As filed with the Securities and Exchange Commission on November 1, 2021.

Registration No. 333-260297

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

AMENDMENT NO. 2
to
FORM S-1

REGISTRATION STATEMENT
UNDER
THE SECURITIES ACT OF 1933

EXPENSIFY, INC.
(Exact name of registrant as specified in its charter)

Delaware	**7372**	**27-0239450**
(State or other jurisdiction of incorporation or organization)	(Primary Standard Industrial Classification Code Number)	(I.R.S. Employer Identification No.)

401 SW 5th Ave
Portland, Oregon 97204
Telephone: (971) 365-3939
(Address, including zip code, and telephone number, including area code, of registrant's principal executive offices)

David Barrett
Chief Executive Officer
Expensify, Inc.
401 SW 5th Ave
Portland, Oregon 97204
Telephone: (971) 365-3939
(Name, address, including zip code, and telephone number, including area code, of agent for service)

Copies to:

Tad J. Freese **Alexa M. Berlin** **Benjamin A. Potter** **Christopher Shoff** **Latham & Watkins LLP** **140 Scott Drive** **Menlo Park, California 94025** **Telephone: (650) 328-4600**	**Ryan Schaffer** **Chief Financial Officer** **Expensify, Inc.** **401 SW 5th Ave** **Portland, Oregon 97204** **Telephone: (971) 365-3939**	**Dave Peinsipp** **Kristin VanderPas** **Denny Won** **Cooley LLP** **101 California Street, 5th Floor** **San Francisco, California 94111** **Telephone: (415) 693-2000**

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, check the following box and list the Securities Act registration statement number of the earlier effective registration statement for the same offering. ☐

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

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

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

Large accelerated filer ☐ **Accelerated filer** ☐

Non-accelerated filer ☒ **Smaller reporting company** ☐

Emerging growth company ☒

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

CALCULATION OF REGISTRATION FEE

Title of each class of securities to be registered	**Amount to be registered[1]**	**Proposed maximum offering price per share**	**Proposed maximum aggregate offering price[2]**	**Amount of registration fee[3]**
Class A Common Stock, par value $0.0001 per share	11,190,392	$25.00	$279,759,800	$25,934[3]

(1) Includes the aggregate offering price of 1,459,616 additional shares 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) under the Securities Act of 1933, as amended.
(3) The registrant previously paid $9,270 in connection with the previous filings of the 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 Securities and Exchange Commission, acting pursuant to said Section 8(a), may determine.

The information in this preliminary prospectus is not complete and may be changed. We may not sell these securities until the registration statement filed with the Securities and Exchange Commission is effective. This preliminary prospectus is not an offer to sell these securities and we are not soliciting offers to buy these securities in any jurisdiction where the offer or sale is not permitted.

Subject to completion, dated November 1, 2021

Preliminary prospectus

9,730,776 shares



Expensify, Inc.

Class A common stock

This is an initial public offering of shares of Class A common stock by Expensify, Inc. We are offering 2,608,696 shares of our Class A common stock and the selling stockholders identified in this prospectus are offering an additional 7,122,080 shares of Class A common stock. We will not receive any proceeds from the sale of shares by the selling stockholders. We currently expect the initial public offering price to be between $23.00 and $25.00 per share of common stock.

Prior to this offering, there has been no public market for our common stock. We have applied to list our Class A common stock on The Nasdaq Global Market ("Nasdaq") under the symbol “EXFY.”

Following this offering, we will have three classes of common stock: Class A, LT10 and LT50 common stock. This is a novel capital structure that differs significantly from those of other companies that have dual or multiple class capital structures. The rights of holders of Class A, LT10 and LT50 common stock are identical, except for voting, transfer and conversion rights. Each share of Class A common stock is entitled to one vote. Each share of LT10 and LT50 common stock is entitled to **10** and **50** votes, respectively, and is convertible into one share of Class A common stock only upon, and generally cannot be transferred without, satisfaction of certain notice and other requirements, including a restricted period of **10 months** and **50 months**, respectively. All of the shares of LT10 and LT50 common stock will be held by a voting trust pursuant to a voting trust agreement. This means that, for the foreseeable future, the control of our company will be concentrated with the voting trust, notwithstanding the number of outstanding shares of Class A common stock. For additional information, see the section titled “Description of capital stock—Common stock.”

We are an “emerging growth company” as defined under the federal securities laws and, as such, have elected to comply with certain reduced reporting requirements.

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

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

Certain of the selling stockholders have granted the underwriters the option for a period of 30 days to purchase up to an additional 1,459,616 shares from them, in each case at the initial price to the public less the underwriting discounts and commissions.

Investing in our common stock involves a high degree of risk. See “Risk factors” beginning on page 21.

Neither the Securities and Exchange Commission nor any state securities commission has approved or disapproved of these securities nor passed upon the accuracy or adequacy of this prospectus. Any representation to the contrary is a criminal offense.

The underwriters expect to deliver the shares to purchasers on or about , 2021.

J.P. Morgan | Citigroup | BofA Securities

Piper Sandler | JMP Securities | Loop Capital Markets

, 2021.



Expensify

Easy money.

At **Expensify**, we're best known for making

Expense reports that don't suck.

But we also make it easy to move and manage money in other ways. You can track expenses, pay bills, generate invoices, collect payments, plan trips, and manage company credit cards all in one app.

Expensify is easy money.

Easy money.

We’re an ambitious group, and that means goals. Big, extravagant goals. Wild, sometimes crazy goals. Goals are tricky things, though. Attempting to do anything means sacrificing something; maybe the security of a predictable future, maybe other worthwhile goals, or maybe just the time and energy spent pursuing something of value.

We’re pursuing three Life Goals:

Live rich.
Have fun.
Save the world.

Easy money.

We embody three Core Qualities:

Talent.
Ambition.
Humility.

One of Expensify's most defining characteristics is our genuine desire to build an organization that improves with age forever, like a fine wine. But given the short-term perspectives of the rest of the industry, accomplishing this long-term result requires going beyond simple "industry best practices". Rather, it requires an ongoing commitment to defining, identifying, and developing the "core qualities" that establish the foundation of who we are as people.



And we do this by
following Two Rules:

Get shit done.

Don’t ruin it for everyone else.

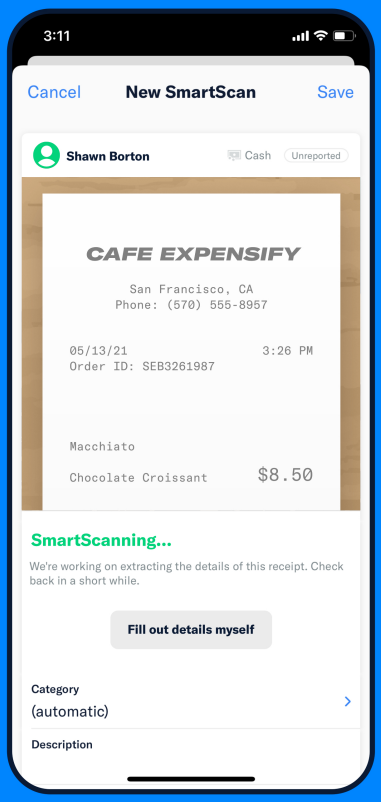
At Expensify, we believe great things happen when talented, ambitious, but humble people collaborate today on the immediate overlap between their own lifelong ambitions.

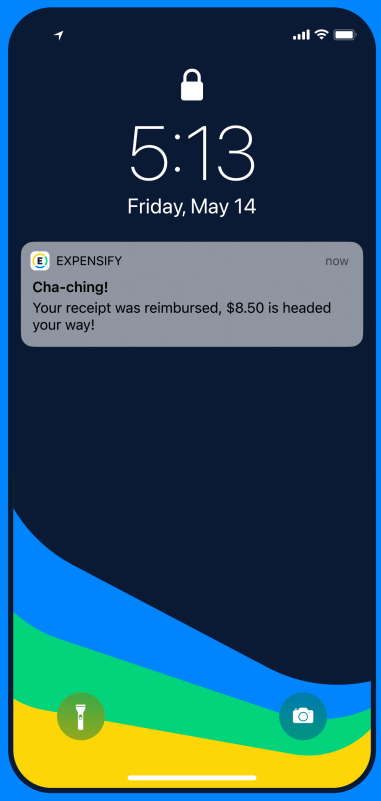
Even if our individual ambitions differ, our shared values allow us to debate, collaborate, and solve problems as a team.



Easy money.

One tap expense reports.



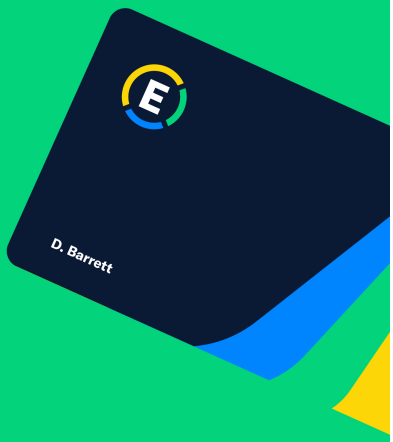


Snap a photo of your receipt and SmartScan automatically captures all the details in an expense report.

Easy money.



The business credit card for easier expenses.



Just swipe the Expensify Card and your expenses are done—no receipts required. Even better, with every purchase, we donate to Expensify.org on your behalf.

Easy money.

Easily manage your money on one preaccounting platform.

Expense Management

Snap a photo of a receipt with SmartScan for easy expense reporting, approval, next-day reimbursement, and sync with accounting software.

Expensify Card

The business credit card for faster expense reporting and corporate card reconciliation—no receipts required.

Bill Pay

Send your vendor bills to Expensify for automatic tracking, approval, and payment.

