to such payment or benefit that would be made first in time). The determination as to whether any such reduction in the Payments is necessary shall be made by the Compensation Committee or its designee in good faith, which determination will be conclusive and binding upon You and the Company for all purposes. In making such determination, the Compensation Committee or its designee may engage the services of accountants or other professional advisors, and may make reasonable assumptions and approximations concerning applicable taxes and may rely on reasonable, good faith interpretations concerning the application of the Code (including but not limited to Sections 280G and 4999). If a reduced Payment is made or provided and, through error or otherwise, that

Payment, when aggregated with other payments and benefits from Company (or its affiliates) used in determining if a “parachute payment” exists, exceeds one dollar (\$1.00) less than three times Your base amount, then You shall immediately repay such excess to the Company.

8. Withholding. All payments made pursuant to this Agreement will be subject to applicable withholdings, including such federal, state, and local income and payroll taxes as the Company determines are required to be withheld pursuant to applicable law.

9. Definitions.

(a) “Cause” means (i) the indictment or conviction of, or plea of “guilty” or “no contest” to, a felony or a crime involving moral turpitude (excluding a traffic violation not involving any period of incarceration) or the commission of any other act or omission involving dishonesty or fraud by You or at Your direction with respect to, and materially adversely affecting the business affairs of, the Company or any of its affiliates or any of their customers or suppliers, (ii) conduct tending to bring the Company or any of its affiliates into substantial public disgrace or disrepute that causes (or could reasonably be expected to cause) substantial injury to the business, reputation and/or operations of the Company or such affiliates, (iii) substantial and repeated failure or refusal to perform duties of the office held by You as reasonably directed by the Company (other than any such failure resulting from Your incapacity due to injury or illness), and such failure is not cured within thirty (30) days after You receive written notice thereof from the Company that specifically identifies the manner in which the Company believes You have not substantially performed Your duties, (iv) gross negligence or willful misconduct with respect to the Company or any of its affiliates that causes (or could reasonably be expected to cause) substantial injury to the business, reputation and/or operations of the Company or such affiliate, or (v) any material breach of the policies of the Company (as set forth in the manuals or statements of policy of the Company), this Agreement or the Covenants Agreement (defined below). For purposes of this provision, no act or failure to act on Your part shall be considered “willful” unless it is done, or omitted to be done, by You in bad faith or without reasonable belief that Your action or omission was in the best interests of the Company. Any act or failure to act based upon authority given pursuant to a resolution duly adopted by the Board or based upon advice of counsel for the Company shall be conclusively presumed to be done, or omitted to be done, by You in good faith and in the best interests of the Company. If, within thirty (30) days subsequent to Your termination for any reason, it is discovered that Your employment could have been terminated for Cause, as determined by the Board in its good faith, Your employment will be deemed to have been terminated for Cause for all purposes under this Agreement, You will be required to disgorge to the Company all amounts received by You pursuant to this Agreement on account of such termination that would not have been payable to You had such termination been by the Company for Cause, and the Company will be released from any further obligation to provide any You with any separation payments or benefits of any kind.

(b) “Change in Control” shall have the same meaning as set forth in the nCino, Inc. 2019 Equity Incentive Plan, as amended and restated effective immediately prior to the completion of the Company’s initial public offering or, solely with respect to equity awards outstanding as of the Effective Date, the equity plan and related award agreements pursuant to which such awards were granted.

(c) “Code” means the Internal Revenue Code of 1986, as amended.

(d) “Good Reason” shall exist if (i) the Company, without Your written consent (a) materially reduces Your authority, duties, or responsibilities from those applicable to You as of the Effective Date (including, following a Change in Control, any failure of the parent corporation of any controlled group of corporations that includes the Company, if the Company is not such parent corporation, to offer You a position with such parent corporation or a subsidiary thereof involving the same or substantially equivalent duties as Your then-current position with the Company), (b) materially reduces Your Base Salary or target annual cash bonus (excluding any reduction as part of an across-the-board reduction in base salaries and target annual bonuses of all Company executive officers so long as the percentage reduction in Your Base Salary and target annual cash bonus is not greater than the percentage reduction applicable to other executive officers, for the same period as the reduction in other executive officer’s reduction in salary and target annual cash bonus and, in the event such reduction is later mitigated for other executive officers, Your Base Salary and target annual cash bonus is then increased by the same percentage applicable to other executive officers), or (c) requires You to relocate to a place more than 50 miles from Wilmington, North Carolina to perform Your duties; (ii) You provide written notice to the Company of such action within ninety (90) days of the occurrence thereof and provide the Company with thirty (30) days to remedy such action from the notice date (the “Cure Period”); (iii) the Company fails to remedy such action within the Cure Period; and (iv) You elect to resign within thirty (30) days of the expiration of the Cure Period.

(e) “Section 409A” means Section 409A of the Code and the regulations and other guidance thereunder and any state law of similar effect.

10. Entire Agreement. This Agreement constitutes the entire agreement between the Parties concerning the subject matter of this Agreement and supersedes any prior communications, agreements or understandings, whether oral or written, between You and the Company (including, without limitation, the Prior Agreement) relating to the subject matter of this Agreement. Other than the terms of this Agreement, no other representation, promise or agreement has been made with You to cause You to sign this Agreement.

11. Covenants Agreement. By execution of this Agreement, the Parties acknowledge the validity and effectiveness of the (i) Amended and Restated Non-Disclosure, Restrictive Covenants and Assignment of Inventions Agreement, and (ii) Acknowledgement and Agreement (collectively, the “Covenants Agreement”) entered into by You with the Company. Notwithstanding anything in this Agreement or any other agreement to the contrary, You understand that nothing contained in this Agreement or any other agreement limits Your ability to report possible violations of law or regulation to or file a charge or complaint with the Securities and Exchange Commission, the Equal Employment Opportunity Commission, the National Labor Relations Board, the Occupational Safety and Health Administration, the Department of Justice, the Congress, any Inspector General, or any other federal, state or local governmental agency or commission or regulatory authority (collectively, “Government Agencies”). You further understand that neither this Agreement nor any other Agreement limits Your ability to communicate with any Government Agencies or otherwise participate in any

investigation or proceeding that may be conducted by any Government Agency, including providing documents or other information, without notice to the Company. Furthermore (i) You shall not be held criminally or civilly liable under any federal or state trade secret law for the disclosure of a trade secret that: (A) is made (x) in confidence to a federal, state, or local government official, either directly or indirectly, or to an attorney; and (y) solely for the purpose of reporting or investigating a suspected violation of law; or (B) is made in a complaint or other document filed in a lawsuit or other proceeding, if such filing is made under seal, and (ii) if You file a lawsuit for retaliation by the Company for reporting a suspected violation of law, You may disclose a trade secret to Your attorney and use the trade secret information in the court proceeding, if You file any document containing the trade secret under seal and do not disclose the trade secret except pursuant to court order.

12. Governing Law, Jurisdiction and Venue. The laws of the State of North Carolina will govern this Agreement. If North Carolina's conflict of law rules would apply another state's laws, the Parties agree that North Carolina law will still govern. You agree that any claim arising out of or relating to this Agreement will be brought exclusively in a state or federal court of competent jurisdiction in North Carolina. You consent to the personal jurisdiction of the state and/or federal courts located in North Carolina. You waive (i) any objection to jurisdiction or venue, or (ii) any defense claiming lack of jurisdiction or improper venue, in any action brought in such courts.

13. Waiver. The Company's failure to enforce any provision of this Agreement will not act as a waiver of that or any other provision. The Company's waiver of any breach of this Agreement will not act as a waiver of any other breach.

14. Severability. The provisions of this Agreement are severable. If any provision is determined to be invalid, illegal, or unenforceable, in whole or in part, the remaining provisions and any partially enforceable provisions will remain in full force and effect.

15. Amendments. This Agreement may not be amended or modified except in writing signed by both Parties.

16. Successors and Assigns. This Agreement will be assignable to, and will inure to the benefit of, the Company's successors and assigns, including, without limitation, successors through merger, name change, consolidation, or sale of a majority of the Company's stock or assets, and will be binding upon You and Your heirs and assigns. You may not assign, delegate or otherwise transfer any of Your rights, interests or obligations in this Agreement without the prior written approval of the Company.

17. Survival. Sections 4, 5, and 7 through 23, and such other provisions hereof as may so indicate shall survive and continue in full force and effect in accordance with their respective terms, notwithstanding any termination of the Term.

18. Notices. Any notice provided for in this Agreement must be in writing and will be deemed validly given (i) on the date it is actually delivered by personal delivery of such notice, (ii) one (1) business day after its deposit in the custody of Federal Express or other



reputable courier service regularly providing evidence of delivery (with next business day delivery charges paid by the Party sending the notice), (iii) three (3) business days after its deposit in the custody of the U.S. mail, certified or registered postage prepaid, return receipt requested, or (iv) one (1) business day after transmission by facsimile or a PDF or similar attachment to an email, provided that such facsimile or email attachment shall be followed within one (1) business day by delivery of such notice pursuant to clause (i), (ii) or (iii) above. Any such notice to a Party shall be addressed at the address set forth below (subject to the right of a Party to designate a different address for itself by notice similarly given):

If to the Company:

nCino, Inc.  
6770 Parker Farm Drive, Suite 300  
Wilmington, NC 28405  
Attention: Chair of the Compensation Committee

If to You:

At the most recent address on file with the Company

19. Indemnification. While serving as an executive officer of the Company, the Company agrees that it shall indemnify You and provide You with Directors & Officers liability insurance coverage to the same extent that it indemnifies and/or provides such insurance coverage to Board members and other most senior executive officers of the Company

20. No Conflict. You represent and warrant that You are not bound by any employment contract, restrictive covenant, or other restriction preventing You from carrying out Your responsibilities for the Company, or which is in any way inconsistent with the terms of this Agreement. You further represent and warrant that You shall not disclose to the Company or induce the Company to use any confidential or proprietary information or material belonging to any previous employer or others.

21. Clawbacks. The payments to You pursuant to this Agreement are subject to forfeiture or recovery by the Company or other action pursuant to any clawback or recoupment policy which the Company may adopt from time to time, including without limitation any such policy or provision that the Company has included in any of its existing compensation programs or plans or that it may be required to adopt under the Dodd-Frank Wall Street Reform and Consumer Protection Act and implementing rules and regulations thereunder, or as otherwise required by law.

22. Company Policies. You shall be subject to additional Company policies as they may exist from time-to-time, including policies regarding trading of securities.

23. Section 409A. The Parties intend that this Agreement and the payments made hereunder will be exempt from, or if not so exempt, comply with, the requirements of Section 409A, and shall be interpreted and construed consistently with such intent. Without limiting the

foregoing, the separation payments and benefits to You pursuant to Section 4(d) and Section 4(e) this Agreement are intended to be exempt from Section 409A to the maximum extent possible, as short-term deferrals pursuant to Treasury Regulation §1.409A-1(b)(4) or payments made pursuant to a separation pay plan pursuant to Treasury Regulation §1.409A-1(b)(9). Each amount to be paid or benefit to be provided under this Agreement shall be construed as a separate and distinct payment for purposes of Section 409A. To the extent any amounts under this Agreement are payable by reference to Your “termination of employment,” such term and similar terms shall be deemed to refer to Your “separation from service,” within the meaning of Section 409A (after giving effect to the presumptions contained therein) with respect to any payments that are subject to Section 409A. Notwithstanding any other provision in this Agreement, to the extent any payments made or contemplated hereunder constitute nonqualified deferred compensation within the meaning of Section 409A, then (i) each such payment which is conditioned upon Your execution of a release and which is to be paid or provided during a designated period that begins in one taxable year and ends in a second taxable year, shall be paid or provided in the later of the two taxable years and (ii) if You are a specified employee (within the meaning of Section 409A) as of the date of Your separation from service, each such payment that is payable upon Your separation from service and would have been paid prior to the six-month anniversary of Your separation from service, shall be delayed until the earlier to occur of (A) the first day of the seventh month following Your separation from service or (B) the date of Your death. You hereby agree to be bound by the Company’s determination of its “specified employees” (as such term is defined in Section 409A) provided such determination is in accordance with any of the methods permitted under the regulations issued under Section 409A. Any reimbursement payable to You pursuant to this Agreement shall be conditioned on the submission by You of all expense reports reasonably required by the Company under any applicable expense reimbursement policy, and shall be paid to You within 30 days following receipt of such expense reports, but in no event later than the last day of the calendar year following the calendar year in which You incurred the reimbursable expense. Any amount of expenses eligible for reimbursement, or in-kind benefit provided, during a calendar year shall not affect the amount of expenses eligible for reimbursement, or in-kind benefit to be provided, during any other calendar year. The right to any reimbursement or in-kind benefit pursuant to this Agreement shall not be subject to liquidation or exchange for any other benefit. To the extent that any amount payable hereunder is deemed to be a substitute for a payment provided under another agreement with You, then the amount payable hereunder shall be paid at the same time and in the same form as such substituted payment to the extent required to comply with Section 409A. In the event the terms of this Agreement would subject You to taxes or penalties under Section 409A (“409A Penalties”), the Company and You shall cooperate diligently to amend the terms of the Agreement to avoid such 409A Penalties, to the extent possible, but in no event will the Company be liable for any additional tax, interest or penalties that may be imposed on You under Section 409A or any damages because a payment pursuant to this Agreement was determined to not be in compliance with Section 409A.