Invoices

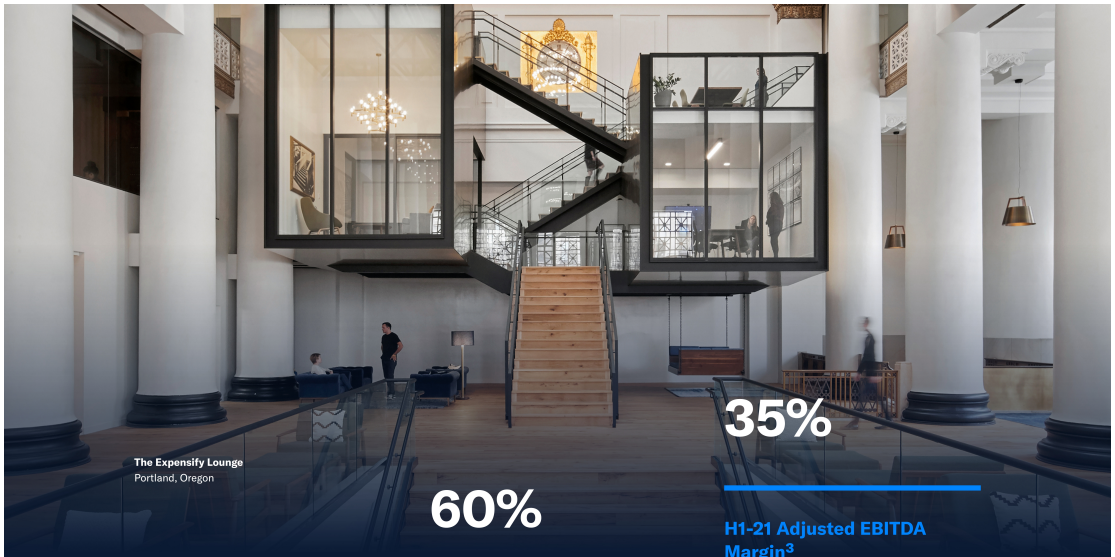
Create and send invoices, then collect payments that automatically sync to your accounting package.

Travel

Book flights, hotels, and cars simply by chatting with Concierge, your personal trip planner.

Personal Payments

Split bills, request payments, and chat with friends.



The Expensify Lounge
Portland, Oregon

$141MM
Q2-21 Annualized Revenue[1]

$(1.7MM)
Net Loss FY20

119%
Net Seat Retention[4]

60%
H1-21 Revenue Growth[2]

$14.7MM
H1-21 Net Income

639K+
Average Paid Members[5]

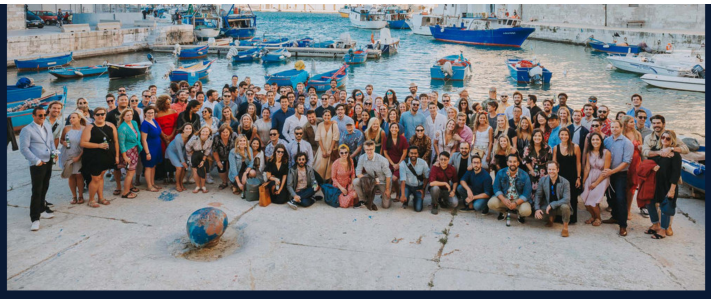
35%
H1-21 Adjusted EBITDA Margin[3]

76%
H1-21 Gross Margin

10MM+
Network Members[5]

Easy money.

[1]Calculated as Q2-21 revenue of $35.3MM multiplied by 4 (quarters) to get an annualized revenue.
[2]Compared to H1-20 Revenue
[3]For additional information about our non-GAAP financial measures, including a reconciliation to the most directly comparable GAAP measure, please see the section titled "Management's discussion and analysis of financial condition and results of operations—Key business metrics and non-GAAP financial measures."
[4]Calculated as of December 31, 2019 due to the impact of the COVID-19 pandemic on customer retention as our customers ceased (or paused) operations, and scaled back usage of our platform as their business travel and other expenses declined. Calculated by using (a) the number of paid member seats from companies who have ever had 5 or more paid members paying for a subscription during the period ending one year prior as the denominator and (b) the number of paid member seats at those same companies during the more recent period as the numerator. Please see the sections titled "Risk factors" and "Management's discussion and analysis of financial condition and results of operations" for additional information on the impact of the COVID-19 pandemic on our company.
[5]For the quarter ended June 30, 2021.



4.9/5

Glassdoor Rating







8+ years

Average Leadership Tenure



$1MM+

Annualized Revenue per Employee in Q2-21[1]

[1]Calculated as Q2-21 Annualized Revenue divided by 140 employees as of June 30, 2021





Table of contents

	Page
PROSPECTUS SUMMARY	1
RISK FACTORS	21
CAUTIONARY NOTE REGARDING FORWARD-LOOKING STATEMENTS	66
MARKET AND INDUSTRY DATA	68
USE OF PROCEEDS	69
CAPITALIZATION	70
DIVIDEND POLICY	72
DILUTION	73
SELECTED CONSOLIDATED FINANCIAL AND OTHER DATA	76
MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS	81
LETTER FROM OUR FOUNDER AND CEO	108
BUSINESS	114
MANAGEMENT	150
EXECUTIVE COMPENSATION	155
CERTAIN RELATIONSHIPS AND RELATED PARTY TRANSACTIONS	168
PRINCIPAL AND SELLING STOCKHOLDERS	173
DESCRIPTION OF CAPITAL STOCK	176
SHARES ELIGIBLE FOR FUTURE SALE	185
MATERIAL U.S. FEDERAL INCOME TAX CONSEQUENCES TO NON-U.S. HOLDERS	188
UNDERWRITING	192
LEGAL MATTERS	203
EXPERTS	203
WHERE YOU CAN FIND MORE INFORMATION	203
INDEX TO CONSOLIDATED FINANCIAL STATEMENTS	F-1

Through and including , 2021 (the 25th day after the date of this prospectus), all dealers effecting transactions in these securities, whether or not participating in this offering, may be required to deliver a prospectus. This is in addition to a dealer's obligation to deliver a prospectus when acting as an underwriter and with respect to an unsold allotment or subscription.

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

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 or any free writing prospectus we may provide to you in connection with this offering in any jurisdiction where action for that purpose is required, other than in the United States. You are required to inform yourselves about and to observe any restrictions relating to this offering and the distribution of this prospectus and any such free writing prospectus outside the United States.

Prospectus summary

This summary highlights selected information contained in greater detail elsewhere in this prospectus. This summary is not complete and does not contain all of the information you should consider in making your investment decision. Before investing in our common stock, you should carefully read this entire prospectus. You should carefully consider, among other things, the sections titled "Risk factors," "Special note regarding forward-looking statements" and "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. Unless the context otherwise requires, the terms "Expensify," the "company," "we," "us," "our" and similar references in this prospectus refer to Expensify, Inc. and its consolidated subsidiaries.

Overview

Expensify is a cloud-based expense management software platform that helps the smallest to the largest businesses simplify the way they manage money. Every day, people from all walks of life in organizations around the world use Expensify to scan and reimburse receipts from flights, hotels, coffee shops, office supplies and ride shares. Since our founding in 2008, we have added over 10 million members to our community, and processed and automated over 1.1 billion expense transactions on our platform, freeing people to spend less time managing expenses and more time doing the things they love. For the quarter ended June 30, 2021, an average of 639,000 paid members across 53,000 companies and over 200 countries and territories used Expensify to make money easy.

Small and medium businesses ("SMBs") are the cornerstone of the global economy, making up over 99% of businesses and approximately 70% of employment in Organization for Economic Cooperation and Development ("OECD") countries. Despite their significance, the vast majority of SMBs still rely on manual, inefficient processes to manage the critical back office functions that power their businesses every day. As SMBs seek to modernize back office functions like expense management to better compete in today's digital economy, we believe they will look for comprehensive technologies that are easy to discover, implement, purchase, manage and use. At the same time, individual employees are becoming a powerful source of change as they increasingly expect to bring their own choice of technology into the workplace.

Since the beginning of Expensify, our North Star has been improving the experience of the actual end users of expense management software: everyday employees. We designed Expensify to be easy to set up, integrate, configure and use from any device, which has enabled us to serve employees of all types and organizations of all sizes, industries and geographies.

Our intense focus on improving the everyday experience of regular employees with an easy-to-use but powerful platform has enabled a viral, "bottom-up" business model that is capital efficient and extremely scalable. By allowing people to spend less time managing receipts and more time pursuing their real goals, our users (who we refer to as members) have adopted, championed and spread Expensify to their colleagues, managers and friends. We believe our happy members are the best form of marketing and our self-service, bottom-up approach takes advantage of strong, organic word-of-mouth adoption. Underlying our platform is a secure, scalable and defensible technology and user-centric legal foundation that supports and fuels our viral growth. The combination of these factors has allowed us to avoid the costly pitfalls of traditional, top-down enterprise sales and marketing methods that focus solely on decision makers, and invest our time and resources on making features our members love. This has created a massive, untapped and growing market opportunity for us that we believe we are in prime position to capture.

Behind our platform is a company with passionate people and a unique culture that guides everything we do. Our company operates with a flat, generalist organizational structure united by a robust set of common values that foster the long-term happiness and retention of our employees. The efficiency of our business model allows us to prioritize attracting, retaining and inspiring talented, ambitious and humble

people committed to a long-term vision. We are a team that likes to solve real problems, and though expense reports are problematic for most people, there are other pressing problems facing our world that we want to also help solve. In 2020, we launched our 501(c)(3) non-profit, Expensify.org, to increase transparency in the donation process while connecting with donors, volunteers and people in need across five relevant issues facing our communities today: housing equity, youth advocacy, food security, reentry services and climate justice. The Expensify platform and our expertise in expense management enables us to connect donors and volunteers directly through our platform and cut out the administrative expenses that take away from typical donations. We believe that our unique culture, our commitment to all of our stakeholders, and our long-term vision are critical components to the success of our company. We are committed to transparent and robust environmental, social and governance practices and disclosures. Our core stakeholders include employees, members, customers, shareholders and communities we impact. We engage with stakeholders to inform product development and company operations, and aim to align with all stakeholders towards long-term sustainable growth.

We believe that our unique approach has created a highly scalable and efficient business model. We have experienced rapid growth in recent periods. Our revenue was $80.5 million and $88.1 million in the years ended December 31, 2019 and 2020, respectively. Our net income (loss) was $1.2 million and $(1.7) million in the years ended December 31, 2019 and 2020, respectively. Our adjusted EBITDA was $7.6 million and $26.8 million in the years ended December 31, 2019 and 2020, respectively. For the six months ended June 30, 2020 and 2021, our revenue was $40.6 million and $65.0 million, respectively. Our net income was $3.5 million and $14.7 million in the six months ended June 30, 2020 and 2021, respectively. Our adjusted EBITDA was $9.2 million and $22.9 million in the six months ended June 30, 2020 and 2021, respectively. See the section titled “Management’s discussion and analysis of financial condition and results of operations” for additional information on our non-GAAP metrics.