IN WITNESS WHEREOF, the Parties hereto have executed this Agreement as of the Effective Date.

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nCino, Inc.

By: /s/ Greg Orenstein

Name: Greg Orenstein

Title: Chief Corporate Development & Legal Officer and  
Secretary

/s/ Pierre Naudé

Pierre Naude

**AMENDED AND RESTATED EMPLOYMENT AGREEMENT**

THIS AMENDED AND RESTATED EMPLOYMENT AGREEMENT (the "Agreement"), by and between nCino, Inc., a Delaware corporation (the "Company"), and David Rudow ("You" or "Your") (each, a "Party" and collectively, the "Parties"), is entered into and effective as of July 6, 2020 (the "Effective Date").

WHEREAS, You are an employee of the Company;

WHEREAS, the Parties desire to enter into this Agreement, as an amendment and restatement to the Compensation Agreement, effective as of October 25, 2019 between the Company and You (the "Prior Agreement"), to express the terms and conditions of Your continued employment with the Company (or any of its affiliates) as described herein; and

WHEREAS, as a condition to and as consideration for the Company's entry into this Agreement, including the enhanced severance benefits provided hereunder, You desire and agree to enter into the Amended and Restated Non-Disclosure, Restrictive Covenants and Assignment of Inventions Agreement as of the Effective Date.

NOW, THEREFORE, in consideration of the mutual agreements in this Agreement, the Parties agree as follows:

1. At-Will Employment. This Agreement does not create a contract for employment for a definite period or a contract for any particular benefits. Your employment with the Company shall be and remain at all times an at-will relationship. This means that at either Your option or the Company's option, Your employment may be terminated at any time, with or without Cause, and with or without notice. The period from the Effective Date through the date of the termination of Your employment hereunder is referred to herein as the "Term."

2. Positions and Authority. You shall serve in the position of Chief Financial Officer and Treasurer of the Company, or in such other positions as the Parties may agree, reporting to the Company's President and Chief Executive Officer. You agree to serve in the officer positions referred to in this Section 2, and to perform diligently and to the best of Your abilities the duties and services pertaining to such offices as set forth in the Bylaws of the Company, as well as such additional duties and services appropriate to such offices that the Parties may agree upon from time to time. Upon the Effective Date, Your principal place of work shall be located in Wilmington, North Carolina, subject to business travel as reasonably necessary in the performance of Your duties for the Company.

During the Term, You shall devote Your full business time and efforts to the business and affairs of the Company and its subsidiaries, provided that You shall be entitled to serve on civic, charitable, educational, religious, public interest or public service boards, and to manage Your personal and family investments, in each case, to the extent such activities do not materially interfere with the performance of Your duties and responsibilities hereunder. You shall not become a director of any for profit entity without first receiving the approval of the Nominating and Corporate Governance Committee of the Board of Directors of the Company (the "Board").

3. Compensation and Benefits.

(a) Base Salary. As compensation for Your performance of Your duties hereunder, Company shall pay to You an initial Base Salary of \$280,000 per year, payable in accordance with the normal payroll practices of the Company. The Base Salary shall be reviewed for increases but not decreases by the Compensation Committee of the Board (the "Compensation Committee") in good faith, based upon the Company's and Your performance and the Company's pay philosophy, not less often than annually. The term "Base Salary" shall refer to the Base Salary as may be in effect from time to time.

(b) Annual Incentive Compensation. During the Term, You shall be eligible to participate in the annual cash bonus program maintained for senior executive officers of the Company (the "Annual Incentive Program"), with an initial target annual bonus opportunity equal to 50% of Base Salary. The actual amount of the annual bonus earned by and payable to You for any year or portion of a year, as applicable, shall be determined upon the satisfaction of goals and objectives established by the Compensation Committee, and shall be subject to such other terms and conditions of the Annual Incentive Program as in effect from time to time. Each bonus paid under the Annual Incentive Program shall be paid to You no later than two and a half months following the fiscal year in which the bonus is earned. Except as provided in Section 4, Your right to a bonus under the Annual Incentive Program is subject to Your continued employment with the Company through the applicable payment date of the bonus.

(c) Equity Incentive Program. During the Term, You shall be eligible to participate in the equity incentive program maintained for senior executive officers of the Company (the "Equity Incentive Program"), with an Equity Incentive Program target opportunity and equity vehicles determined by the Compensation Committee for each year of participation thereunder.

(d) Employee Benefits and Perquisites. During the Term, You shall be entitled to receive all benefits and perquisites of employment generally available to other members of the Company's senior executive management, upon Your satisfaction of the eligibility or participation criteria therefor. The Company reserves the right to modify or terminate employee benefits and perquisites at its discretion.

(e) Business Expenses. Subject to Section 23, You shall be reimbursed for reasonable travel and other expenses incurred in the performance of Your duties on behalf of the Company in a manner consistent with the Company's policies regarding such reimbursements, as may be in effect from time to time.

4. Compensation Upon Termination. Subject to the terms and conditions of this Agreement:

(a) Death. If Your employment with the Company (or any of its affiliates) is terminated as a result of Your death, the Company shall pay Your estate, or as may be directed by the legal representatives of Your estate, (i) Your Base Salary due through the date of termination, and (ii) a pro rata portion of Your annual cash bonus for the fiscal year of

termination, with such bonus based on actual performance results for the fiscal year of termination and pro-rated for the portion of the year during which You were employed by the Company and such bonus payable at the same time bonuses are paid to executive officers of the Company (but in any event no later than two and a half months following the fiscal year in which the bonus is earned).

(b) Disability. If Your employment with the Company (or any of its affiliates) is terminated by the Company as a result of You being substantially unable to perform the essential functions of Your then-current position with the Company (or any of its affiliates) by reason of illness, physical or mental disability or other similar incapacity, which inability shall continue for three (3) consecutive months (provided that until such termination, You shall continue to receive Your then-current compensation and benefits, reduced by any benefits payable to You under any disability insurance policy or plan applicable to You), the Company shall pay You (i) Your Base Salary due through the date of termination, and (ii) a pro rata portion of Your annual cash bonus for the fiscal year of termination, with such bonus based on actual performance results for the fiscal year of termination and pro-rated for the portion of the year during which You were employed by the Company and such bonus payable at the same time bonuses are paid to executive officers of the Company (but in any event no later than two and a half months following the fiscal year in which the bonus is earned); provided, that payments so made to You with respect to any period that You are substantially unable to perform the essential functions of Your then-current position with the Company (or any of its affiliates) by reason of illness, physical or mental illness or other similar incapacity shall be reduced by the sum of the amounts, if any, payable to You by reason of such disability, at or prior to the time of any such payment, under any disability insurance policy or benefit plan and which amounts have not previously been applied to reduce any such payment.

(c) Termination by the Company for Cause or by You without Good Reason. If the Company (or any of its affiliates) terminates Your employment for Cause or You terminate Your employment without Good Reason, the Company shall pay You Your Base Salary due through the date of termination and shall have no further obligations to You.

(d) Termination by the Company without Cause or by You with Good Reason Prior to or More Than One Year Following a Change in Control. If (i) the Company (or any of its affiliates) terminates Your employment without Cause, or (ii) You terminate Your employment for Good Reason, in either case, prior to or more than one (1) year following a Change in Control, then the Company shall:

(A) pay You (i) Your Base Salary due through the date of termination, (ii) an amount equal to one-half (0.5) times Your then-current annual Base Salary, such amount paid in substantially equal installments as of the last day of each month during the six (6) month period commencing on Your date of termination (the "Severance Period"), with the first installment paid within sixty (60) days following Your termination of employment and such first installment including such amounts as would have otherwise been paid during the period beginning on the date of Your termination of employment and ending on such payment date, and (iii) a pro rata portion of Your annual cash bonus for the fiscal year of termination, with such bonus based on actual performance results for the fiscal year of termination and pro-rated for the

portion of the year during which You were employed by the Company and such bonus payable at the same time bonuses are paid to executive officers of the Company (but in any event no later than two and a half months following the fiscal year in which the bonus is earned); *provided, however*, that if the conditions of Section 5 have not been met upon the date(s) that any payment is or payments are due pursuant to clauses (ii) and (iii) under this Section 4(d)(A), such payment(s) will not be made upon the date specified above, and such withheld payment(s) will instead be made, subject to Section 23, on the first payroll date following the effective date of the Separation & Release Agreement.

(B) reimburse You, on a monthly basis, for any COBRA premiums You pay for You and any of Your dependents during the Severance Period (less the amount of any premium amount that would have been payable by You for such coverage, if any, if You had been actively employed by the Company), if and to the extent You and/or Your eligible dependents are entitled to and elect COBRA continuation coverage under the Company's major medical group plan in which You and/or Your dependents participated immediately prior to the date of termination, *provided, however*, that (i) notwithstanding anything in this subsection to the contrary, all other terms and provisions of the Company major medical group plan governing Your rights and Your dependent's rights under COBRA shall apply, (ii) payments pursuant to this Section 4(d)(B) shall cease earlier than the expiration of the Severance Period if You become eligible to receive health benefits pursuant to a plan maintained by a subsequent employer, including through a spouse's employer, during such period, and You shall promptly notify the Company of Your becoming eligible for such coverage, (iii) amounts paid by the Company will be taxable to the extent required to avoid adverse consequences to You or the Company under either Code §105(h) or the Patient Protection and Affordable Care Act of 2010 and (iv) if the conditions of Section 5 have not been met upon the date(s) that any reimbursement is or reimbursements are due pursuant to this Section 4(d)(B), such reimbursement(s) will not be made until the conditions of Section 5 have been met, and any such withheld reimbursement(s) will instead be made, subject to Section 23, on the first payroll date following the effective date of the Separation & Release Agreement; and

(C) if Your termination occurs before a Change in Control has occurred, cause any equity awards outstanding as of the Effective Date, including but not limited to, options to purchase common stock of the Company and restricted stock units, if any, then held by You to remain outstanding and be forfeited without consideration on the six (6) month anniversary of such termination unless a Change in Control occurs within such six (6) month period, in which case, such outstanding awards will be fully vested and exercisable immediately prior to such Change in Control (with You having ninety (90) days following such Change in Control to exercise such vested stock options if such options remain outstanding following such Change in Control).

(e) Termination by the Company without Cause or by You with Good Reason On or Prior to the One Year Anniversary of a Change in Control. If (i) the Company (or any of its affiliates) terminates Your employment without Cause, or (ii) You terminate Your employment for Good Reason, in each case, on or prior to the one (1) year anniversary of a Change in Control (a "CIC Qualifying Termination"), then, in lieu of the benefits set forth in Section 4(d), the Company shall:

(A) pay You (i) Your Base Salary due through the date of termination, and (ii) an aggregate amount equal to one (1) times the sum of (x) Your then-current annual Base Salary and (y) Your target annual cash bonus for the fiscal year of termination (provided, that if Your termination occurs prior to the date on which target annual bonuses are determined for the fiscal year of termination, Your target annual bonus shall be based on the target annual bonus established for the fiscal year preceding the fiscal year of termination), in substantially equal installments as of the last day of each month during the twelve (12) month period commencing on Your date of termination (the "CIC Severance Period"), with the first installment paid within sixty (60) days following Your termination of employment and such first installment including such amounts as would have otherwise been paid during the period beginning on the date of Your termination of employment and ending on such payment date; *provided, however*, that if the conditions of Section 5 have not been met upon the date(s) that any payment is or payments are due pursuant to clause (ii) under this Section 4(e)(A), such payment(s) will not be made upon the date specified above, and such withheld payment(s) will instead be made, subject to Section 23, on the first payroll date following the effective date of the Separation & Release Agreement; and

(B) reimburse You, on a monthly basis, for any COBRA premiums You pay for You and any of Your dependents during the CIC Severance Period (less the amount of any premium amount that would have been payable by You for such coverage, if any, if You had been actively employed by the Company), if and to the extent You and/or Your eligible dependents are entitled to and elect COBRA continuation coverage under the Company's major medical group plan in which You and/or Your dependents participated immediately prior to the date of termination, *provided, however*, that (i) notwithstanding anything in this subsection to the contrary, all other terms and provisions of the Company major medical group plan governing Your rights and Your dependent's rights under COBRA shall apply, (ii) payments pursuant to this Section 4(e)(B) shall cease earlier than the expiration of the CIC Severance Period if You become eligible to receive health benefits pursuant to a plan maintained by a subsequent employer, including through a spouse's employer, during such period, and You shall promptly notify the Company of Your becoming eligible for such coverage, (iii) amounts paid by the Company will be taxable to the extent required to avoid adverse consequences to You or the Company under either Code §105(h) or the Patient Protection and Affordable Care Act of 2010 and (iv) if the conditions of Section 5 have not been met upon the date(s) that any reimbursement is or reimbursements are due pursuant to this Section 4(e)(B), such reimbursement(s) will not be made until the conditions of Section 5 have been met, and any such withheld reimbursement(s) will instead be made, subject to Section 23, on the first payroll date following the effective date of the Separation & Release Agreement.

5. Release Obligations; No Other Severance. The Company's obligation to pay You the separation payments set forth in Section 4(d) and Section 4(e) (excluding, in either case, Your Base Salary due through the date of termination) shall be conditioned upon Your execution and non-revocation, within the timeframe specified by the Company (but no later than fifty two



(52) days following Your date of termination), and compliance with, a valid and binding separation and release agreement (the “Separation & Release Agreement”) in the Company’s customary form. You hereby acknowledge and agree that, other than the severance payments and benefits described in this Agreement, upon the effective date of the termination of Your employment, You shall not be entitled to any other severance payments or benefits of any kind under any Company benefit plan, severance policy generally available to the Company’s employees or otherwise and all of Your other rights to compensation shall end as of such date, except as set forth in this Agreement.

6. Change in Control Vesting. Effective immediately prior to a Change in Control, all equity awards outstanding as of the Effective Date, including but not limited to, options to purchase common stock of the Company, shares of restricted stock, and restricted stock units, if any, then held by You will be fully vested and exercisable. Unless otherwise expressly provided for in an equity award agreement, any equity awards granted following the Effective Date, including but not limited to, options to purchase common stock of the Company, shares of restricted stock, and restricted stock units, if any, then held by You will be fully vested and exercisable in full in the event of Your CIC Qualifying Termination, with the level of performance achieved for any performance-based equity awards and the timing of settlement for any equity awards specified in the underlying equity award agreements.

7. Section 280G. Notwithstanding anything to the contrary in this Agreement, You expressly agree that if the payments and benefits provided for in this Agreement or any other payments and benefits which You have the right to receive from the Company and its affiliates (collectively, the “Payments”), would constitute a “parachute payment” (as defined in Section 280G(b)(2) of the Code), then the Payments shall be either (i) reduced (but not below zero) so that the present value of the Payments will be one dollar (\$1.00) less than three times Your “base amount” (as defined in Section 280G(b)(3) of the Code) and so that no portion of the Payments received by You shall be subject to the excise tax imposed by Section 4999 of the Code or (ii) paid in full, whichever produces the better net after-tax result to You. The reduction of Payments, if any, shall be made by reducing first any Payments that are exempt from Section 409A and then reducing any Payments subject to Section 409A in the reverse order in which such Payments would be paid or provided (beginning with such payment or benefit that would be made last in time and continuing, to the extent necessary, through to such payment or benefit that would be made first in time). The determination as to whether any such reduction in the Payments is necessary shall be made by the Compensation Committee or its designee in good faith, which determination will be conclusive and binding upon You and the Company for all purposes. In making such determination, the Compensation Committee or its designee may engage the services of accountants or other professional advisors, and may make reasonable assumptions and approximations concerning applicable taxes and may rely on reasonable, good faith interpretations concerning the application of the Code (including but not limited to Sections 280G and 4999). If a reduced Payment is made or provided and, through error or otherwise, that Payment, when aggregated with other payments and benefits from Company (or its affiliates) used in determining if a “parachute payment” exists, exceeds one dollar (\$1.00) less than three times Your base amount, then You shall immediately repay such excess to the Company.

8. Withholding. All payments made pursuant to this Agreement will be subject to applicable withholdings, including such federal, state, and local income and payroll taxes as the Company determines are required to be withheld pursuant to applicable law.

9. Definitions.

(a) “Cause” means (i) the indictment or conviction of, or plea of “guilty” or “no contest” to, a felony or a crime involving moral turpitude (excluding a traffic violation not involving any period of incarceration) or the commission of any other act or omission involving dishonesty or fraud by You or at Your direction with respect to, and materially adversely affecting the business affairs of, the Company or any of its affiliates or any of their customers or suppliers, (ii) conduct tending to bring the Company or any of its affiliates into substantial public disgrace or disrepute that causes (or could reasonably be expected to cause) substantial injury to the business, reputation and/or operations of the Company or such affiliates, (iii) substantial and repeated failure or refusal to perform duties of the office held by You as reasonably directed by the Company (other than any such failure resulting from Your incapacity due to injury or illness), and such failure is not cured within thirty (30) days after You receive written notice thereof from the Company that specifically identifies the manner in which the Company believes You have not substantially performed Your duties, (iv) gross negligence or willful misconduct with respect to the Company or any of its affiliates that causes (or could reasonably be expected to cause) substantial injury to the business, reputation and/or operations of the Company or such affiliate, or (v) any material breach of the policies of the Company (as set forth in the manuals or statements of policy of the Company), this Agreement or the Covenants Agreement (defined below). For purposes of this provision, no act or failure to act on Your part shall be considered “willful” unless it is done, or omitted to be done, by You in bad faith or without reasonable belief that Your action or omission was in the best interests of the Company. Any act or failure to act based upon authority given pursuant to a resolution duly adopted by the Board or based upon advice of counsel for the Company shall be conclusively presumed to be done, or omitted to be done, by You in good faith and in the best interests of the Company. If, within thirty (30) days subsequent to Your termination for any reason, it is discovered that Your employment could have been terminated for Cause, as determined by the Board in its good faith, Your employment will be deemed to have been terminated for Cause for all purposes under this Agreement, You will be required to disgorge to the Company all amounts received by You pursuant to this Agreement on account of such termination that would not have been payable to You had such termination been by the Company for Cause, and the Company will be released from any further obligation to provide You with any separation payments or benefits of any kind.

(b) “Change in Control” shall have the same meaning as set forth in the nCino, Inc. 2019 Equity Incentive Plan, as amended and restated effective immediately prior to the completion of the Company’s initial public offering or, solely with respect to equity awards outstanding as of the Effective Date, the equity plan and related award agreements pursuant to which such awards were granted.

(c) “Code” means the Internal Revenue Code of 1986, as amended.

(d) “Good Reason” shall exist if (i) the Company, without Your written consent (a) materially reduces Your authority, duties, or responsibilities from those applicable to You as of the Effective Date (including, following a Change in Control, any failure of the parent corporation of any controlled group of corporations that includes the Company, if the Company is not such parent corporation, to offer You a position with such parent corporation or a subsidiary thereof involving the same or substantially equivalent duties as Your then-current position with the Company), (b) materially reduces Your Base Salary or target annual cash bonus (excluding any reduction as part of an across-the-board reduction in base salaries and target annual bonuses of all Company executive officers so long as the percentage reduction in Your Base Salary and target annual cash bonus is not greater than the percentage reduction applicable to other executive officers, for the same period as the reduction in other executive officer’s reduction in salary and target annual cash bonus and, in the event such reduction is later mitigated for other executive officers, Your Base Salary and target annual cash bonus is then increased by the same percentage applicable to other executive officers), or (c) requires You to relocate to a place more than 50 miles from Wilmington, North Carolina to perform Your duties; (ii) You provide written notice to the Company of such action within ninety (90) days of the occurrence thereof and provide the Company with thirty (30) days to remedy such action from the notice date (the “Cure Period”); (iii) the Company fails to remedy such action within the Cure Period; and (iv) You elect to resign within thirty (30) days of the expiration of the Cure Period.

(e) “Section 409A” means Section 409A of the Code and the regulations and other guidance thereunder and any state law of similar effect.

10. Entire Agreement. This Agreement constitutes the entire agreement between the Parties concerning the subject matter of this Agreement and supersedes any prior communications, agreements or understandings, whether oral or written, between You and the Company (including, without limitation, the Prior Agreement) relating to the subject matter of this Agreement. Other than the terms of this Agreement, no other representation, promise or agreement has been made with You to cause You to sign this Agreement.

11. Covenants Agreement. By execution of this Agreement, the Parties acknowledge the validity and effectiveness of the (i) Amended and Restated Non-Disclosure, Restrictive Covenants and Assignment of Inventions Agreement, and (ii) Acknowledgement and Agreement (collectively, the “Covenants Agreement”) entered into by You with the Company. Notwithstanding anything in this Agreement or any other agreement to the contrary, You understand that nothing contained in this Agreement or any other agreement limits Your ability to report possible violations of law or regulation to or file a charge or complaint with the Securities and Exchange Commission, the Equal Employment Opportunity Commission, the National Labor Relations Board, the Occupational Safety and Health Administration, the Department of Justice, the Congress, any Inspector General, or any other federal, state or local governmental agency or commission or regulatory authority (collectively, “Government Agencies”). You further understand that neither this Agreement nor any other Agreement limits Your ability to communicate with any Government Agencies or otherwise participate in any investigation or proceeding that may be conducted by any Government Agency, including

providing documents or other information, without notice to the Company. Furthermore (i) You shall not be held criminally or civilly liable under any federal or state trade secret law for the disclosure of a trade secret that: (A) is made (x) in confidence to a federal, state, or local government official, either directly or indirectly, or to an attorney; and (y) solely for the purpose of reporting or investigating a suspected violation of law; or (B) is made in a complaint or other document filed in a lawsuit or other proceeding, if such filing is made under seal, and (ii) if You file a lawsuit for retaliation by the Company for reporting a suspected violation of law, You may disclose a trade secret to Your attorney and use the trade secret information in the court proceeding, if You file any document containing the trade secret under seal and do not disclose the trade secret except pursuant to court order.

12. Governing Law, Jurisdiction and Venue. The laws of the State of North Carolina will govern this Agreement. If North Carolina's conflict of law rules would apply another state's laws, the Parties agree that North Carolina law will still govern. You agree that any claim arising out of or relating to this Agreement will be brought exclusively in a state or federal court of competent jurisdiction in North Carolina. You consent to the personal jurisdiction of the state and/or federal courts located in North Carolina. You waive (i) any objection to jurisdiction or venue, or (ii) any defense claiming lack of jurisdiction or improper venue, in any action brought in such courts.

13. Waiver. The Company's failure to enforce any provision of this Agreement will not act as a waiver of that or any other provision. The Company's waiver of any breach of this Agreement will not act as a waiver of any other breach.

14. Severability. The provisions of this Agreement are severable. If any provision is determined to be invalid, illegal, or unenforceable, in whole or in part, the remaining provisions and any partially enforceable provisions will remain in full force and effect.

15. Amendments. This Agreement may not be amended or modified except in writing signed by both Parties.

16. Successors and Assigns. This Agreement will be assignable to, and will inure to the benefit of, the Company's successors and assigns, including, without limitation, successors through merger, name change, consolidation, or sale of a majority of the Company's stock or assets, and will be binding upon You and Your heirs and assigns. You may not assign, delegate or otherwise transfer any of Your rights, interests or obligations in this Agreement without the prior written approval of the Company.

17. Survival. Sections 4, 5, and 7 through 23, and such other provisions hereof as may so indicate shall survive and continue in full force and effect in accordance with their respective terms, notwithstanding any termination of the Term.

18. Notices. Any notice provided for in this Agreement must be in writing and will be deemed validly given (i) on the date it is actually delivered by personal delivery of such notice, (ii) one (1) business day after its deposit in the custody of Federal Express or other reputable courier service regularly providing evidence of delivery (with next business day

delivery charges paid by the Party sending the notice), or (iii) three (3) business days after its deposit in the custody of the U.S. mail, certified or registered postage prepaid, return receipt requested, or (iv) one (1) business day after transmission by facsimile or a PDF or similar attachment to an email, provided that such facsimile or email attachment shall be followed within one (1) business day by delivery of such notice pursuant to clause (i), (ii) or (iii) above. Any such notice to a Party shall be addressed at the address set forth below (subject to the right of a Party to designate a different address for itself by notice similarly given):

If to the Company:

nCino, Inc.  
6770 Parker Farm Drive, Suite 300  
Wilmington, NC 28405  
Attention: Chair of the Compensation Committee

If to You:

At the most recent address on file with the Company

19. Indemnification. While serving as an executive officer of the Company, the Company agrees that it shall indemnify You and provide You with Directors & Officers liability insurance coverage to the same extent that it indemnifies and/or provides such insurance coverage to Board members and other most senior executive officers of the Company

20. No Conflict. You represent and warrant that You are not bound by any employment contract, restrictive covenant, or other restriction preventing You from carrying out Your responsibilities for the Company, or which is in any way inconsistent with the terms of this Agreement. You further represent and warrant that You shall not disclose to the Company or induce the Company to use any confidential or proprietary information or material belonging to any previous employer or others.