Our industry

SMBs are the bedrock of the global economy and have distinctive technology requirements

Small and medium businesses are the foundation of the global economy. According to the OECD, SMBs, defined as firms with fewer than 250 employees, make up over 99% of all businesses and approximately 70% of all employment across the 36 OECD countries.

Given their size, SMBs typically have one person overseeing the discovery and implementation of new systems, a responsibility that is often in addition to their core job function. As a result, SMBs have specific requirements when adopting new technologies:

- **Easy to discover.** SMBs increasingly rely on online channels for finding new technologies and heavily consider recommendations from experts, friends and colleagues.
- **Easy to implement.** IT departments within SMBs are often one person or the business owner themselves and are incapable of taking time away from their business to support cumbersome implementation, maintenance and training requirements.
- **Easy to purchase.** With no procurement department and limited resources, the individuals making the purchasing decision at SMBs often prefer vendors with transparent, self-service monthly subscription plans that can be paid by credit card.
- **Easy to manage.** SMBs prefer a single, comprehensive platform from one provider that can solve multiple pain points.
- **Easy to use.** Many SMBs prioritize ease of use and convenience over cost and seek solutions with elegant, intuitive user experiences that require no training or expertise to operate.

Back office processes are critical to every SMB, but remain antiquated and inefficient

Back office functions, such as HR, accounting and expense management, are ubiquitous and fundamental activities for businesses of every size and industry. Despite the mission criticality of these

activities, the vast majority of SMBs rely on manual, inefficient processes to manage and execute most back office functions. To compete in today's increasingly digital economy, SMBs require modern solutions that can automate and streamline manual, time-consuming back-office functions to reduce costs and allow managers to focus on higher value, strategic activities.

Every business manages expenses, most do it manually

While the accounting function has seen some improvements in efficiency with the advent of cloud-based accounting platforms, the critical data-gathering processes that precede the accounting workflow ("preaccounting") have largely remained unchanged since the last century. Expense management, which refers to the collection, processing, auditing and reimbursement of employee expenses, is one of these preaccounting processes, and is among the most complicated. For most SMBs, the standard procedure for expense management remains manual and laborious, with employees filing expense claims by physically tracking down and handing in receipts, or scanning and attaching receipts to emails for approval. As a result, employees, accountants and managers across every business unit are bogged down by time-consuming, manual tasks related to expense management, reducing their productivity and job satisfaction.

The modern day employee is increasingly empowered to drive technology change

Traditionally, business software solutions have been sold to key decision makers, deployed by centralized IT departments, and forced onto employees with little regard to end user experiences and their unique workflows. In recent years, the consumerization of enterprise technology has completely transformed this framework. In the SMB segment, employees are even more influential in driving company-wide adoption: with infrequent technology evaluation and less employees per company than enterprises, SMBs require a smaller critical mass for technological change.

Limitations of traditional approaches

We believe both existing solutions and their underlying business models have fundamental shortcomings that limit their ability to solve the inefficiencies of expense management and other back-office functions for SMBs.

Existing solutions

We believe the vast majority of SMBs still rely on manual, cumbersome methods to manage expenses, with employees physically filing expense claims via paper and pen or spreadsheets, and managers chasing employees across the organization for receipts, confirming expenses one-by-one and performing repetitive data entry on multiple platforms to synchronize information. A small subset of SMBs use more modern form-based software tools, but these solutions typically optimize the experience for decision makers and ignore the needs and preferences of regular, everyday employees. All of these solutions possess one or more of the following limitations that fail to address the back-office challenges faced by SMBs:

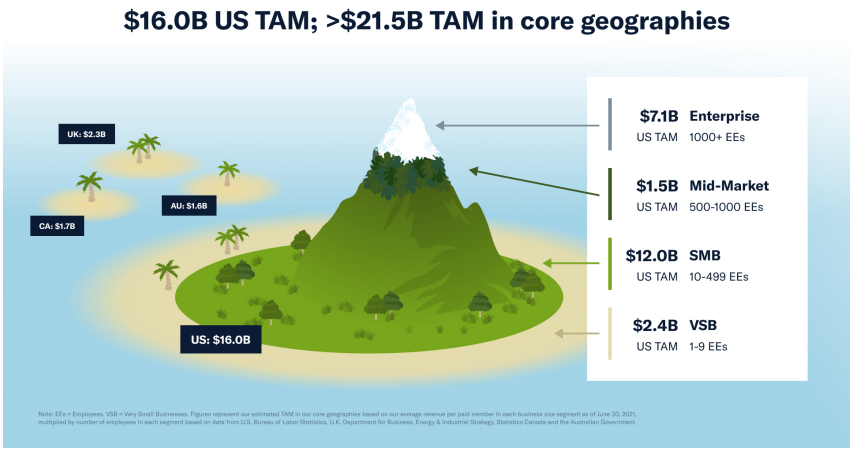
- Not designed for the employee;
- Multiple, disparate product lines for different features;
- Inaccurate receipt scanning;
- Lack purposeful automation;
- Lack integration with key systems and applications; and
- Partitioned database design.

Traditional approaches

The traditional approach for software sales has historically been "top-down," whereby software providers deploy costly, targeted ads and a legion of sales representatives focused on selling large, multi-year deals with vague product specifications to decision makers and business owners. This type of approach poses key challenges for traditional software providers, including:

- ***High cost of sale.*** The traditional top-down approach relies on an army of salespeople to sell, retain and upsell decision makers, requiring an ever-increasing pipeline of sales talent.
- ***SMB decision makers are hard to identify and talk to.*** Discovering and buying software is typically not the core job function for anyone at most SMBs, and software providers leveraging a top-down approach struggle to identify, engage with and sell to key decision makers at SMBs.
- ***Contracts and sales processes tailored to enterprises.*** Traditional enterprise sales models are designed to address long procurement processes, which emphasize pricing and control features over the user experience.
- ***Company-owned data and legal terms.*** Traditional approaches have a legal structure where all employee data is owned by the company. This company-centric legal approach acts as an impediment to viral employee adoption within and across organizations.

Our market opportunity



We believe we address a massive market opportunity today that is significantly underpenetrated by modern solutions. We estimate our total addressable market ("TAM") was approximately $16.0 billion in the United States and $21.5 billion in our core geographies in 2020, which consisted of the United States, United Kingdom, Canada and Australia in 2020. To estimate our TAM in the United States, we identified the number of employees at SMBs with less than 1,000 employees based on data from the U.S. Bureau of Labor Statistics and segmented these companies into three cohorts based on number of employees: (1) companies with 1-9 employees, (2) companies with 10-499 employees, and (3) companies with 500-999 employees. We then multiplied the total number of employees in each cohort by our average revenue per paid member in each such cohort as of June 30, 2021. Given our focus on SMBs, this

excludes the U.S. market opportunity for companies with greater than 1,000 employees, which we estimate to be $7.1 billion using the same methodology described above.

To estimate our TAM in our core geographies outside of the United States, in the United Kingdom, Canada, and Australia, we identified the number of employees in SMBs in these geographies based on data from the United Kingdom Department for Business, Energy & Industrial Strategy, Statistics Canada and the Australian Government. We then multiplied the total number of employees at SMBs in these geographies by our average revenue per paid member for customers with less than 1,000 paid members as of June 30, 2021. SMBs are defined as businesses with fewer than 1,000 employees in the United States, businesses with fewer than 250 employees in the United Kingdom, businesses with fewer than 500 employees in Canada and businesses with fewer than 200 employees in Australia. We believe there is considerable runway for long-term growth given the majority of our market opportunity is untapped; we estimate that the majority of SMBs within our core geographies have not adopted end-to-end software solutions and are using manual processes for expense management today.

We believe we are able to monetize approximately three times the amount of average revenue per user ("ARPU") in our target market of SMBs compared to some of our enterprise competitors' list prices. In addition to being able to monetize SMBs at a higher ARPU in comparison to enterprise competitors, SMBs by nature tend to grow at a faster rate than enterprises.

We believe there are multiple sources of upside to our TAM in the near-term future:

- ***Monetizing transactions on our platform.*** We launched the Expensify Card for early access to a limited number of customers in late 2019 and then launched fully in early 2020. We estimate that the current TAM for our Expensify Card will be approximately $17 billion by 2022. We arrived at our TAM by multiplying an industry standard take rate by the estimated small business credit card spend in the United States in 2022 according to a study by the Mercator Advisory Group.
- ***Platform expansion.*** While expense management tends to touch the majority of company employees at least once or twice in a given year, a smaller population are consistently paid members of expense management. We plan to increase our TAM by launching features that will be relevant to all of our customers' employees every month, resulting in more paid members and more revenue per customer even at the same paid member price.
- ***Continued international expansion.*** We believe there is a large, untapped opportunity outside of our core geographies.

Our approach

Since our founding, we have taken a unique approach to expense management built on key, complementary elements:

- ***Platform strategy hyper-focused on the employee.*** We designed Expensify to be easily configured and used by every single employee within an organization, not just decision makers or managers.
- ***Viral, bottom-up business model driven by the employee.*** Our employee-focused platform strategy enables a viral, "bottom-up" adoption cycle that starts with an individual employee. After signing up for free on the website or downloading our free app to submit expenses and realizing the benefits of using Expensify, our enthusiastic members champion our platform internally, spreading it via word-of-mouth to other employees and convincing decision makers to adopt Expensify company-wide.
- ***Word-of-mouth adoption supported by a market consensus approach.*** We believe that our happy members are the best form of marketing. We strive to build a superior platform that makes the lives of employees and admins easier so that they become our champions and promote us to other individuals and organizations. We deploy large scale brand advertising to build on this platform

superiority and help create market consensus that Expensify is the category leader for expense management software.

- ***Unique company culture and long-term vision.*** Our platform strategy and business model are complemented by our unique company culture and intense focus on the long-term happiness of our employees.

We believe that these elements of our approach are hard to replicate, self-reinforcing and work together to drive a powerful competitive advantage.

Our platform strategy

Our platform strategy centers around the following key concepts:

- ***Built for everyone.*** We designed our platform to be used by everyone in an organization, from employees to managers to the finance department. We believe that the more intuitive and simple Expensify is, the more employees and administrators will want to use it.
- ***Easy to set up.*** We believe that by making our platform easily accessible, simple to set up and easily configurable attracts more members to download and try Expensify.
- ***Designed to improve experiences for all members.*** We believe that always having the pain points of our members at the center of every technology decision and feature we develop enables us to consistently deliver an improved experience for every employee in an organization.
- ***One platform, many features.*** Expensify is one platform, with one price that unlocks access to every feature on the platform, from expense management to bill payment. Our features are just different configurations of the same underlying tool, and are not different products in some kind of combined suite.
- ***Highly integrated.*** We designed our platform to easily integrate with other business and consumer applications.

We believe that elements of our platform strategy are a critical driver of the viral, widespread adoption of Expensify across and between any type of organization.

Our business model

Our platform strategy enables a viral “bottom-up” business model that is capital efficient and extremely scalable. The adoption of Expensify within an organization often starts with the individual employee, who downloads our mobile application or signs up on our website for free and uses it to easily submit expenses to their manager with a few taps. After the employee realizes the benefits of our platform, they become a champion of Expensify and often spread it internally to other employees. With multiple employees using Expensify and valuable features simplifying the manager’s job, the decision maker purchases a subscription to Expensify and becomes a paying customer with a few members.

We offer simple, transparent and flexible subscription plans for both individuals and businesses that are completely self-service and payable by credit card. In the quarter ended June 30, 2021, 95% of our revenue came from recurring, automated monthly payments made via credit cards. We designed our pricing plans to facilitate the easy adoption of our platform by the smallest mom-and-pop stores to the largest and most complex organizations.

We believe that our happy members are the best form of marketing, and our self-service, bottom-up approach takes advantage of strong, organic word-of-mouth adoption. We support this powerful word-of-mouth marketing with large-scale brand advertising to build market consensus that Expensify is the software of choice for expense management.

We believe that our frictionless, viral and bottom-up business model and word-of-mouth adoption allows us to not rely on traditional outbound marketing efforts that are costly and often ineffective. As a result, we can dedicate our energy and resources on strengthening our brand, improving our features and making it easier for more people to adopt Expensify.

Our culture

At Expensify, our culture is deeply embedded in everything we do.

Our culture is centered on the belief that a life well lived is one that enables you to achieve the following three life goals, which we all work towards with a long-term mindset: ***Live Rich, Have Fun*** *and* ***Save The World.***

We believe that there are three common qualities critical to achieving these three goals and the success of our company: ***Talent, Ambition*** *and* ***Humility***

Finally, our long-term commitment to our three life goals is guided by two simple rules: ***Get Shit Done*** *and* ***Don't Ruin It for Everyone Else.***

We believe that our unique culture and our employees' happiness and long-term commitment to Expensify is a critical component of our success.

Our competitive strengths

We believe our platform strategy, business model and culture provide us with competitive strengths that will allow us to maintain our position as a category leader for expense management and extend our leadership to improving other back-office functions.

- **Hyper-focus on an improved experience for our members.** Since our inception, our principal goal has been to offer a single, intuitive and powerful platform with features designed for the actual end users of expense management software: everyday employees.
- **Viral, bottom-up business model.** We leverage an efficient, self-service business model driven by the viral, bottom-up adoption of our platform by employees.
- **Recognized market consensus and efficient word-of-mouth.** Our members drive the adoption and expansion of Expensify within organizations, and our platform and business model are intensely focused on improving their everyday experience.
- **Employee-centric legal structure and database design.** Our platform is built on Bedrock, a proprietary and private distributed database that enables us to consolidate all members into a single database and maintain a direct legal relationship with each of them, where they own all their underlying data and control their account status. This non-partitioned, employee-owned account design underpins our success with bottom-up adoption.
- **Nimble and extremely loyal team with a shared, long-term vision.** Our efficient business model allows us to prioritize our resources to attract, retain and inspire a vastly more talent-dense team than our competition. We have achieved impressive levels of retention, which provides the necessary corporate patience and ambition to execute a truly massive, long-term vision.

Our growth strategies

We intend to drive the growth of our business by executing on the following strategies:

- Build new features that create additional value for existing members;
- Build new features that attract new members beyond employees who submit expenses;
- Build viral loops into our member experience that increase adoption by new customers;

- Expand and monetize transaction volume from existing and new customers;
- Promote Expensify's culture and values;
- Continue to strengthen our market consensus;
- Expand integrations and strengthen partnerships; and
- Expand internationally.

Expensify.org

We started Expensify.org to "create a just and generous world" with the belief that doing good is good for business. In these challenging times, we believe that businesses cannot turn a blind eye to the effects of their decisions, or sit on the sidelines for the most important social issues of this generation. There can be no sustainable, profitable growth without a market that is fair, inclusive and universal. Defending, improving and expanding this market is a core responsibility of any business that intends to last as long as we do.

The Voting Trust

Prior to the completion of this offering, all of our outstanding shares of LT10 and LT50 common stock, representing approximately 82.6% of the combined voting power and 16.8% of the economic interest in us immediately following the completion of this offering, will be contributed by the beneficial holders of such shares (the "Trust Beneficiaries") to a new voting trust (the "Voting Trust") formed pursuant to a voting trust agreement (the "Voting Trust Agreement"), under which all decisions with respect to the voting (but not the disposition) of such shares of LT10 and LT50 common stock, as well as any other shares of any class of common stock held in the Voting Trust from time to time, will be made by the trustees of the Voting Trust (the "Trustees") in their sole and absolute discretion, with no responsibility under the Voting Trust Agreement as stockholder, trustee or otherwise, except for his or her own individual malfeasance. The initial Trustees of the Voting Trust will be David Barrett, our CEO, Ryan Schaffer, our CFO, and Jason Mills, our Chief Product Officer. The Voting Trust and its Trustees will, for the foreseeable future, have significant influence over our corporate management and affairs, and will be able to control virtually all matters requiring stockholder approval. The Voting Trust is irrevocable and terminates upon the earlier of the written agreement between us and the Trustees and the date on which all shares of LT10 and LT50 common stock automatically convert into shares of Class A common stock in accordance with the terms of our amended and restated certificate of incorporation, which will occur when all of the then-outstanding shares of LT10 and LT50 common stock represent, in the aggregate, less than 2% of all then-outstanding shares of common stock.

Risk factor summary

Our business is subject to a number of risks and uncertainties of which you should be aware before making a decision to invest in our Class A common stock. These risks are more fully described in the section titled "Risk factors" immediately following this prospectus summary. These risks include, among others, the following:

- Our quarterly and annual results of operations have fluctuated in the past and may fluctuate significantly in the future and may not meet our expectations or those of investors or securities analysts.
- We experienced rapid growth in recent periods prior to the COVID-19 pandemic, and those growth rates may not be indicative of our future growth, and we may not be able to maintain profitability.
- The COVID 19 pandemic has materially adversely affected, and may continue to materially adversely affect, our business and our ability to grow. Whether or not a result of the COVID-19 pandemic, a

sustained general economic downturn, an uneven recovery, or continued instability could materially and adversely affect our business, results of operations and financial condition and growth prospects.

- Our expense management feature drives the majority of our subscriptions, and any failure of this feature to satisfy customer demands or to achieve increased market acceptance could adversely affect our business, results of operations, financial condition and growth prospects.
- If we fail to adapt and respond effectively to rapidly changing technology, evolving industry standards and changing customer needs or preferences, our platform may become less competitive.
- If we are unable to attract new customers on a cost-effective basis, convert individuals and organizations using our free basic expense management feature and trial subscriptions into paying customers, retain existing customers and expand usage within organizations, our revenue growth will be harmed.
- We may fail to accurately predict the optimal pricing strategies necessary to attract new customers, retain existing customers and respond to changing market conditions.
- We may not successfully develop or introduce new features, enhancements, integrations, capabilities and versions of our existing features that achieve market acceptance, and our business could be harmed and our revenue could suffer as a result.
- We face significant competition, the market in which we operate is rapidly evolving, and if we do not compete effectively, our results of operations and financial condition could be harmed.
- The estimates of market opportunity and forecasts of market growth included in this prospectus may prove to be inaccurate. Even if the market in which we compete achieves the forecasted growth, our business could fail to grow at similar rates, if at all.
- We depend on our senior management team, as well as a single professional services firm for a significant portion of our finance function, and the loss of any key employees or our outsourced finance team could adversely affect our business.
- Our failure to protect our sites, networks and systems against security breaches, or otherwise to protect our confidential information or the confidential information of our members, customers, or other third parties, would damage our reputation and brand, and substantially harm our business and results of operations.
- Our business depends on a strong brand, and if we are not able to maintain and enhance our brand, our ability to expand our base of customers may be impaired, and our business and results of operations will be harmed.
- Our culture has contributed to our success, and if we cannot maintain this culture as we grow, we could lose the high employee engagement fostered by our culture, which could harm our business.
- Sales to customers outside the United States and our international operations expose us to risks inherent in international sales and operations.
- We receive, process, store and use business and personal information, which subjects us to governmental regulation and other legal obligations related to data protection and security, and our actual or perceived failure to comply with such obligations could harm our business and expose us to liability.
- If we fail to manage our technical operations infrastructure, or experience service outages, interruptions, or delays in the deployment of our platform, our results of operations may be harmed.
- The multiple class structure of our common stock and the ownership of substantially all of our LT10 and LT50 common stock by Trust Beneficiaries through the Voting Trust have the effect of concentrating voting control with the Voting Trust for the foreseeable future, which will limit your ability

to influence corporate matters, including a change in control. We are controlled by the Voting Trust, whose interests may differ from those of our public stockholders. Our amended and restated certificate of incorporation also delegates significant authority to an Executive Committee.

Recent developments

Preliminary consolidated financial results for the fiscal quarter ended September 30, 2021

The following preliminary consolidated financial information for the fiscal quarter ended September 30, 2021 is based upon our estimates and subject to completion of our financial closing procedures. Moreover, this data has been prepared solely on the basis of currently available information by, and is the responsibility of, Expensify, Inc. This information should be read in conjunction with our audited consolidated financial statements and related notes, our unaudited consolidated financial statements and related notes and "Management's discussion and analysis of financial condition and results of operations" for prior periods included elsewhere in this prospectus. Our independent registered public accounting firm, Ernst and Young LLP, has not audited or reviewed, and does not express an opinion with respect to, this data. This summary is not a comprehensive statement of our financial results for this period, and our actual results may differ from these estimates due to the completion of our financial closing procedures and final adjustments and other developments that may arise between the date of this prospectus and the time our final quarterly consolidated financial statements are completed. Our actual results for the fiscal quarter ended September 30, 2021 will not be available until after the completion of this offering. There can be no assurance that these estimates will be realized, and these estimates are subject to risks and uncertainties, many of which are not within our control.