21. Clawbacks. The payments to You pursuant to this Agreement are subject to forfeiture or recovery by the Company or other action pursuant to any clawback or recoupment policy which the Company may adopt from time to time, including without limitation any such policy or provision that the Company has included in any of its existing compensation programs or plans or that it may be required to adopt under the Dodd-Frank Wall Street Reform and Consumer Protection Act and implementing rules and regulations thereunder, or as otherwise required by law.

22. Company Policies. You shall be subject to additional Company policies as they may exist from time-to-time, including policies regarding trading of securities.

23. Section 409A. The Parties intend that this Agreement and the payments made hereunder will be exempt from, or if not so exempt, comply with, the requirements of Section 409A, and shall be interpreted and construed consistently with such intent. Without limiting the foregoing, the separation payments and benefits to You pursuant to Section 4(d) and Section 4(e)

this Agreement are intended to be exempt from Section 409A to the maximum extent possible, as short-term deferrals pursuant to Treasury Regulation §1.409A-1(b)(4) or payments made pursuant to a separation pay plan pursuant to Treasury Regulation §1.409A-1(b)(9). Each amount to be paid or benefit to be provided under this Agreement shall be construed as a separate and distinct payment for purposes of Section 409A. To the extent any amounts under this Agreement are payable by reference to Your “termination of employment,” such term and similar terms shall be deemed to refer to Your “separation from service,” within the meaning of Section 409A (after giving effect to the presumptions contained therein) with respect to any payments that are subject to Section 409A. Notwithstanding any other provision in this Agreement, to the extent any payments made or contemplated hereunder constitute nonqualified deferred compensation, within the meaning of Section 409A, then (i) each such payment which is conditioned upon Your execution of a release and which is to be paid or provided during a designated period that begins in one taxable year and ends in a second taxable year, shall be paid or provided in the later of the two taxable years and (ii) if You are a specified employee (within the meaning of Section 409A) as of the date of Your separation from service, each such payment that is payable upon Your separation from service and would have been paid prior to the six-month anniversary of Your separation from service, shall be delayed until the earlier to occur of (A) the first day of the seventh month following Your separation from service or (B) the date of Your death. You hereby agree to be bound by the Company’s determination of its “specified employees” (as such term is defined in Section 409A) provided such determination is in accordance with any of the methods permitted under the regulations issued under Section 409A. Any reimbursement payable to You pursuant to this Agreement shall be conditioned on the submission by You of all expense reports reasonably required by the Company under any applicable expense reimbursement policy, and shall be paid to You within 30 days following receipt of such expense reports, but in no event later than the last day of the calendar year following the calendar year in which You incurred the reimbursable expense. Any amount of expenses eligible for reimbursement, or in-kind benefit provided, during a calendar year shall not affect the amount of expenses eligible for reimbursement, or in-kind benefit to be provided, during any other calendar year. The right to any reimbursement or in-kind benefit pursuant to this Agreement shall not be subject to liquidation or exchange for any other benefit. To the extent that any amount payable hereunder is deemed to be a substitute for a payment provided under another agreement with You, then the amount payable hereunder shall be paid at the same time and in the same form as such substituted payment to the extent required to comply with Section 409A. In the event the terms of this Agreement would subject You to taxes or penalties under Section 409A (“409A Penalties”), the Company and You shall cooperate diligently to amend the terms of the Agreement to avoid such 409A Penalties, to the extent possible, but in no event will the Company be liable for any additional tax, interest or penalties that may be imposed on You under Section 409A or any damages because a payment pursuant to this Agreement was determined to not be in compliance with Section 409A.

IN WITNESS WHEREOF, the Parties hereto have executed this Agreement as of the Effective Date.

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nCino, Inc.

By: /s/ Pierre Naudé

Name: Pierre Naudé

Title: President, Chief Executive Officer and Director

/s/ David Rudow

David Rudow

**EMPLOYMENT AGREEMENT**

THIS EMPLOYMENT AGREEMENT (the "Agreement"), by and between nCino, Inc., a Delaware corporation (the "Company"), and Josh Glover ("You" or "Your") (each, a "Party" and collectively, the "Parties"), is entered into and effective as of July 6, 2020 (the "Effective Date").

WHEREAS, You are an employee of the Company;

WHEREAS, the Parties desire to enter into this Agreement to express the terms and conditions of Your continued employment with the Company (or any of its affiliates) as described herein; and

WHEREAS, as a condition to and as consideration for the Company's entry into this Agreement, including the enhanced severance benefits provided hereunder, You desire and agree to enter into the Non-Disclosure, Restrictive Covenants and Assignment of Inventions Agreement as of the Effective Date.

NOW, THEREFORE, in consideration of the mutual agreements in this Agreement, the Parties agree as follows:

1. At-Will Employment. This Agreement does not create a contract for employment for a definite period or a contract for any particular benefits. Your employment with the Company shall be and remain at all times an at-will relationship. This means that at either Your option or the Company's option, Your employment may be terminated at any time, with or without Cause, and with or without notice. The period from the Effective Date through the date of the termination of Your employment hereunder is referred to herein as the "Term."

2. Positions and Authority. You shall serve in the position of Chief Revenue Officer of the Company, or in such other positions as the Parties may agree, reporting to the Company's President and Chief Executive Officer. You agree to serve in the officer positions referred to in this Section 2, and to perform diligently and to the best of Your abilities the duties and services pertaining to such offices as set forth in the Bylaws of the Company, as well as such additional duties and services appropriate to such offices that the Parties may agree upon from time to time. Upon the Effective Date, Your principal place of work shall be located in Wilmington, North Carolina, subject to business travel as reasonably necessary in the performance of Your duties for the Company.

During the Term, You shall devote Your full business time and efforts to the business and affairs of the Company and its subsidiaries, provided that You shall be entitled to serve on civic, charitable, educational, religious, public interest or public service boards, and to manage Your personal and family investments, in each case, to the extent such activities do not materially interfere with the performance of Your duties and responsibilities hereunder. You shall not become a director of any for profit entity without first receiving the approval of the Nominating and Corporate Governance Committee of the Board of Directors of the Company (the "Board").



3. Compensation and Benefits.

(a) Base Salary. As compensation for Your performance of Your duties hereunder, Company shall pay to You an initial Base Salary of \$230,000 per year, payable in accordance with the normal payroll practices of the Company. The Base Salary shall be reviewed for increases but not decreases by the Compensation Committee of the Board (the "Compensation Committee") in good faith, based upon the Company's and Your performance and the Company's pay philosophy, not less often than annually. The term "Base Salary" shall refer to the Base Salary as may be in effect from time to time.

(b) Annual Incentive Compensation. During the Term, You shall be eligible to participate in the annual cash bonus program maintained for senior executive officers of the Company (the "Annual Incentive Program"), with an initial target annual bonus opportunity equal to 100% of Base Salary. The actual amount of the annual bonus earned by and payable to You for any year or portion of a year, as applicable, shall be determined upon the satisfaction of goals and objectives established by the Compensation Committee, and shall be subject to such other terms and conditions of the Annual Incentive Program as in effect from time to time. Each bonus paid under the Annual Incentive Program shall be paid to You no later than two and a half months following the fiscal year in which the bonus is earned. Except as provided in Section 4, Your right to a bonus under the Annual Incentive Program is subject to Your continued employment with the Company through the applicable payment date of the bonus.

(c) Equity Incentive Program. During the Term, You shall be eligible to participate in the equity incentive program maintained for senior executive officers of the Company (the "Equity Incentive Program"), with an Equity Incentive Program target opportunity and equity vehicles determined by the Compensation Committee for each year of participation thereunder.

(d) Employee Benefits and Perquisites. During the Term, You shall be entitled to receive all benefits and perquisites of employment generally available to other members of the Company's senior executive management, upon Your satisfaction of the eligibility or participation criteria therefor. The Company reserves the right to modify or terminate employee benefits and perquisites at its discretion.

(e) Business Expenses. Subject to Section 23, You shall be reimbursed for reasonable travel and other expenses incurred in the performance of Your duties on behalf of the Company in a manner consistent with the Company's policies regarding such reimbursements, as may be in effect from time to time.

4. Compensation Upon Termination. Subject to the terms and conditions of this Agreement:

(a) Death. If Your employment with the Company (or any of its affiliates) is terminated as a result of Your death, the Company shall pay Your estate, or as may be directed by the legal representatives of Your estate, (i) Your Base Salary due through the date of termination, and (ii) a pro rata portion of Your annual cash bonus for the fiscal year of termination, with such bonus based on actual performance results for the fiscal year of termination and pro-rated for the portion of the year during which You were employed by the

Company and such bonus payable at the same time bonuses are paid to executive officers of the Company (but in any event no later than two and a half months following the fiscal year in which the bonus is earned).

(b) Disability. If Your employment with the Company (or any of its affiliates) is terminated by the Company as a result of You being substantially unable to perform the essential functions of Your then-current position with the Company (or any of its affiliates) by reason of illness, physical or mental disability or other similar incapacity, which inability shall continue for three (3) consecutive months (provided that until such termination, You shall continue to receive Your then-current compensation and benefits, reduced by any benefits payable to You under any disability insurance policy or plan applicable to You), the Company shall pay You (i) Your Base Salary due through the date of termination, and (ii) a pro rata portion of Your annual cash bonus for the fiscal year of termination, with such bonus based on actual performance results for the fiscal year of termination and pro-rated for the portion of the year during which You were employed by the Company and such bonus payable at the same time bonuses are paid to executive officers of the Company (but in any event no later than two and a half months following the fiscal year in which the bonus is earned); provided, that payments so made to You with respect to any period that You are substantially unable to perform the essential functions of Your then-current position with the Company (or any of its affiliates) by reason of illness, physical or mental illness or other similar incapacity shall be reduced by the sum of the amounts, if any, payable to You by reason of such disability, at or prior to the time of any such payment, under any disability insurance policy or benefit plan and which amounts have not previously been applied to reduce any such payment.

(c) Termination by the Company for Cause or by You without Good Reason. If the Company (or any of its affiliates) terminates Your employment for Cause or You terminate Your employment without Good Reason, the Company shall pay You Your Base Salary due through the date of termination and shall have no further obligations to You.

(d) Termination by the Company without Cause or by You with Good Reason Prior to or More Than One Year Following a Change in Control. If (i) the Company (or any of its affiliates) terminates Your employment without Cause, or (ii) You terminate Your employment for Good Reason, in either case, prior to or more than one (1) year following a Change in Control, then the Company shall:

(A) pay You (i) Your Base Salary due through the date of termination, (ii) an amount equal to one-half (0.5) times Your then-current annual Base Salary, such amount paid in substantially equal installments as of the last day of each month during the six (6) month period commencing on Your date of termination (the "Severance Period"), with the first installment paid within sixty (60) days following Your termination of employment and such first installment including such amounts as would have otherwise been paid during the period beginning on the date of Your termination of employment and ending on such payment date, and (iii) a pro rata portion of Your annual cash bonus for the fiscal year of termination, with such bonus based on actual performance results for the fiscal year of termination and pro-rated for the portion of the year during which You were employed by the Company and such bonus payable at the same time bonuses are paid to executive officers of the Company (but in any event no later

than two and a half months following the fiscal year in which the bonus is earned); *provided, however*, that if the conditions of Section 5 have not been met upon the date(s) that any payment is or payments are due pursuant to clauses (ii) and (iii) under this Section 4(d)(A), such payment(s) will not be made upon the date specified above, and such withheld payment(s) will instead be made, subject to Section 23, on the first payroll date following the effective date of the Separation & Release Agreement.

(B) reimburse You, on a monthly basis, for any COBRA premiums You pay for You and any of Your dependents during the Severance Period (less the amount of any premium amount that would have been payable by You for such coverage, if any, if You had been actively employed by the Company), if and to the extent You and/or Your eligible dependents are entitled to and elect COBRA continuation coverage under the Company's major medical group plan in which You and/or Your dependents participated immediately prior to the date of termination, *provided, however*, that (i) notwithstanding anything in this subsection to the contrary, all other terms and provisions of the Company major medical group plan governing Your rights and Your dependent's rights under COBRA shall apply, (ii) payments pursuant to this Section 4(d)(B) shall cease earlier than the expiration of the Severance Period if You become eligible to receive health benefits pursuant to a plan maintained by a subsequent employer, including through a spouse's employer, during such period, and You shall promptly notify the Company of Your becoming eligible for such coverage, (iii) amounts paid by the Company will be taxable to the extent required to avoid adverse consequences to You or the Company under either Code §105(h) or the Patient Protection and Affordable Care Act of 2010 and (iv) if the conditions of Section 5 have not been met upon the date(s) that any reimbursement is or reimbursements are due pursuant to this Section 4(d)(B), such reimbursement(s) will not be made until the conditions of Section 5 have been met, and any such withheld reimbursement(s) will instead be made, subject to Section 23, on the first payroll date following the effective date of the Separation & Release Agreement; and

(C) if Your termination occurs before a Change in Control has occurred, cause any equity awards outstanding as of the Effective Date, including but not limited to, options to purchase common stock of the Company and restricted stock units, if any, then held by You to remain outstanding and be forfeited without consideration on the six (6) month anniversary of such termination unless a Change in Control occurs within such six (6) month period, in which case, such outstanding awards will be fully vested and exercisable immediately prior to such Change in Control (with You having ninety (90) days following such Change in Control to exercise such vested stock options if such options remain outstanding following such Change in Control).

(e) Termination by the Company without Cause or by You with Good Reason On or Prior to the One Year Anniversary of a Change in Control. If (i) the Company (or any of its affiliates) terminates Your employment without Cause, or (ii) You terminate Your employment for Good Reason, in each case, on or prior to the one (1) year anniversary of a Change in Control (a "CIC Qualifying Termination"), then, in lieu of the benefits set forth in Section 4(d), the Company shall:

(A) pay You (i) Your Base Salary due through the date of termination, and (ii) an aggregate amount equal to one (1) times the sum of (x) Your then-current annual Base Salary and (y) Your target annual cash bonus for the fiscal year of termination (provided, that if Your termination occurs prior to the date on which target annual bonuses are determined for the fiscal year of termination, Your target annual bonus shall be based on the target annual bonus established for the fiscal year preceding the fiscal year of termination), in substantially equal installments as of the last day of each month during the twelve (12) month period commencing on Your date of termination (the “CIC Severance Period”), with the first installment paid within sixty (60) days following Your termination of employment and such first installment including such amounts as would have otherwise been paid during the period beginning on the date of Your termination of employment and ending on such payment date; *provided, however*, that if the conditions of Section 5 have not been met upon the date(s) that any payment is or payments are due pursuant to clause (ii) under this Section 4(e)(A), such payment(s) will not be made upon the date specified above, and such withheld payment(s) will instead be made, subject to Section 23, on the first payroll date following the effective date of the Separation & Release Agreement; and

(B) reimburse You, on a monthly basis, for any COBRA premiums You pay for You and any of Your dependents during the CIC Severance Period (less the amount of any premium amount that would have been payable by You for such coverage, if any, if You had been actively employed by the Company), if and to the extent You and/or Your eligible dependents are entitled to and elect COBRA continuation coverage under the Company’s major medical group plan in which You and/or Your dependents participated immediately prior to the date of termination, *provided, however*, that (i) notwithstanding anything in this subsection to the contrary, all other terms and provisions of the Company major medical group plan governing Your rights and Your dependent’s rights under COBRA shall apply, (ii) payments pursuant to this Section 4(e)(B) shall cease earlier than the expiration of the CIC Severance Period if You become eligible to receive health benefits pursuant to a plan maintained by a subsequent employer, including through a spouse’s employer, during such period, and You shall promptly notify the Company of Your becoming eligible for such coverage, (iii) amounts paid by the Company will be taxable to the extent required to avoid adverse consequences to You or the Company under either Code §105(h) or the Patient Protection and Affordable Care Act of 2010 and (iv) if the conditions of Section 5 have not been met upon the date(s) that any reimbursement is or reimbursements are due pursuant to this Section 4(e)(B), such reimbursement(s) will not be made until the conditions of Section 5 have been met, and any such withheld reimbursement(s) will instead be made, subject to Section 23, on the first payroll date following the effective date of the Separation & Release Agreement.

5. Release Obligations; No Other Severance. The Company’s obligation to pay You the separation payments set forth in Section 4(d) and Section 4(e) (excluding, in either case, Your Base Salary due through the date of termination) shall be conditioned upon Your execution and non-revocation, within the timeframe specified by the Company (but no later than fifty two (52) days following Your date of termination), and compliance with, a valid and binding separation and release agreement (the “Separation & Release Agreement”) in the Company’s customary form. You hereby acknowledge and agree that, other than the severance payments

and benefits described in this Agreement, upon the effective date of the termination of Your employment, You shall not be entitled to any other severance payments or benefits of any kind under any Company benefit plan, severance policy generally available to the Company's employees or otherwise and all of Your other rights to compensation shall end as of such date, except as set forth in this Agreement.

6. Change in Control Vesting. Effective immediately prior to a Change in Control, all equity awards outstanding as of the Effective Date, including but not limited to, options to purchase common stock of the Company, shares of restricted stock, and restricted stock units, if any, then held by You will be fully vested and exercisable. Unless otherwise expressly provided for in an equity award agreement, any equity awards granted following the Effective Date, including but not limited to, options to purchase common stock of the Company, shares of restricted stock, and restricted stock units, if any, then held by You will be fully vested and exercisable in full in the event of Your CIC Qualifying Termination, with the level of performance achieved for any performance-based equity awards and the timing of settlement for any equity awards specified in the underlying equity award agreements.

7. Section 280G. Notwithstanding anything to the contrary in this Agreement, You expressly agree that if the payments and benefits provided for in this Agreement or any other payments and benefits which You have the right to receive from the Company and its affiliates (collectively, the "Payments"), would constitute a "parachute payment" (as defined in Section 280G(b)(2) of the Code), then the Payments shall be either (i) reduced (but not below zero) so that the present value of the Payments will be one dollar (\$1.00) less than three times Your "base amount" (as defined in Section 280G(b)(3) of the Code) and so that no portion of the Payments received by You shall be subject to the excise tax imposed by Section 4999 of the Code or (ii) paid in full, whichever produces the better net after-tax result to You. The reduction of Payments, if any, shall be made by reducing first any Payments that are exempt from Section 409A and then reducing any Payments subject to Section 409A in the reverse order in which such Payments would be paid or provided (beginning with such payment or benefit that would be made last in time and continuing, to the extent necessary, through to such payment or benefit that would be made first in time). The determination as to whether any such reduction in the Payments is necessary shall be made by the Compensation Committee or its designee in good faith, which determination will be conclusive and binding upon You and the Company for all purposes. In making such determination, the Compensation Committee or its designee may engage the services of accountants or other professional advisors, and may make reasonable assumptions and approximations concerning applicable taxes and may rely on reasonable, good faith interpretations concerning the application of the Code (including but not limited to Sections 280G and 4999). If a reduced Payment is made or provided and, through error or otherwise, that Payment, when aggregated with other payments and benefits from Company (or its affiliates) used in determining if a "parachute payment" exists, exceeds one dollar (\$1.00) less than three times Your base amount, then You shall immediately repay such excess to the Company.

8. Withholding. All payments made pursuant to this Agreement will be subject to applicable withholdings, including such federal, state, and local income and payroll taxes as the Company determines are required to be withheld pursuant to applicable law.

9. Definitions.

(a) “Cause” means (i) the indictment or conviction of, or plea of “guilty” or “no contest” to, a felony or a crime involving moral turpitude (excluding a traffic violation not involving any period of incarceration) or the commission of any other act or omission involving dishonesty or fraud by You or at Your direction with respect to, and materially adversely affecting the business affairs of, the Company or any of its affiliates or any of their customers or suppliers, (ii) conduct tending to bring the Company or any of its affiliates into substantial public disgrace or disrepute that causes (or could reasonably be expected to cause) substantial injury to the business, reputation and/or operations of the Company or such affiliates, (iii) substantial and repeated failure or refusal to perform duties of the office held by You as reasonably directed by the Company (other than any such failure resulting from Your incapacity due to injury or illness), and such failure is not cured within thirty (30) days after You receive written notice thereof from the Company that specifically identifies the manner in which the Company believes You have not substantially performed Your duties, (iv) gross negligence or willful misconduct with respect to the Company or any of its affiliates that causes (or could reasonably be expected to cause) substantial injury to the business, reputation and/or operations of the Company or such affiliate, or (v) any material breach of the policies of the Company (as set forth in the manuals or statements of policy of the Company), this Agreement or the Covenants Agreement (defined below). For purposes of this provision, no act or failure to act on Your part shall be considered “willful” unless it is done, or omitted to be done, by You in bad faith or without reasonable belief that Your action or omission was in the best interests of the Company. Any act or failure to act based upon authority given pursuant to a resolution duly adopted by the Board or based upon advice of counsel for the Company shall be conclusively presumed to be done, or omitted to be done, by You in good faith and in the best interests of the Company. If, within thirty (30) days subsequent to Your termination for any reason, it is discovered that Your employment could have been terminated for Cause, as determined by the Board in its good faith, Your employment will be deemed to have been terminated for Cause for all purposes under this Agreement, You will be required to disgorge to the Company all amounts received by You pursuant to this Agreement on account of such termination that would not have been payable to You had such termination been by the Company for Cause, and the Company will be released from any further obligation to provide You with any separation payments or benefits of any kind.

(b) “Change in Control” shall have the same meaning as set forth in the nCino, Inc. 2019 Equity Incentive Plan, as amended and restated effective immediately prior to the completion of the Company’s initial public offering or, solely with respect to equity awards outstanding as of the Effective Date, the equity plan and related award agreements pursuant to which such awards were granted.

(c) “Code” means the Internal Revenue Code of 1986, as amended.

(d) “Good Reason” shall exist if (i) the Company, without Your written consent (a) materially reduces Your authority, duties, or responsibilities from those applicable to You as of the Effective Date (including, following a Change in Control, any failure of the parent corporation of any controlled group of corporations that includes the Company, if the Company is not such parent corporation, to offer You a position with such parent corporation or a

subsidiary thereof involving the same or substantially equivalent duties as Your then-current position with the Company), (b) materially reduces Your Base Salary or target annual cash bonus (excluding any reduction as part of an across-the-board reduction in base salaries and target annual bonuses of all Company executive officers so long as the percentage reduction in Your Base Salary and target annual cash bonus is not greater than the percentage reduction applicable to other executive officers, for the same period as the reduction in other executive officer's reduction in salary and target annual cash bonus and, in the event such reduction is later mitigated for other executive officers, Your Base Salary and target annual cash bonus is then increased by the same percentage applicable to other executive officers), or (c) requires You to relocate to a place more than 50 miles from Wilmington, North Carolina to perform Your duties; (ii) You provide written notice to the Company of such action within ninety (90) days of the occurrence thereof and provide the Company with thirty (30) days to remedy such action from the notice date (the "Cure Period"); (iii) the Company fails to remedy such action within the Cure Period; and (iv) You elect to resign within thirty (30) days of the expiration of the Cure Period.

(e) "Section 409A" means Section 409A of the Code and the regulations and other guidance thereunder and any state law of similar effect.

10. Entire Agreement. This Agreement constitutes the entire agreement between the Parties concerning the subject matter of this Agreement and supersedes any prior communications, agreements or understandings, whether oral or written, between You and the Company relating to the subject matter of this Agreement. Other than the terms of this Agreement, no other representation, promise or agreement has been made with You to cause You to sign this Agreement.

11. Covenants Agreement. By execution of this Agreement, the Parties acknowledge the validity and effectiveness of the (i) Non-Disclosure, Restrictive Covenants and Assignment of Inventions Agreement, and (ii) Acknowledgement and Agreement (collectively, the "Covenants Agreement") entered into by You with the Company. Notwithstanding anything in this Agreement or any other agreement to the contrary, You understand that nothing contained in this Agreement or any other agreement limits Your ability to report possible violations of law or regulation to or file a charge or complaint with the Securities and Exchange Commission, the Equal Employment Opportunity Commission, the National Labor Relations Board, the Occupational Safety and Health Administration, the Department of Justice, the Congress, any Inspector General, or any other federal, state or local governmental agency or commission or regulatory authority (collectively, "Government Agencies"). You further understand that neither this Agreement nor any other Agreement limits Your ability to communicate with any Government Agencies or otherwise participate in any investigation or proceeding that may be conducted by any Government Agency, including providing documents or other information, without notice to the Company. Furthermore (i) You shall not be held criminally or civilly liable under any federal or state trade secret law for the disclosure of a trade secret that: (A) is made (x) in confidence to a federal, state, or local government official, either directly or indirectly, or to an attorney; and (y) solely for the purpose of reporting or investigating a suspected violation of law; or (B) is made in a complaint or other document filed in a lawsuit or other proceeding, if such

filing is made under seal, and (ii) if You file a lawsuit for retaliation by the Company for reporting a suspected violation of law, You may disclose a trade secret to Your attorney and use the trade secret information in the court proceeding, if You file any document containing the trade secret under seal and do not disclose the trade secret except pursuant to court order.

12. Governing Law, Jurisdiction and Venue. The laws of the State of North Carolina will govern this Agreement. If North Carolina's conflict of law rules would apply another state's laws, the Parties agree that North Carolina law will still govern. You agree that any claim arising out of or relating to this Agreement will be brought exclusively in a state or federal court of competent jurisdiction in North Carolina. You consent to the personal jurisdiction of the state and/or federal courts located in North Carolina. You waive (i) any objection to jurisdiction or venue, or (ii) any defense claiming lack of jurisdiction or improper venue, in any action brought in such courts.