We have prepared estimates of the following preliminary consolidated financial data for the fiscal quarter ended September 30, 2021:

	Fiscal quarter ended September 30, 2021	
	Low	High
Consolidated statements of income data:	(in thousands)	
Revenue	$ 36,605	$ 37,635
Income (loss) from operations	$ (11,636)	$ (10,955)
Net income (loss)	$ (12,148)	$ (8,099)
Key business metrics:		
Paid members[1]	660	670

(1) For additional information, please see the section titled "Management's discussion and analysis of financial condition and results of operations—Key business metrics and non-GAAP financial measures."

Revenue

Our preliminary estimated revenue is expected to be between $36.6 million and $37.6 million for the fiscal quarter ended September 30, 2021, which represents a range of increase of approximately $14.9 million to $15.9 million compared to the fiscal quarter ended September 30, 2020, which was due to an increase in paid members.

Income (loss) from operations and net income (loss)

Our preliminary estimated income (loss) from operations is expected to be between $(11.6) million and $(11.0) million for the fiscal quarter ended September 30, 2021, which represents a range of decrease of approximately $6.5 million to $5.9 million compared to the fiscal quarter ended September 30, 2020.

Our preliminary estimated net income (loss) is expected to be between $(12.1) million and $(8.1) million for the fiscal quarter ended September 30, 2021, which represents a range of decrease of approximately $5.2 million to $1.2 million compared to the fiscal quarter ended September 30, 2020.

Our preliminary estimated income (loss) from operations and net income (loss) both decreased compared to the fiscal quarter ended September 30, 2020 due to one time special bonus expenses, which are expected to be between $26.0 million and $27.0 million during the fiscal quarter ended September 30, 2021 to employees as described under "Management's discussion and analysis of financial condition and results of operations—Critical accounting policies and estimates—Cash bonuses."

Paid members

Our preliminary estimated number of average paid members as of September 30, 2021 are expected to be between 660,000 and 670,000, an increase of 21,000 to 31,000 from our average paid members as of June 30, 2021 and an increase of 27,000 to 37,000 from our average paid members as of September 30, 2020. Our preliminary estimated number of average paid members increased due to improving economic business conditions and our increased investments in sales and marketing.

This recent developments section includes forward-looking statements. All statements contained herein other than statements of historical facts, including, without limitation, statements regarding our expectations regarding our financial and operating results for the fiscal quarter ended September 30, 2021, and our future financial and business performance, are forward-looking statements. The words “anticipate,” “believe,” “continue,” “estimate,” “expect,” “intend,” “may,” “will” and similar expressions are intended to identify forward-looking statements. We have based these forward-looking statements largely on our current expectations and projections about future events and financial trends that we believe may affect our financial condition, results of operations, business strategy, short-term and long-term business operations and objectives and financial needs. These forward-looking statements are subject to a number of risks and uncertainties, including, without limitation, risks related to our growth and ability to sustain our revenue growth rate, competition in the markets in which we operate, market growth, our ability to innovate and manage our growth and the impact of the COVID-19 pandemic and associated global economic uncertainty. For additional information regarding the various risks and uncertainties inherent in estimates of this type, see “Special note regarding forward-looking statements” and “Risk factors” elsewhere in this prospectus.

Our corporate information

Our corporate headquarters are located at 401 SW 5th Ave, Portland, Oregon 97204. Our telephone number is (971) 365-3939. Our principal website address is use.expensify.com. The information on or accessed through our website is not incorporated in this prospectus or the registration statement of which this prospectus forms a part, and potential investors should not rely on such information in making a decision to purchase our Class A common stock in this offering.

“Expensify,” “SMARTSCAN,” the Expensify logo and other trademarks, trade names or service marks of Expensify, Inc. appearing in this prospectus are the property of Expensify, Inc. All other trademarks, trade names and service marks appearing in this prospectus are the property of their respective owners. Solely for convenience, the trademarks and trade names in this prospectus may be referred to without the ® and ™ symbols, but such references should not be construed as any indicator that their respective owners will not assert their rights thereto.

Implications of being an emerging growth company

We qualify as an “emerging growth company” as defined in the Jumpstart Our Business Startups Act of 2012, or the JOBS Act. An emerging growth company may take advantage of certain reduced reporting and other requirements that are otherwise generally applicable to public companies. As a result:

- we are required to present only two years of audited financial statements and two years of related Management’s Discussion and Analysis of Financial Condition and Results of Operations disclosure;
- we are not required to engage an auditor to report on our internal control over financial reporting pursuant to Section 404(b) of the Sarbanes-Oxley Act of 2002, or the Sarbanes-Oxley Act;

- we are not required to comply with any requirement that may be adopted by the Public Company Accounting Oversight Board, or the PCAOB, regarding mandatory audit firm rotation or a supplement to the auditor's report providing additional information about the audit and the financial statements (i.e., an auditor discussion and analysis);
- we are not required to submit certain executive compensation matters to stockholder advisory votes, such as "say-on-pay," "say-on-frequency" and "say-on-golden parachutes;" and
- we are not required to comply with certain disclosure requirements related to executive compensation, such as the requirement to disclose the correlation between executive compensation and performance and the requirement to present a comparison of our Chief Executive Officer's compensation to our median employee compensation.

We may take advantage of these reduced reporting and other requirements until the last day of our fiscal year following the fifth anniversary of the completion of this offering, or such earlier time that we are no longer an emerging growth company. However, if certain events occur prior to the end of such five-year period, including if we have more than $1.07 billion in annual gross revenue, have more than $700 million in market value of our common stock held by non-affiliates, or issue more than $1.0 billion of non-convertible debt over a three-year period, we will cease to be an emerging growth company prior to the end of such five-year period. We may choose to take advantage of some, but not all, of the available exemptions. We have elected to adopt the reduced requirements with respect to our financial statements and the related selected financial data and Management's Discussion and Analysis of Financial Condition and Results of Operations disclosure. As a result, the information that we provide to stockholders may be different from the information disclosed by other public companies.

The JOBS Act permits an emerging growth company like us to take advantage of an extended transition period to comply with new or revised accounting standards applicable to public 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 consolidated financial statements may not be comparable to companies that comply with new or revised accounting pronouncements as of public company effective dates.

The offering

Class A common stock offered by us	2,608,696 shares.
Class A common stock offered by the selling stockholders	7,122,080 shares.
Option to purchase additional shares of Class A common stock offered by the selling stockholders	Certain selling stockholders have granted the underwriters an option for a period of 30 days to purchase up to 1,459,616 additional shares of our Class A common stock.
Class A common stock to be outstanding immediately after this offering	67,347,706 shares.
LT10 common stock to be outstanding after this offering	7,332,640 shares.
LT50 common stock to be outstanding after this offering	6,224,160 shares.
Total common stock to be outstanding after this offering	80,904,506 shares.
Voting rights	We have three series of common stock, Class A, LT10 and LT50 common stock. The rights of holders of Class A, LT10 and LT50 common stock are identical, except for voting, transfer and conversion rights. Each share of Class A common stock is entitled to one vote. Each share of LT10 common stock and LT50 common stock is entitled to 10 and 50 votes, respectively, and is convertible into one share of Class A common stock only upon satisfaction of certain notice and other requirements, including the applicable restricted period. Prior to the completion of this offering, all of our outstanding shares of LT10 common stock and LT50 common stock, representing approximately 82.6% of the combined voting power and 16.8% of the economic interest in us immediately following the completion of this offering, will be contributed by the Trust Beneficiaries to the Voting Trust formed pursuant to the Voting Trust Agreement under which all decisions with respect to the voting (but not the disposition) of such shares of Class A, LT10 and LT50 common stock, as well as any other shares of any class of common stock held in the Voting Trust from time to time, will be made by the Trustees in their sole and absolute discretion, with no responsibility under the Voting Trust Agreement as stockholder, trustee or otherwise, except for his or her own individual malfeasance. See “Description of capital stock.”

Use of proceeds	We estimate that the net proceeds to us from this offering will be approximately $52.0 million, assuming an initial public offering price of $24.00 per share, which is the midpoint of the price range set forth on the cover page of this prospectus, and after deducting underwriting discounts and commissions and estimated offering expenses payable by us. We will not receive any proceeds from the sale of Class A common stock by the selling stockholders in this offering. We currently intend to use the net proceeds from this offering for general corporate purposes, including working capital, operating expenses and capital expenditures. We also intend on using a portion of the net proceeds we receive from this offering to pay discretionary cash bonuses to our employees during the fourth quarter of the year ended December 31, 2021, in an amount currently estimated to range from $27.5 million to $32.2 million (as described under "Management's discussion and analysis of financial condition and results of operations—Critical accounting policies and estimates—Cash bonuses"). We will have broad discretion in the way that we use the net proceeds of this offering. See the section titled “Use of proceeds” for additional information.
Risk factors	See “Risk factors” and the other information included in this prospectus for a discussion of factors you should carefully consider before deciding to invest in shares of our Class A common stock.
Proposed Nasdaq trading symbol	“EXFY”

The number of shares of our common stock that will be outstanding immediately after this offering is based on 76,811,910 shares of Class A common stock (including all shares of our convertible preferred stock on an as-converted basis) outstanding as of June 30, 2021 and excludes:

- warrants to purchase 300,000 shares of our common stock at $0.07 per share and 130,080 shares of our common stock at $0.53 per share, all of which will automatically convert into warrants to purchase an aggregate of 430,080 shares of Class A common stock upon the reclassification of all outstanding shares of our common stock into an equivalent number of shares of our Class A common stock;
- 2,662,470 shares of common stock issuable upon exercise of outstanding stock options as of June 30, 2021 granted under our 2009 Stock Plan, with a weighted-average exercise price of $0.27 per share;
- 5,902,760 shares of common stock issuable upon exercise of outstanding stock options as of June 30, 2021 granted under our 2019 Plan, with a weighted-average exercise price of $1.71 per share;
- 223,400 shares of common stock issuable upon exercise of outstanding stock options granted subsequent to June 30, 2021 under our 2019 Plan, with a weighted-average exercise price of $12.97 per share;
- 11,676,932 shares of Class A common stock reserved for future issuance under our 2021 Incentive Award Plan and 2021 Non-Qualified Employee Stock Purchase and Matching Plan; and
- 4,339,690 and 4,339,690 shares of Class A and LT50 common stock, respectively, issuable upon the vesting of restricted stock units, or RSUs, granted by our board of directors subsequent to June 30,

2021 under our 2019 Plan that will be effective immediately prior to the effectiveness of the registration statement on Form S-1, of which this prospectus is a part.