13. Waiver. The Company's failure to enforce any provision of this Agreement will not act as a waiver of that or any other provision. The Company's waiver of any breach of this Agreement will not act as a waiver of any other breach.

14. Severability. The provisions of this Agreement are severable. If any provision is determined to be invalid, illegal, or unenforceable, in whole or in part, the remaining provisions and any partially enforceable provisions will remain in full force and effect.

15. Amendments. This Agreement may not be amended or modified except in writing signed by both Parties.

16. Successors and Assigns. This Agreement will be assignable to, and will inure to the benefit of, the Company's successors and assigns, including, without limitation, successors through merger, name change, consolidation, or sale of a majority of the Company's stock or assets, and will be binding upon You and Your heirs and assigns. You may not assign, delegate or otherwise transfer any of Your rights, interests or obligations in this Agreement without the prior written approval of the Company.

17. Survival. Sections 4, 5, and 7 through 23, and such other provisions hereof as may so indicate shall survive and continue in full force and effect in accordance with their respective terms, notwithstanding any termination of the Term.

18. Notices. Any notice provided for in this Agreement must be in writing and will be deemed validly given (i) on the date it is actually delivered by personal delivery of such notice, (ii) one (1) business day after its deposit in the custody of Federal Express or other reputable courier service regularly providing evidence of delivery (with next business day delivery charges paid by the Party sending the notice), or (iii) three (3) business days after its deposit in the custody of the U.S. mail, certified or registered postage prepaid, return receipt requested, or (iv) one (1) business day after transmission by facsimile or a PDF or similar attachment to an email, provided that such facsimile or email attachment shall be followed within one (1) business day by delivery of such notice pursuant to clause (i), (ii) or (iii) above.



Any such notice to a Party shall be addressed at the address set forth below (subject to the right of a Party to designate a different address for itself by notice similarly given):

If to the Company:

nCino, Inc.  
6770 Parker Farm Drive, Suite 300  
Wilmington, NC 28405  
Attention: Chair of the Compensation Committee

If to You:

At the most recent address on file with the Company

19. Indemnification. While serving as an executive officer of the Company, the Company agrees that it shall indemnify You and provide You with Directors & Officers liability insurance coverage to the same extent that it indemnifies and/or provides such insurance coverage to Board members and other most senior executive officers of the Company

20. No Conflict. You represent and warrant that You are not bound by any employment contract, restrictive covenant, or other restriction preventing You from carrying out Your responsibilities for the Company, or which is in any way inconsistent with the terms of this Agreement. You further represent and warrant that You shall not disclose to the Company or induce the Company to use any confidential or proprietary information or material belonging to any previous employer or others.

21. Clawbacks. The payments to You pursuant to this Agreement are subject to forfeiture or recovery by the Company or other action pursuant to any clawback or recoupment policy which the Company may adopt from time to time, including without limitation any such policy or provision that the Company has included in any of its existing compensation programs or plans or that it may be required to adopt under the Dodd-Frank Wall Street Reform and Consumer Protection Act and implementing rules and regulations thereunder, or as otherwise required by law.

22. Company Policies. You shall be subject to additional Company policies as they may exist from time-to-time, including policies regarding trading of securities.

23. Section 409A. The Parties intend that this Agreement and the payments made hereunder will be exempt from, or if not so exempt, comply with, the requirements of Section 409A, and shall be interpreted and construed consistently with such intent. Without limiting the foregoing, the separation payments and benefits to You pursuant to Section 4(d) and Section 4(e) this Agreement are intended to be exempt from Section 409A to the maximum extent possible, as short-term deferrals pursuant to Treasury Regulation §1.409A-1(b)(4) or payments made pursuant to a separation pay plan pursuant to Treasury Regulation §1.409A-1(b)(9). Each amount to be paid or benefit to be provided under this Agreement shall be construed as a separate and distinct payment for purposes of Section 409A. To the extent any amounts under

this Agreement are payable by reference to Your “termination of employment,” such term and similar terms shall be deemed to refer to Your “separation from service,” within the meaning of Section 409A (after giving effect to the presumptions contained therein) with respect to any payments that are subject to Section 409A. Notwithstanding any other provision in this Agreement, to the extent any payments made or contemplated hereunder constitute nonqualified deferred compensation, within the meaning of Section 409A, then (i) each such payment which is conditioned upon Your execution of a release and which is to be paid or provided during a designated period that begins in one taxable year and ends in a second taxable year, shall be paid or provided in the later of the two taxable years and (ii) if You are a specified employee (within the meaning of Section 409A) as of the date of Your separation from service, each such payment that is payable upon Your separation from service and would have been paid prior to the six-month anniversary of Your separation from service, shall be delayed until the earlier to occur of (A) the first day of the seventh month following Your separation from service or (B) the date of Your death. You hereby agree to be bound by the Company’s determination of its “specified employees” (as such term is defined in Section 409A) provided such determination is in accordance with any of the methods permitted under the regulations issued under Section 409A. Any reimbursement payable to You pursuant to this Agreement shall be conditioned on the submission by You of all expense reports reasonably required by the Company under any applicable expense reimbursement policy, and shall be paid to You within 30 days following receipt of such expense reports, but in no event later than the last day of the calendar year following the calendar year in which You incurred the reimbursable expense. Any amount of expenses eligible for reimbursement, or in-kind benefit provided, during a calendar year shall not affect the amount of expenses eligible for reimbursement, or in-kind benefit to be provided, during any other calendar year. The right to any reimbursement or in-kind benefit pursuant to this Agreement shall not be subject to liquidation or exchange for any other benefit. To the extent that any amount payable hereunder is deemed to be a substitute for a payment provided under another agreement with You, then the amount payable hereunder shall be paid at the same time and in the same form as such substituted payment to the extent required to comply with Section 409A. In the event the terms of this Agreement would subject You to taxes or penalties under Section 409A (“409A Penalties”), the Company and You shall cooperate diligently to amend the terms of the Agreement to avoid such 409A Penalties, to the extent possible, but in no event will the Company be liable for any additional tax, interest or penalties that may be imposed on You under Section 409A or any damages because a payment pursuant to this Agreement was determined to not be in compliance with Section 409A.

IN WITNESS WHEREOF, the Parties hereto have executed this Agreement as of the Effective Date.

nCino, Inc.

By: /s/ Pierre Naudé

Name: Pierre Naudé

Title: President, Chief Executive Officer and Director

/s/ Josh Glover

Josh Glover

**DIRECTOR AND OFFICER  
INDEMNIFICATION AGREEMENT**

**THIS INDEMNIFICATION AGREEMENT** (this “**Agreement**”) is entered into as of the        day of July, 2020, by and between nCino, Inc., a Delaware corporation (the “**Company**”), and        (“**Indemnitee**”).

**RECITALS**

A. The Company is aware that competent and experienced persons are increasingly reluctant to serve or continue serving as directors or officers of companies unless they are protected by comprehensive liability insurance and adequate indemnification due to the increased exposure to litigation costs and risks resulting from service to such companies that often bear no relationship to the compensation of such directors or officers.

B. The statutes and judicial decisions regarding the duties of directors and officers are often insufficient to provide directors and officers with adequate, reliable knowledge of the legal risks to which they are exposed or the manner in which they are expected to execute their fiduciary duties and responsibilities.

C. The Company and the Indemnitee recognize that plaintiffs often seek damages in such large amounts, and the costs of litigation may be so great (whether or not the claims are meritorious), that the defense and/or settlement of such litigation can create an extraordinary burden on the personal resources of directors and officers.

D. The board of directors of the Company has concluded that, to attract and retain competent and experienced persons to serve as directors and officers of the Company, it is not only reasonable and prudent but necessary to promote the best interests of the Company and its stockholders for the Company to contractually indemnify its directors and certain of its officers in the manner set forth herein, and to assume for itself liability for expenses and damages in connection with claims against such directors and officers in connection with their service to the Company as provided herein.

E. Section 145 of the General Corporation Law of Delaware (the “**DGCL**”) permits the Company to indemnify and advance defense costs to its officers and directors and to indemnify and advance expenses to persons who serve at the request of the Company as directors, officers, employees, or agents of other corporations or enterprises.

F. The Company desires and has requested the Indemnitee to serve or continue to serve as a director and/or officer of the Company, and the Indemnitee is willing to serve, or to continue to serve, as a director and/or officer of the Company if the Indemnitee is furnished the indemnity provided for herein by the Company.

**NOW, THEREFORE**, in consideration of the foregoing premises and the mutual covenants and agreements set forth below, the parties hereto, intending to be legally bound, hereby agree as follows:

**1. Definitions.** For purposes of this Agreement, the following terms shall have the corresponding meanings set forth below.

“Change in Control” means each of the following:

(i) The date any Person becomes the “Beneficial Owner,” as such term is defined in Rule 13d-3 promulgated under the Exchange Act, of 30% or more of the combined voting power of the Company’s outstanding shares, other than beneficial ownership by (A) the Company or any subsidiary of the Company, (B) any employee benefit plan of the Company or any subsidiary of the Company or (C) any entity of the Company for or pursuant to the terms of any such plan. Notwithstanding the foregoing, a Change in Control shall not occur as the result of an acquisition of outstanding shares of the Company by the Company which, by reducing the number of shares outstanding, increases the proportionate number of shares beneficially owned by a Person to 30% or more of the shares of the Company then outstanding; provided, however, that if a Person becomes the Beneficial Owner of 30% or more of the shares of the Company then outstanding by reason of share purchases by the Company and shall, after such share purchases by the Company, become the Beneficial Owner of any additional shares of the Company, then a Change in Control shall be deemed to have occurred; or

(ii) The date the Company consummates a merger or consolidation with another entity, or engages in a reorganization with or a statutory share exchange or an exchange offer for the Company’s outstanding voting stock of any class with another entity or acquires another entity by means of a statutory share exchange or an exchange offer, or engages in a similar transaction; provided that no Change in Control shall have occurred by reason of this paragraph unless either:

(A) the stockholders of the Company immediately prior to the consummation of the transaction would not, immediately after such consummation, as a result of their beneficial ownership of voting stock of the Company immediately prior to such consummation (I) be the Beneficial Owners, directly or indirectly, of securities of the resulting or acquiring entity entitled to elect a majority of the members of the board of directors or other governing body of the resulting or acquiring entity; and (II) be the Beneficial Owners of the resulting or acquiring entity in substantially the same proportion as their beneficial ownership of the voting stock of the Company immediately prior to such transaction; or

(B) those persons who were directors of the Company immediately prior to the consummation of the proposed transaction would not, immediately after such consummation, constitute a majority of the directors of the resulting entity.

(iii) The date of the sale or disposition, in one or a series of related transactions, of all or substantially all of the assets of the Company to any Person (as defined in paragraph (i) above) other than an affiliate of the Company (meaning any corporation that is part of a controlled group within the meaning of the Internal Revenue Code of 1986, as amended, Section 414(b) or (c)); or

(iv) The date the number of duly elected and qualified directors of the Company who were not either elected by the Company's Board or nominated by the Board or its Nominating and Corporate Governance Committee for election by the stockholders shall constitute a majority of the total number of directors of the Company as fixed by its By-Laws.

The Reviewing Party shall have full and final authority, which shall be exercised in its discretion, to determine conclusively whether a Change in Control of the Company has occurred pursuant to the above definition, and the date of the occurrence of such Change in Control and any incidental matters relating thereto.

**"Claim"** means a claim or action asserted by a Person in a Proceeding or any other written demand for relief in connection with or arising from an Indemnification Event.

**"Covered Entity"** means (i) the Company, (ii) any subsidiary of the Company or (iii) any other Person for which Indemnitee is or was or may be deemed to be serving, at the request of the Company or any subsidiary of the Company, as a director, officer, employee, controlling person, agent or fiduciary.

**"Disinterested Director"** means, with respect to any determination contemplated by this Agreement, any Person who, as of the time of such determination, is a member of the Company's board of directors but is not a party to any Proceeding then pending with respect to any Indemnification Event.