Except as otherwise indicated, all information in this prospectus assumes or gives effect to the following:

- the filing and effectiveness of our amended and restated certificate of incorporation and the adoption of our amended and restated bylaws, each of which will occur immediately prior to the completion of this offering;
- the reclassification of all outstanding shares of our common stock, of which 34,780,520 shares were outstanding as of June 30, 2021, into an equivalent number of shares of our Class A common stock, which will occur in connection with the filing and effectiveness of an amendment to our current amended and restated certificate of incorporation immediately prior to the effectiveness of the registration statement on Form S-1, of which this prospectus is a part;
- the completion of an exchange offer open to all of our employees and other service providers, whereby participants in the exchange offer have elected to exchange, on a one-for-one basis, an aggregate of 13,556,800 shares of our Class A common stock for 7,332,640 shares of our LT10 common stock and 6,224,160 shares of our LT50 common stock (the “Exchange Offer”), which will occur immediately prior to the effectiveness of the registration statement on Form S-1, of which this prospectus is a part;
- the automatic conversion of all outstanding shares of our convertible preferred stock into an aggregate of 42,031,390 shares of Class A common stock immediately prior to the completion of this offering;
- a 10 for 1 forward split of our common stock, which was effected on October 27, 2021;
- the exercise by our employees and other service providers of an aggregate of 1,483,900 outstanding options to purchase shares of our common stock subsequent to June 30, 2021 and prior to the completion of the Exchange Offer (the "Option Exercise");
- no exercise of any other outstanding options or warrants or settlement of outstanding RSUs referred to above; and
- no exercise by the underwriters of their option to purchase from the selling stockholders up to 1,459,616 additional shares of our Class A common stock.

Summary consolidated financial and other data

The following tables summarize our consolidated financial and other data for the periods and as of the dates indicated. The summary consolidated statements of income data for the years ended December 31, 2019 and 2020 have been derived from our audited consolidated financial statements included elsewhere in this prospectus. The summary consolidated statements of income data for the six months ended June 30, 2020 and 2021 and our summary consolidated balance sheet data as of June 30, 2021 have been derived from our unaudited interim consolidated financial statements that are included elsewhere in this prospectus. We have prepared the unaudited interim consolidated financial statements on the same basis as the audited consolidated financial statements and have included all adjustments, consisting only of normal recurring adjustments that, in our opinion, are necessary to state fairly the information set forth in those consolidated financial statements. Our historical results are not necessarily indicative of the results to be expected in any future period, and the results of operations for the six months ended June 30, 2021 are not necessarily indicative of the results to be expected for the full year ending December 31, 2021 or any future period. You should read this data together with our audited consolidated financial statements and related notes included elsewhere in this prospectus and the sections titled “Selected consolidated financial and other data” and “Management’s discussion and analysis of financial condition and results of operations.” Our historical results for any prior period are not necessarily indicative of our future results.

	Year ended December 31,		Six months ended June 30,	
	2019	2020	2020	2021
Consolidated statements of income:	(in thousands, except share and per share data)			
Revenue	$ 80,460	$ 88,072	$ 40,641	$ 65,024
Cost of revenue, net[1]	31,985	32,414	15,438	15,571
Gross margin	48,475	55,658	25,203	49,453
Operating expenses:				
Research and development[1]	4,110	6,728	2,377	5,971
General and administrative[1]	15,930	33,372	10,138	17,494
Sales and marketing[1]	27,188	9,888	6,323	6,947
Total operating expenses	47,228	49,988	18,838	30,412
Income from operations	1,247	5,670	6,365	19,041
Interest and other expenses, net	(2,757)	(2,718)	(1,514)	(1,506)
(Loss) income before income taxes	(1,510)	2,952	4,851	17,535
Benefit (provision) for income taxes	2,751	(4,662)	(1,365)	(2,861)
Net income (loss)	$ 1,241	$ (1,710)	$ 3,486	$ 14,674
Less: income allocated to participating securities	(1,241)	—	(2,907)	(9,426)
Net income (loss) attributable to common stockholders	$ —	$ (1,710)	$ 579	$ 5,248
Net income (loss) per share attributable to common stockholders:				
Basic	$ —	$ (0.06)	$ 0.02	$ 0.18
Diluted	$ —	$ (0.06)	$ 0.02	$ 0.13
Weighted-average shares of common stock used to compute net income (loss) per share attributable to common stockholders:				
Basic	25,921,890	27,424,480	26,663,418	29,680,220
Diluted	25,921,890	27,424,480	35,495,100	41,216,420
Net income (loss) attributable to common stockholders		$ (1,710)		$ 5,248
Pro forma adjustment on undistributed income allocated to participating securities[2]		—		9,426
Pro forma net income (loss) attributable to common stockholders, basic and diluted		$ (1,710)		$ 14,674
Pro forma net income (loss) per share attributable to common stockholders:				
Basic		$ (0.03)		$ 0.21
Diluted		$ (0.03)		$ 0.18
Weighted-average shares of common stock used to compute pro forma net income (loss) per share attributable to common stockholders:				
Basic		69,455,870		71,711,610
Diluted		69,455,870		83,247,810

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

	Year ended December 31,		Six months ended June 30,	
	2019	2020	2020	2021
	(in thousands)			
Cost of revenue, net	$ 846	$ 2,272	$ 324	$ 425
Research and development	741	2,469	240	328
General and administrative	1,496	12,648	516	708
Sales and marketing	404	448	106	137
Total stock-based compensation expense	$ 3,487	$ 17,837	$ 1,186	$ 1,598

(2) The pro forma adjustment on undistributed income allocated to participating securities is the add back of undistributed earnings for the period allocated to convertible preferred stockholders up to the amount of the undeclared stated dividends for the period. As all convertible preferred stockholders convert to common stockholders upon the initial public offering, any undistributed earnings allocated to participating securities will not apply to the pro forma period as no participating securities exist in the pro forma.

	As of June 30, 2021		
	Actual	Pro forma[1]	Pro forma as adjusted[2][3]
	(in thousands)		
Consolidated balance sheet data:			
Cash and cash equivalents	$ 45,429	$ 46,701	$ 68,869
Working capital[4]	39,574	40,846	63,014
Total current assets	92,112	93,384	115,552
Total assets	116,795	118,067	140,235
Total current liabilities	52,538	52,538	52,538
Total liabilities	85,483	85,483	85,483
Convertible preferred stock, par value $0.0001; 4,203,139 shares authorized, issued and outstanding at December 31, 2019, December 31, 2020 and June 30, 2021 (unaudited) (aggregate liquidation preference of $24,929,457 at December 31, 2019, December 31, 2020 and June 30, 2021 (unaudited)), actual; no shares authorized, issued, and outstanding, pro forma and pro forma as adjusted	45,105	—	—
Accumulated deficit	(37,674)	(37,674)	(37,674)
Total stockholders' equity (deficit)	(13,793)	32,584	54,752

(1) The pro forma column reflects: (i) the automatic conversion of all outstanding shares of our convertible preferred stock into an aggregate of 42,031,390 shares of our Class A common stock immediately prior to the completion of this offering; (ii) the reclassification of all outstanding shares of our common stock into an equivalent number of shares of Class A common stock, which will occur in connection with the filing and effectiveness of our amended and restated certificate of incorporation immediately prior to the effectiveness of the registration statement on Form S-1, of which this prospectus is a part; (iii) the completion of the Exchange Offer, pursuant to which an aggregate of 13,556,800 shares of our Class A common stock will be exchanged for 7,332,640 and 6,224,160 newly issued shares of our LT10 and LT50 common stock, respectively; (iv) the exercise of 1,483,900 outstanding stock options pursuant to the Option Exercise, which will occur prior to the completion of the Exchange Offer; and (v) the filing and effectiveness of our amended and restated certificate of incorporation immediately prior to the effectiveness of the registration statement on Form S-1, of which this prospectus is a part.

(2) The pro forma as adjusted column reflects: (i) the pro forma adjustments described above, (ii) the issuance and sale by us of 2,608,696 shares of Class A common stock in this offering at an assumed initial public offering price of $24.00 per share, which is the midpoint of the price range set forth on the cover page of this prospectus, after deducting the underwriting discounts and commissions and estimated offering expenses payable by us, and (iii) the use of approximately $29.9 million of net proceeds, which is the midpoint of the estimated range set forth under "Use of proceeds", to pay discretionary cash bonuses to our employees during the fourth quarter of the year ended December 31, 2021.

(3) Each $1.00 increase or decrease in the assumed initial public offering price per share of $24.00, which is the midpoint of the price range set forth on the cover page of this prospectus, would increase or decrease, as applicable, each of cash and cash equivalents, working capital, total assets and total stockholders' deficit on a pro forma as adjusted basis by approximately $2.4 million, assuming the number of shares offered, as set forth on the cover page of this prospectus, remains the same and after deducting underwriting discounts and commissions and estimated offering expenses payable by us. Similarly, each 1.0 million share increase or decrease in the number of shares offered by us in this offering would increase or decrease, as applicable, each of cash and cash equivalents, working capital, total assets and total stockholders' deficit on a pro forma as adjusted basis by approximately $22.3 million, assuming

that the initial public offering price per share remains at $24.00, which is the midpoint of the price range set forth on the cover page of this prospectus, and after deducting underwriting discounts and commissions and estimated offering expenses payable by us.

(4) We define working capital as current assets less current liabilities. See our audited consolidated financial statements and related notes included elsewhere in this prospectus for further details regarding our current assets and current liabilities.

Key business metrics and non-GAAP financial measures

We review the following key metrics and non-GAAP financial measures to evaluate our business, measure our performance, identify trends affecting our business, formulate business plans and make strategic decisions. Accordingly, we believe that these key business metrics and non-GAAP financial measures provide useful information to investors and others in understanding and evaluating our results of operations in the same manner as our management team. These key business metrics and non-GAAP financial measures are presented for supplemental informational purposes only, should not be considered a substitute for financial information presented in accordance with GAAP, and may be different from similarly titled metrics or measures presented by other companies.