**"Exchange Act"** means the Securities Exchange Act of 1934, as amended.

**"Expenses"** means any and all direct and indirect fees and costs, retainers, court costs, transcript costs, fees of experts, witness fees, travel expenses, duplicating, printing and binding costs, telephone charges, postage and delivery service fees and all other disbursements or expenses of any type or nature whatsoever reasonably incurred by Indemnitee (including, subject to the limitations set forth in **Section 3(c)** below, reasonable attorneys' fees) in connection with or arising from an Indemnification Event, including, without limitation: (i) the investigation or defense of a Claim; (ii) being, or preparing to

be, a witness or otherwise participating, or preparing to participate, in any Proceeding; (iii) furnishing, or preparing to furnish, documents in response to a subpoena or otherwise in connection with any Proceeding; (iv) any appeal of any judgment, outcome or determination in any Proceeding (including, without limitation, any premium, security for and other costs relating to any cost bond, supersedes bond or any other appeal bond or its equivalent); (v) establishing or enforcing any right to indemnification under this Agreement (including, without limitation, pursuant to **Section 2(c)** below), the DGCL or otherwise, regardless of whether Indemnitee is ultimately successful in such action, unless as a part of such action, a court of competent jurisdiction over such action determines that each of the material assertions made by Indemnitee as a basis for such action was not made in good faith or was frivolous; (vi) Indemnitee's defense of any Proceeding instituted by or in the name of the Company under this Agreement to enforce, interpret or defend any of the terms of this Agreement or the Indemnitee's rights under this Agreement or under any directors' or officers' liability insurance policies maintained by the Company (including, without limitation, costs and expenses incurred with respect to Indemnitee's counterclaims and cross-claims made in such action); and (vii) any Federal, state, local or foreign taxes imposed on Indemnitee as a result of the actual or deemed receipt of any payments under this Agreement, including all interest, assessments and other charges paid or payable with respect to such payments. For purposes of clarification, Expenses shall not include Losses.

An **"Indemnification Event"** shall be deemed to have occurred if Indemnitee was or is or becomes, or is threatened to be made, a party to or witness or other participant in, or was or is or becomes obligated to furnish or furnishes documents in response to a subpoena or otherwise in connection with, any Proceeding by reason of the fact that Indemnitee is or was or may be deemed a director, officer, employee, controlling person, agent or fiduciary of any Covered Entity, or by reason of any action or inaction on the part of Indemnitee in any such capacity.

**"Independent Legal Counsel"** means an attorney or firm of attorneys that is experienced in matters of corporate law and neither presently is, nor in the thirty-six (36) months prior to such designation has been, retained to represent: (i) the Company or Indemnitee in any matter material to either such party, or (ii) any other party to the Proceeding giving rise to a claim for indemnification hereunder.

**"Losses"** means any and all losses, claims, damages, liabilities, judgments, fines, penalties, settlement payments, awards and amounts of any type whatsoever incurred by Indemnitee in connection with or arising from an Indemnification Event. For purposes of clarification, Losses shall not include Expenses.

**"Organizational Documents"** means any and all organizational documents, charters or similar agreements or governing documents, including, without limitation, (i) with respect to a corporation, its certificate of incorporation and bylaws, (ii) with respect to a limited liability company, its operating agreement, and (iii) with respect to a limited partnership, its partnership agreement.

“**Proceeding**” means any threatened, pending or completed claim, action, suit, proceeding, arbitration or alternative dispute resolution mechanism, investigation, inquiry, administrative hearing or appeal, whether brought in the right of a Covered Entity or otherwise and whether of a civil (including intentional or unintentional tort claims), criminal, administrative, internal or investigative nature, including any appeal therefrom and including without limitation any such Proceeding pending as of the date of this Agreement, in which Indemnitee was, is or will be involved as a party, a potential party, a non-party witness or otherwise by reason of (i) the fact that Indemnitee is or was a director or officer of the Company, (ii) any action taken by Indemnitee or any action or inaction on Indemnitee’s part while acting as a director or officer of the Company, or (iii) the fact that he or she is or was serving at the request of the Company as a director, trustee, general partner, managing member, officer, employee, agent or fiduciary of the Company or any other enterprise, in each case whether or not serving in such capacity at the time any liability or Expense is incurred for which indemnification or advancement of expenses can be provided under this Agreement.

“**Person**” means an individual, a partnership, a corporation, a limited liability company, an association, a joint stock company, a trust, a joint venture, an unincorporated organization or other entity or government or agency or political subdivision thereof.

“**Reviewing Party**” means, with respect to any determination contemplated by this Agreement, any one of the following: (i) a majority of the Disinterested Directors, even if such Persons would not constitute a quorum of the Company’s board of directors; (ii) a committee consisting solely of Disinterested Directors, even if such Persons would not constitute a quorum of the Company’s board of directors, so long as such committee was designated by a majority of the Disinterested Directors; (iii) Independent Legal Counsel designated by the Disinterested Directors (or, if there are no Disinterested Directors, the Company’s board of directors) (in which case, any determination shall be evidenced by the rendering of a written opinion); or (iv) in the absence of any Disinterested Directors, the Company’s stockholders; provided, that, in the event that a Change in Control has occurred, the Reviewing Party shall be Independent Legal Counsel (selected by Indemnitee) in a written opinion to the board of directors of the Company, a copy of which shall be delivered to the Indemnitee.

“**SEC**” means the Securities and Exchange Commission.

“**Securities Act**” means the Securities Act of 1933, as amended.

## 2. **Indemnification.**

(a) Indemnification of Losses and Expenses. If an Indemnification Event has occurred, then, subject to **Section 9** below, the Company shall indemnify and hold harmless Indemnitee, to the fullest extent permitted by the DGCL, as such law may be amended from time to time (but in the case of any such amendment, only to the extent that such amendment permits the Company to provide broader indemnification rights than were permitted prior thereto), against any and all Losses and Expenses; provided that the Company’s commitment set forth in this **Section 2(a)** to indemnify the Indemnitee shall be subject to the limitations and procedural requirements set forth in this Agreement. The parties hereto intend that this Agreement, to the

fullest extent permitted by applicable law, shall provide for indemnification in excess of that expressly permitted by statute, including, without limitation, any indemnification provided by the certificate of incorporation, the bylaws, vote of its stockholders or disinterested directors or applicable law.

(b) Partial Indemnification. If Indemnitee is entitled under any provision of this Agreement to indemnification by the Company for some or a portion of Losses or Expenses, but not, however, for the total amount thereof, the Company shall nevertheless indemnify Indemnitee for the portion thereof to which Indemnitee is entitled.

(c) Indemnification for Expenses of a Witness. To the fullest extent permitted by applicable law and to the extent that Indemnitee is, by reason of his or her corporate status, a witness, is or was made (or asked) to respond to discovery requests in any Proceeding or otherwise asked to participate in any respect of a Proceeding to which Indemnitee is not a party, Indemnitee shall be indemnified to the extent permitted by applicable law against all Expenses actually and reasonably incurred by Indemnitee or on Indemnitee's behalf in connection therewith.

(d) Advancement of Expenses. The Company shall advance Expenses incurred by or on behalf of Indemnitee to the fullest extent permitted by the DGCL, as such law may be amended from time to time (but in the case of any such amendment, only to the extent that such amendment permits the Company to provide broader indemnification rights than were permitted prior thereto), prior to its final disposition and as soon as practicable, but in any event not later than 30 days after written request therefor by Indemnitee, which request shall be accompanied by vouchers, invoices or similar evidence documenting in reasonable detail the Expenses incurred or to be incurred by Indemnitee; provided, however, that Indemnitee need not submit to the Company any information that counsel for Indemnitee reasonably deems is privileged and exempt from compulsory disclosure in any Proceeding. Execution and delivery of this Agreement by the Indemnitee constitutes an undertaking to repay such amounts advanced only if, and to the extent that, it shall finally be determined that Indemnitee is not entitled to be indemnified by the Company as authorized by this Agreement in accordance with the provisions of **Section 4**. No other form of undertaking shall be required other than the execution of this Agreement. Advancement shall include any and all reasonable Expenses incurred pursuing an action to enforce this right of advancement, including Expenses incurred preparing and forwarding statements to the Company to support the advances claimed.

(e) Contribution. To the fullest extent permissible under applicable law, if the indemnification provided for in this Agreement is unavailable to Indemnitee for any reason whatsoever, the Company, in lieu of indemnifying Indemnitee, shall contribute to the amount incurred by Indemnitee, whether for Losses or Expenses, in connection with any Proceeding relating to an Indemnification Event under this Agreement, in such proportion as is deemed fair and reasonable by the Reviewing Party in light of all of the circumstances of such Proceeding in order to reflect (1) the relative benefits received by the Company and Indemnitee as a result of the event(s) and/or transaction(s) giving rise to such Proceeding; and (2) the relative fault of the Company (and its directors, officers, employees and agents) and Indemnitee in connection with such event(s) and/or transaction(s).



### **3. Indemnification Procedures.**

(a) Notice of Indemnification Event. Indemnatee shall give the Company notice as soon as reasonably practicable of any Indemnification Event of which Indemnatee becomes aware and of any request for indemnification hereunder, provided that any failure to so notify the Company shall not relieve the Company of any of its obligations under this Agreement except if, and then only to the extent that, such failure materially prejudices the Company under this Agreement.

(b) Notice to Insurers. The Company shall give prompt written notice of any Indemnification Event which may be covered by the Company's liability insurance to the insurers in accordance with the procedures set forth in each of the applicable policies of insurance. The Company shall thereafter take all necessary or desirable action to cause such insurers to pay, on behalf of Indemnatee, all amounts payable as a result of such Indemnification Event in accordance with the terms of such policies; provided that nothing in this **Section 3(b)** shall affect the Company's obligations under this Agreement or the Company's obligations to comply with the provisions of this Agreement in a timely manner as provided.

(c) Selection of Counsel. If the Company shall be obligated hereunder to pay or advance Expenses or indemnify Indemnatee with respect to any Losses, the Company shall be entitled to assume the defense of any related Claims, with counsel selected by the Company. After the retention of such counsel by the Company, the Company will not be liable to Indemnatee under this Agreement for any fees of counsel subsequently incurred by Indemnatee with respect to the defense of such Claims; provided that: (i) Indemnatee shall have the right to employ counsel in connection with any such Claim at Indemnatee's expense; and (ii) if (A) the employment of counsel by Indemnatee has been previously authorized by the Company, (B) counsel for Indemnatee shall have provided the Company with written advice that there is a conflict of interest between the Company and Indemnatee in the conduct of any such defense, or (C) the Company shall not continue to retain such counsel to defend such Claim, then the fees and expenses of Indemnatee's counsel shall be at the expense of the Company.

### **4. Determination of Right to Indemnification.**

(a) Successful Proceeding. To the extent Indemnatee has been successful, on the merits or otherwise, in defense of any Proceeding referred to in **Section 2(a)**, the Company shall indemnify Indemnatee against Losses and Expenses incurred by him in connection therewith. If Indemnatee is not wholly successful in such Proceeding, but is successful, on the merits or otherwise, as to one or more but less than all Claims in such Proceeding, the Company shall indemnify Indemnatee against all Losses and Expenses actually or reasonably incurred by Indemnatee in connection with each successfully resolved Claim to the fullest extent permitted by applicable law. For purposes of this section, the termination of any Claim in such a Proceeding by dismissal, with or without prejudice, shall be deemed to be a successful result as to such Claim.

(b) Other Proceedings. In the event that **Section 4(a)** is inapplicable, the Company shall nevertheless indemnify Indemnatee as provided in **Section 2(a)** or **2(b)**, as applicable, or provide a contribution payment to the Indemnatee as provided in **Section 2(d)**, to the extent determined by the Reviewing Party.

(c) Reviewing Party Determination. A Reviewing Party chosen by the Company's board of directors shall determine whether Indemnitee is entitled to indemnification, subject to the following:

(i) A Reviewing Party so chosen shall act in the utmost good faith to assure Indemnitee a complete opportunity to present to such Reviewing Party Indemnitee's case that Indemnitee has met the applicable standard of conduct.

(ii) Indemnitee shall be deemed to have acted in good faith if Indemnitee's action is based on the records or books of account of a Covered Entity, including, without limitation, its financial statements, or on information supplied to Indemnitee by the officers or employees of a Covered Entity in the course of their duties, or on the advice of legal counsel for a Covered Entity or on information or records given, or reports made, to a Covered Entity by an independent certified public accountant or by an appraiser or other expert selected with reasonable care by a Covered Entity. In addition, the knowledge and/or actions, or failure to act, of any director, officer, agent or employee of a Covered Entity shall not be imputed to Indemnitee for purposes of determining the right to indemnification under this Agreement. Whether or not the foregoing provisions of this **Section 4(c)(ii)** are satisfied, it shall in any event be presumed that Indemnitee has at all times acted in good faith and in a manner Indemnitee reasonably believed to be in or not opposed to the best interests of the Company. Any Person seeking to overcome this presumption shall have the burden of proof and the burden of persuasion, by clear and convincing evidence.