Paid members

The following table sets forth the average number of paid members for the quarters ended March 31, 2018 through June 30, 2021.

Quarter ended	Paid members [1] (in thousands)
March 31, 2018	406
June 30, 2018	447
September 30, 2018	486
December 31, 2018	535
March 31, 2019	577
June 30, 2019	623
September 30, 2019	662
December 31, 2019	714
March 31, 2020	742
June 30, 2020	630
September 30, 2020	633
December 31, 2020	645
March 31, 2021	631
June 30, 2021	639

(1) We define paid members as the average number of users (employees, contractors, volunteers, team members, etc.) who are billed on Collect or Control plans (as described under "Management's discussion and analysis of financial condition and results of operations") during any particular quarter.

Non-GAAP financial measures

The following table summarizes certain financial measures that are not calculated and presented in accordance with GAAP ("non-GAAP financial measures"), along with the most directly comparable GAAP measure, for each period presented below.

	Year ended December 31,		Six months ended June 30,	
	2019	2020	2020	2021
	(in thousands, except percentages)			
Net income (loss)	$ 1,241	$ (1,710)	$ 3,486	$ 14,674
Net income (loss) margin	2 %	(2)%	9 %	23 %
Adjusted EBITDA[(1)]	$ 7,579	$ 26,755	$ 9,160	$ 22,933
Adjusted EBITDA margin[(1)]	9 %	30 %	23 %	35 %

(1) We define Adjusted EBITDA as net income (loss) excluding provision for income taxes, interest and other expenses, net, depreciation and amortization and stock based compensation. We define Adjusted EBITDA margin as Adjusted EBITDA divided by total revenue for the same period.

For additional information about our key business metrics and non-GAAP financial measures, including a reconciliation to the most directly comparable GAAP measure, please see the section titled "Management's discussion and analysis of financial condition and results of operations—Key business metrics and non-GAAP financial measures."

Risk factors

Investing in our Class A common stock involves a high degree of risk. You should carefully consider the risks described below, as well as the other information in this prospectus, including our consolidated financial statements and "Management's discussion and analysis of financial condition and results of operations," before deciding whether to invest in our Class A common stock. The occurrence of any of the events or developments described below could materially and adversely affect our business, financial condition, results of operations and growth prospects. In such an event, the market price of our Class A common stock could decline, and you may lose all or part of your investment. Additional risks and uncertainties not presently known to us or that we currently believe are not material may also impair our business, financial condition, results of operations and growth prospects.

Risks related to our business

Our quarterly and annual results of operations have fluctuated in the past and may fluctuate significantly in the future and may not meet our expectations or those of investors or securities analysts.

Our quarterly and annual results of operations, including the levels of our revenue, deferred revenue, working capital and cash flows, have varied significantly in the past and may vary significantly in the future, such that period-to-period comparisons of our results of operations may not be meaningful. Our quarterly and annual financial results may fluctuate due to a variety of factors, many of which are outside of our control and may be difficult to predict, including, but not limited to:

- the level of demand across our platform and for individual features within our platform;
- our ability to grow or maintain our gross logo retention rate and net seat retention rate (each as described under the section titled "Management's discussion and analysis of financial condition and results of operations—Key factors affecting our performance—Retaining existing customers"), expand usage within organizations, retain and increase sales to existing customers and attract new members and customers;
- our ability to convert individuals and organizations using our free features or trial subscriptions into paying customers;
- our ability to predictably generate revenue through marketing and sales efforts;
- the timing and success of new features, integrations, capabilities and enhancements by us to our platform, or by our competitors to their products, or any other changes in the competitive landscape of our market;
- our ability to grow and maintain our relationships and/or integrations with our network of third-party partners, including integration partners, channel partners and professional service partners;
- our ability to regulate members and member interactions on an increasingly collaborative platform;
- our ability to grow revenue share and customer referrals from our partner ecosystem;
- our ability to attract new customers and retain existing customers;
- the success of our customers' businesses;
- our ability to achieve widespread acceptance and use of our platform and features, including the Expensify Card and any new features we may introduce;
- our ability to retain customers on annual subscriptions;

- our ability to maintain and improve employee efficiency, and our ability to manage third party, outsourced or open source workers to provide value-added services like receipt processing, customer support and engineering;
- errors in our forecasting of the demand for our platform and features, which would lead to lower revenue, increased costs, or both;
- the amount and timing of operating expenses and capital expenditures, as well as entry into operating leases, that we may incur to maintain and expand our business and operations and to remain competitive;
- the timing of expenses and recognition of revenue;
- actual or perceived security breaches, technical difficulties, or interruptions to our platform and features;
- pricing pressure as a result of competition or otherwise;
- ineffective pricing strategies that could limit customer base expansion, revenue growth and subscription renewals;
- adverse litigation judgments, other dispute-related settlement payments, or other litigation-related costs;
- the number of new employees hired;
- the timing of the grant or vesting of equity awards to employees, directors, or consultants;
- declines in the values of foreign currencies relative to the U.S. dollar;
- changes in, and continuing uncertainty in relation to, the legislative or regulatory environment;
- legal and regulatory compliance costs in new and existing markets;
- costs and timing of expenses related to the potential acquisition of talent, technologies, businesses or intellectual property, and their integration, including potentially significant amortization costs and possible write-downs;
- health epidemics, such as the COVID-19 pandemic, or other conditions that impact travel and business spending; and
- general economic and market conditions in either domestic or international markets, including geopolitical uncertainty and instability and their effects on software spending.

Any one or more of the factors above may result in significant fluctuations in our quarterly and annual results of operations, which may negatively impact the trading price of our Class A common stock. You should not rely on our past results as an indicator of our future performance.

The variability and unpredictability of our quarterly and annual results of operations or other operating metrics could result in our failure to meet our expectations or those of investors or analysts with respect to revenue or other metrics for a particular period. If we fail to meet or exceed such expectations for these or any other reasons, the trading price of our Class A common stock would fall, and we would face costly litigation, including securities class action lawsuits.

We experienced rapid growth in recent periods prior to the COVID-19 pandemic, and those growth rates may not be indicative of our future growth, and we may not be able to maintain profitability.

We experienced rapid growth in recent periods prior to the COVID-19 pandemic. Our business has been impacted by the COVID-19 pandemic, with declines in revenue and paid members due to government-imposed lock-downs, a decrease in business travel and other expense-generating activity, and SMBs

downsizing or going out of business, among other things. While we have seen an increase in paid members and improvements in revenue since the low point of the pandemic, our growth rate may not return to pre-pandemic levels. Even if our revenue and paid members continue to increase in the near term, we expect that our growth rate will decline as a result of a variety of factors, including the maturation of our business. Further, as we operate in a new and rapidly changing category of preaccounting software, widespread acceptance and use of our platform and features, particularly our expense management feature, is critical to our future growth and success. We believe our growth depends on a number of factors, including, but not limited to, our ability to:

- attract new individuals and organizations to use our features, particularly our expense management feature;
- convert individuals and organizations using our free features or trial subscriptions into paying customers;
- grow or maintain our gross logo retention rate and net seat retention rate, and expand usage within organizations;
- price our subscription plans effectively and competitively;
- retain our existing individual and organizational customers;
- achieve widespread acceptance and use of our platform and features, including in markets outside of the United States;
- continue to successfully advance our bottom-up sales strategy as well as strategic relationships with our channel partners;
- continue to maintain and build a platform and brand that drives word of mouth exposure to new potential members;
- grow or maintain our brand through marketing, advertising campaigns, partnerships and other methods;
- gain member traction for and generate revenue from our new features and services;
- grow or maintain current levels of consideration from a vendor and/or fees generated through transaction-based features;
- expand the features and capabilities of our platform and features;
- provide excellent customer experience and customer support;
- maintain the security and reliability of our platform and features;
- maintain the trust of our customers;
- successfully compete against established companies and new market entrants, as well as existing software tools;
- successfully respond to other competitive challenges in the United States and globally;
- attract, hire and retain highly skilled personnel;
- weather the impact of the COVID-19 pandemic and the end of the COVID-19 pandemic on our business;
- obtain, expand, maintain, enforce and protect our intellectual property portfolio;
- operate as a public company;

- grow our member and customer base in new countries and/or markets, and increase awareness of our brand on a global basis; and
- obtain and maintain compliance and licenses material to our current and future businesses, and comply with existing and new applicable laws and regulations including in markets outside of the United States.

If we are unable to accomplish these tasks, our growth, including our revenue growth, would be harmed. We also expect our operating expenses to increase in future periods, and if our revenue growth does not increase to offset these anticipated increases in our operating expenses, our business, results of operations, and financial condition will be harmed, and we may not be able to maintain profitability.

The COVID-19 pandemic has materially adversely affected, and may continue to materially adversely affect, our business and our ability to grow. Whether or not a result of the COVID-19 pandemic, a sustained general economic downturn, an uneven recovery, or continued instability could materially and adversely affect our business, results of operations, financial condition and growth prospects.

The COVID-19 pandemic and the measures attempting to contain and control its spread have significantly curtailed the movement of people, goods and services worldwide. The effects of the COVID-19 pandemic, including stay at home, business closure and other restrictive orders, and the resulting changes in business and consumer expenditures and other behaviors, have disrupted our business and impacted our employees, partners, third-party service providers and customers.

In particular, conditions caused by the COVID-19 pandemic such as economic instability, remote work and travel restrictions have negatively affected demand for our platform as employees incurred fewer work- and travel-related expenses and submitted fewer expense reimbursement requests to their employers, and as SMBs downsized or went out of business. As a result of the COVID-19 pandemic, we have experienced a decline in paid members and subscription revenue, with our revenue declining from approximately $21.9 million in the quarter ended March 31, 2020 to approximately $18.8 million in the quarter ended June 30, 2020, as well as reduced customer spend as customers have streamlined travel and other expenses, delayed expanding subscriptions and laid off or furloughed workers. After a steady increase in paid members over multiple years prior to the COVID-19 pandemic, the average number of paid members on our platform declined 15% from 742,000 in the quarter ended March 31, 2020 to 630,000 in the quarter ended June 30, 2020 and we have rebounded to 639,000 paid members in the quarter ended June 30, 2021. Our activity is still recovering from May 2020 as the United States and certain other parts of the world continue to rebound from the COVID-19 pandemic. The amount of expenses incurred by the paid members remaining on our platform has also declined. In 2019 and 2020, our annual gross logo retention was 88% and 86%, respectively. In 2019 and 2020, our net seat retention was 119% and 98%, respectively. The COVID-19 pandemic impacted both our annual gross logo retention and our net seat retention as many of our customers ceased (or paused) operations, and scaled back usage of our platform as their business travel and other expenses declined as a result of the factors stated above. In addition, we launched the Expensify Card shortly prior to the outbreak of the COVID-19 pandemic, and this product launch has been negatively impacted by the effects of this pandemic with the decline in volume of expenses and potential customers' reluctance to adopt a new card in this unusual environment. If conditions caused by the COVID-19 pandemic continue, our business, results of operations, financial condition and growth prospects will be materially adversely affected. In addition, to the extent the ongoing COVID-19 pandemic continues to adversely affect our business and our ability to grow, it may also heighten many of the other risks and uncertainties described in this “Risk factors” section.