(iii) If a Reviewing Party chosen pursuant to this **Section 4(c)** shall not have made a determination whether Indemnitee is entitled to indemnification within thirty (30) days after receipt by the Company of the request therefor, the requisite determination of entitlement to indemnification shall be deemed to have been made and Indemnitee shall be entitled to such indemnification, absent (A) a misstatement by Indemnitee of a material fact, or an omission of a material fact necessary to make Indemnitee's statement not materially misleading, in connection with the request for indemnification, or (B) a prohibition of such indemnification under applicable law; provided, however, that such 30 day period may be extended for a reasonable time, not to exceed an additional fifteen (15) days, if the Reviewing Party in good faith requires such additional time for obtaining or evaluating documentation and/or information relating thereto; and provided, further, that the foregoing provisions of this **Section 4(c)(iii)** shall not apply if (I) the determination of entitlement to indemnification is to be made by the stockholders of the Company, (II) a special meeting of stockholders is called by the board of directors of the Company for such purpose within thirty (30) days after the stockholders are chosen as the Reviewing Party, (III) such meeting is held for such purpose within sixty (60) days after having been so called, and (IV) such determination is made thereat.

(d) Appeal to Court. Notwithstanding a determination by a Reviewing Party chosen pursuant to **Section 4(c)** that Indemnitee is not entitled to indemnification with respect to a specific Claim or Proceeding (an "**Adverse Determination**"), Indemnitee shall have the right to apply to the court in which that Claim or Proceeding is or was pending or any other court of competent jurisdiction for the purpose of enforcing Indemnitee's right to indemnification pursuant

to this Agreement, provided that Indemnitee shall commence any such Proceeding seeking to enforce Indemnitee's right to indemnification within one (1) year following the date upon which Indemnitee is notified in writing by the Company of the Adverse Determination. In the event of any dispute between the parties concerning their respective rights and obligations hereunder, the Company shall have the burden of proving that the Company is not obligated to make the payment or advance claimed by Indemnitee.

(e) **Presumption of Success.** The Company acknowledges that a settlement or other disposition short of final judgment shall be deemed a successful resolution for purposes of **Section 4(a)** if it permits a party to avoid expense, delay, distraction, disruption or uncertainty. In the event that any Proceeding to which Indemnitee is a party is resolved in any manner other than by adverse judgment against Indemnitee (including, without limitation, settlement of such Proceeding with or without payment of money or other consideration), it shall be presumed that Indemnitee has been successful on the merits or otherwise in such Proceeding. Anyone seeking to overcome this presumption shall have the burden of proof and the burden of persuasion, by clear and convincing evidence.

(f) **Settlement and Termination of Claims.** The Company shall not be liable to indemnify Indemnitee under this Agreement or otherwise for any amounts paid in settlement of any Proceeding effected without the Company's written consent. The Company shall not settle any Proceeding in any manner that would impose any penalty or limitation on Indemnitee without Indemnitee's written consent. Neither the Company nor the Indemnitee will unreasonably withhold, delay or refuse their consent to any proposed settlement. The Company shall not be liable to indemnify the Indemnitee under this Agreement with regard to any judicial award if the Company was not given a reasonable and timely opportunity, at its expense, to participate in the defense of such action; the Company's liability hereunder shall not be excused if participation in the Proceeding by the Company was barred by this Agreement. The termination of any Proceeding or of any claim, issue or matter therein, by judgment, order, settlement or conviction, or upon a plea of *nolo contendere* or its equivalent, shall not (except as otherwise expressly provided in this Agreement) of itself adversely affect the right of Indemnitee to indemnification or create a presumption that Indemnitee did not act in good faith and in a manner which he or she reasonably believed to be in or not opposed to the best interests of the Company or, with respect to any criminal Proceeding, that Indemnitee had reasonable cause to believe that his or her conduct was unlawful.

#### **5. Additional Indemnification Rights; Non-exclusivity.**

(a) **Scope.** The Company hereby agrees to indemnify Indemnitee to the fullest extent permitted by law, even if such indemnification is not specifically authorized by the other provisions of this Agreement or any other agreement, the Organizational Documents of any Covered Entity or by applicable law. In the event of any change after the date of this Agreement in any applicable law, statute or rule that expands the right of a Delaware corporation to indemnify a member of its board of directors or an officer, employee, controlling person, agent or fiduciary, it is the intent of the parties hereto that Indemnitee shall enjoy by this Agreement the greater benefits afforded by such change. In the event of any change in any applicable law, statute or rule that narrows the right of a Delaware corporation to indemnify a member of its board of directors or an officer, employee, controlling person, agent or fiduciary, such change, to the extent not

otherwise required by such law, statute or rule to be applied to this Agreement, shall have no effect on this Agreement or the parties rights and obligations hereunder except as set forth in **Section 9(a)** hereof.

(b) **Non-exclusivity.** The rights to indemnification, contribution and advancement of Expenses provided in this Agreement shall not be deemed exclusive of, but shall be in addition to, any other rights to which Indemnitee may at any time be entitled under the Organizational Documents of any Covered Entity, any other agreement, any vote of stockholders or Disinterested Directors, the laws of the State of Delaware or otherwise and shall be interpreted independently of, and without reference to, any other such rights to which Indemnitee may at any time be entitled. Furthermore, no right or remedy herein conferred is intended to be exclusive of any other right or remedy, and every other right and remedy shall be cumulative and in addition to every other right and remedy given hereunder or now or hereafter existing at law or in equity or otherwise. The assertion of any right or remedy hereunder or otherwise shall not prevent the concurrent assertion of any other right or remedy. The rights to indemnification, contribution and advancement of Expenses provided in this Agreement shall continue as to Indemnitee for any action Indemnitee took or did not take while serving in an indemnified capacity even though Indemnitee may have ceased to serve in such capacity.

**6. No Duplication of Payments.** The Company shall not be liable under this Agreement to make any payment of any amount otherwise indemnifiable hereunder, or for which advancement is provided hereunder, if and to the extent Indemnitee has otherwise actually received such payment, whether pursuant to any insurance policy, the Organizational Documents of any Covered Entity or otherwise.

**7. Mutual Acknowledgment.** Both the Company and Indemnitee acknowledge that, in certain instances, Federal law or public policy may override applicable state law and prohibit the Company from indemnifying its directors and officers under this Agreement or otherwise. For example, the Company and Indemnitee acknowledge that the SEC has taken the position that indemnification is not permissible for liabilities arising under certain Federal securities laws, and Federal legislation prohibits indemnification for certain violations of the Employee Retirement Income Security Act of 1979, as amended. Indemnitee understands and acknowledges that the Company has undertaken, or may be required in the future to undertake, with the SEC to submit the question of indemnification to a court in certain circumstances for a determination of the Company's right under public policy to indemnify Indemnitee, and any right to indemnification hereunder shall be subject to, and conditioned upon, any such required court determination.

**8. Liability Insurance.** The Company shall maintain liability insurance applicable to directors and officers of the Company and shall cause Indemnitee to be named as an insured in such a manner as to provide Indemnitee the same rights and benefits as are accorded to the most favorably insured of the Company's officers and directors (other than in the case of an independent director liability insurance policy if Indemnitee is not an independent or outside director). The Company shall advise Indemnitee as to the general terms of, and the amounts of coverage provide by, any liability insurance policy described in this **Section 8** and shall promptly notify Indemnitee if, at any time, any such insurance policy is terminated or expired without renewal or if the amount of coverage under any such insurance policy will be decreased.

**9. Exceptions.** Any other provision herein to the contrary notwithstanding, the Company shall not be obligated pursuant to the terms of this Agreement to indemnify Indemnitee:

(a) against any Losses or Expenses, or advance Expenses to Indemnitee, with respect to Claims initiated or brought voluntarily by Indemnitee, and not by way of defense (including, without limitation, affirmative defenses and counter-claims), except (i) Claims to establish or enforce a right to indemnification, contribution or advancement with respect to an Indemnification Event, whether under this Agreement, any other agreement or insurance policy, the Company's Organizational Documents of any Covered Entity, the laws of the State of Delaware or otherwise, or (ii) if the Company's board of directors has approved specifically the initiation or bringing of such Claim;

(b) against any Losses or Expenses, or advance Expenses to Indemnitee, with respect to Claims arising (i) with respect to an accounting of profits made from the purchase and sale (or sale and purchase) by Indemnitee of securities of the Company within the meaning of Section 16(b) of the Exchange Act or (ii) pursuant to Section 304 or 306 of the Sarbanes-Oxley Act of 2002, as amended, or any rule or regulation promulgated pursuant thereto; or

(c) if, and to the extent, that a court of competent jurisdiction renders a final, unappealable decision that such indemnification is not lawful.

**10. Miscellaneous.**

(a) Counterparts. This Agreement may be executed in one or more counterparts, each of which shall constitute an original.

(b) Binding Effect; Successors and Assigns. This Agreement shall be binding upon and inure to the benefit of and be enforceable by the parties hereto and their respective successors and assigns (including with respect to the Company, any direct or indirect successor by purchase, merger, consolidation or otherwise to all or substantially all of the business and/or assets of the Company) and with respect to Indemnitee, his or her spouse, heirs, and personal and legal representatives. The Company shall require and cause any successor or assign (whether direct or indirect, by purchase, merger, consolidation or otherwise) to all, substantially all, or a substantial part, of the business and/or assets of the Company, to assume and agree to perform this Agreement in the same manner and to the same extent that the Company would be required to perform if no such succession or assignment had taken place. This Agreement shall continue in effect with respect to Claims relating to Indemnification Events regardless of whether Indemnitee continues to serve as a director, officer, employee, controlling person, agent or fiduciary of any Covered Entity.

(c) Notice. All notices and other communications required or permitted hereunder shall be in writing, shall be effective when given, and shall in any event be deemed to be given (a) five (5) days after deposit with the U.S. Postal Service or other applicable postal service, if delivered by first class mail, postage prepaid, (b) upon delivery, if delivered by hand, or (c) one (1) business day after the business day of deposit with Federal Express or similar, nationally recognized overnight courier, freight prepaid, if to Indemnitee, to the Indemnitee's address as set

forth beneath the Indemnitee's signature to this Agreement, or, if to the Company, at the address of its principal corporate offices (attention: Secretary), or at such other address as such party may designate to the other party hereto.

(d) Enforceability. This Agreement is a legal, valid and binding obligation of the Company, enforceable against the Company in accordance with its terms.

(e) Consent to Jurisdiction. The Company and Indemnitee each hereby irrevocably consent to the jurisdiction and venue of the courts of the State of Delaware for all purposes in connection with any Proceeding which arises out of or relates to this Agreement and agree that any Proceeding instituted under this Agreement shall be commenced, prosecuted and continued only in the courts of the State of Delaware.

(f) Severability. The provisions of this Agreement shall be severable in the event that any of the provisions hereof (including any provision within a single section, paragraph or sentence) are held by a court of competent jurisdiction to be invalid, void or otherwise unenforceable, and the remaining provisions shall remain enforceable to the fullest extent permitted by law. Furthermore, to the fullest extent possible, the provisions of this Agreement (including, without limitation, each portion of this Agreement containing any provision held to be invalid, void or otherwise unenforceable that is not itself invalid, void or unenforceable) shall be construed so as to give effect to the extent manifested by the provision held invalid, illegal or unenforceable.

(g) Choice of Law. This Agreement shall be governed by and its provisions shall be construed and enforced in accordance with, the laws of the State of Delaware, without regard to the conflict of laws principles thereof.

(h) Subrogation. In the event of payment under this Agreement, the Company shall be subrogated to the extent of such payment to all of the rights of recovery of Indemnitee who shall execute all documents required and shall do all acts that may be necessary to secure such rights and to enable the Company effectively to bring suit to enforce such rights.

(i) Amendment and Termination. No amendment, modification, termination or cancellation of this Agreement shall be effective unless it is in a writing signed by the party to be bound thereby. Notice of same shall be provided to the other party hereto. No waiver of any of the provisions of this Agreement shall be deemed or shall constitute a waiver of any other provisions hereof (whether or not similar) nor shall such waiver constitute a continuing waiver.

(j) No Construction as Employment Agreement. This Agreement is not an employment agreement between the Company and the Indemnitee and nothing contained in this Agreement shall be construed as giving Indemnitee any right to be retained or continue in the employ or service of any Covered Entity.

(k) Supersedes Previous Agreements. This Agreement supersedes all prior agreements and understandings, oral, written and implied, between the parties hereto with respect to the subject matter hereof. All such prior agreements and understandings are hereby terminated and deemed of no further force or effect.



IN WITNESS WHEREOF, the parties hereto have executed this Agreement on and as of the day and year first above written.

**NCINO, INC.:**

a Delaware corporation

By: \_\_\_\_\_

Name: \_\_\_\_\_

Title: \_\_\_\_\_

**INDEMNITEE:**

\_\_\_\_\_  
Name: \_\_\_\_\_

Address: \_\_\_\_\_



Consent of Independent Registered Public Accounting Firm

We consent to the reference to our firm under the caption “Experts” and to the use of our report dated April 17, 2020, in Amendment No. 1 to the Registration Statement (Form S-1 No. 333-239335) and related Prospectus of nCino, Inc. dated July 6, 2020.

/s/ Ernst & Young LLP

Raleigh, North Carolina  
July 6, 2020