The COVID-19 pandemic has caused an economic downturn in many markets and heightened uncertainty in the global economy. Our business depends on the economic health of our current and prospective customers and the overall state of the economy. Declining levels of economic activity may lead to declines in business spending, declines in the number of paid monthly members of our platform and fewer transactions for which our platform may be used, which may result in decreased revenue for

us. Further, our customers may change their company policies to limit expense reimbursement in response to a deterioration or continued uncertainty in the economy. Uncertainty or continued economic impacts from the pandemic may also cause prospective or existing customers to defer investment or expansion in their businesses. As of December 31, 2020, businesses with fewer than 1,000 employees accounted for over 95% of our customers by revenue, and we focus our product, marketing and sales efforts on these businesses, including SMBs. Many very small businesses ("VSBs") and SMBs experienced substantial revenue and cash liquidity declines in the early months of the pandemic, and there were high observed rates of small business failures. Uncertain and adverse economic conditions also have led to increased requests for, and may lead to, increased refunds and chargebacks. We expect the COVID-19 pandemic and related impacts on the global economy to continue to affect our results of operations in future periods, and our member base may not return to pre-pandemic levels.

The degree to which the COVID-19 pandemic will continue to affect our business will depend on future developments that are highly uncertain and cannot currently be predicted. These developments include, but are not limited to, the duration, extent and severity of the pandemic; actions taken to contain the COVID-19 pandemic, including the development, approval, production, distribution and administration of vaccines, and the public's perception of the safety of vaccines and their willingness to receive them; rising infection rates and the emergence of new variants, including the Delta variant; the ultimate societal impact of the pandemic and any lasting changes in business and consumer behavior, including with respect to remote work, business travel and business expense spending and reimbursement; the duration and nature of pandemic-related restrictions on economic activity and domestic and international trade; and the extent of the impact of these and other factors on our employees, partners, third-party service providers and customers. We cannot predict whether, when and to what extent pre-pandemic business SaaS spending, employee business expense spending and submission, and pre-pandemic ways of working will return, including whether demand for expense management products will return to pre-pandemic levels.

In response to the COVID-19 pandemic, we have taken a number of actions that have impacted and continue to impact our business and which could negatively impact our culture, our marketing initiatives, our expansion efforts and our ability to retain and recruit employees across the organization. For example, we reduced our 2020 marketing spend in response to the COVID-19 pandemic. Travel is an important part of our business and our culture, and prior to the COVID-19 pandemic, we hosted global conferences and an annual "Offshore" trip for our employees. We have a distributed workforce, and many of our employees were accustomed to traveling frequently prior to the pandemic to establish and maintain relationships with each other and with our customers, members, business partners, vendors and others. Prior to the pandemic, we began to transition our offices to co-working spaces, which we call lounges, with the goal of creating flexible workspaces that can be shared by Expensify employees and certain Expensify members. This initiative has been disrupted by the pandemic, and it is unclear when, and if, members will have access to these co-working spaces and whether they will be successful in the post-pandemic business climate. While we expect to return to offering our employees, and possibly others, the option to work from our lounges, we expect there to be an increase in sustained remote work as a result of the COVID-19 pandemic. If we must continue to limit or suspend travel, use of our lounges, and in-person business on a long-term basis, our culture, marketing initiatives, expansion efforts and ability to recruit and retain employees could be negatively affected.

To the extent there is a sustained general economic downturn, whether or not related to the COVID-19 pandemic, our customers may become more price-sensitive, our platform may be perceived by customers and potential customers as too costly, and our revenue may be disproportionately affected by delays or reductions in general business spending. Our VSB and SMB customers may be more susceptible to general economic conditions than larger businesses, which may have greater liquidity and access to capital. Competitors, many of whom are larger and more established than we are, may respond to market conditions by lowering their prices and attempting to lure away our customers. Many of our larger competitors currently focus their product offerings on larger customers who may be less susceptible to general economic conditions, whether or not related to the COVID-19 pandemic. As a result, our larger competitors may be better positioned than we are to increase their market share with businesses of all sizes. In addition, the increased pace of consolidation in certain industries may result in reduced overall

spending on our platform offerings. We cannot predict the timing, strength, or duration of any economic slowdown, instability, or recovery, generally or within any particular industry. If the economic conditions of the general economy or markets in which we operate worsen from present levels, our business, results of operations and financial condition could be materially and adversely affected.

Our expense management feature drives the majority of our subscriptions, and any failure of this feature to satisfy customer demands or to achieve increased market acceptance could adversely affect our business, results of operations, financial condition and growth prospects.

A majority of our subscriptions are driven by bottom-up adoption related to our expense management feature. Although we have added, and expect to continue to add, new features to expand our offerings, and all of our features are accessible under a single subscription, at least in the near term, we expect our expense management feature to continue to drive the majority of our subscriptions. As a result, market acceptance of our expense management feature is critical to our success. Demand for our expense management feature, as well as our other features, is affected by a number of factors, many of which are beyond our control, such as the adoption of our features by new and existing customers; the timing of development and release of upgraded or new features on our platform; products and services introduced or upgraded by our competitors or partners; our ability to determine optimal pricing for our platform, including in international markets; pricing offered by our competitors; technological change; and growth or contraction in our addressable market. We recently increased our subscription prices, and we do not know if these price increases will adversely affect our business. If we are unable to meet customer demand for our expense management feature; do not price our subscriptions optimally or make changes to our subscription or pricing models that are not accepted by the market; or fail to convert members of our free expense management feature or trial subscriptions to paying subscribers, our business, results of operations, financial condition and growth prospects will suffer.

If we fail to adapt and respond effectively to rapidly changing technology, evolving industry standards and changing customer needs or preferences, our platform may become less competitive.

The software industry is subject to rapid technological change, evolving industry standards and practices and changing customer needs and preferences. The success of our business will depend, in part, on our ability to adapt and respond effectively to these changes by continually modifying and enhancing our features to keep pace with changes in hardware systems and software applications, database technology and evolving technical standards and interfaces on a timely basis. If we are unable to develop and market new technology, features and functionality for our platform that keep pace with rapid technological and industry change and satisfy our customers, our revenue and operating results could be adversely affected. If new technologies emerge that deliver competitive products at lower prices, more efficiently, more conveniently, or more securely, it could adversely impact our ability to compete.

Our platform must also integrate with a variety of network, hardware, mobile and software platforms and technologies. We need to continuously modify and enhance our platform to adapt to changes and innovation in these technologies. This development effort may require significant engineering, marketing and sales resources, all of which would affect our business and operating results. Any failure of our platform to operate effectively with future technologies could reduce the demand for our platform. If we are unable to respond to these changes in a cost effective manner, our platform may become less marketable and less competitive or obsolete, and our operating results may be negatively affected.

If we are unable to attract new customers on a cost-effective basis, convert individuals and organizations using our free basic expense management feature and trial subscriptions into paying customers, retain existing customers and expand usage within organizations, our revenue growth will be harmed.

To increase our revenue, we must increase our customer base through various methods, including but not limited to, retaining existing customers, adding new customers, converting individuals and organizations using our free basic expense management feature and trial subscriptions into paying customers, and

expanding usage within organizations. Our business is subscription-based, with monthly and annual subscriptions, and customers are not obligated to and may not renew their subscriptions after their existing subscriptions expire.

One of our primary marketing strategies is to offer a free basic version of our expense management feature to individuals within organizations. We rely on these individuals to expose others within their organizations to our platform and features and to convince those individuals to become new members, which could eventually lead to the engagement of the organization or individuals or departments within the organization as paying customers. To encourage viral adoption, we offer viral features that are free and accessible without a paid subscription, and we also offer time-limited trial subscriptions. We believe these free basic features and trial subscriptions promote brand awareness and organic adoption of our platform. While our viral model means that employees or contractors often introduce Expensify into SMBs, companies subscribe and pay for the majority of our paid members. To the extent that increasing numbers of these individuals and organizations who utilize the free aspects of our platform do not become, or lead others to become, paying customers, we will not realize the intended benefits of these marketing strategies, we will continue to pay the costs associated with hosting such free basic features and trial subscriptions, our ability to grow our business will be harmed, and our business, results of operations and financial condition will suffer.

While we experienced significant growth in the number of our customers prior to the COVID-19 pandemic, we do not know whether we will continue to achieve similar customer growth rates in the future. The COVID-19 pandemic significantly impacted the number of our paid members, and our member base has not recovered and may never recover. Numerous factors may impede our ability to attract new customers, convert individuals and organizations using our free basic features and trial subscriptions into paying customers, expand usage within organizations, increase use of our other features such as the Expensify Card and gain new subscriptions, including but not limited to, the continuing impacts of the COVID-19 pandemic; failure to retain and motivate our personnel; failure to establish, maintain or expand relationships with channel and integration partners; failure to compete effectively against alternative products or services; our ability to determine optimal pricing for our subscriptions, including in international markets; failure to successfully deploy new features and integrations; failure to provide a quality customer experience and customer support; or failure to ensure the effectiveness of our “bottom-up” sales approach and other marketing programs. Channel partnerships are also an important aspect of our growth strategy, and we will need to maintain our partnerships with existing channel partners and identify and attract new channel partners in order to maintain the effectiveness of this strategy. Moreover, we believe that many of our new customers originate from word-of-mouth and other non-paid referrals from existing customers, so we must ensure that our existing customers remain loyal to our platform in order to continue receiving those referrals.

Our business is subscription-based, and customers are not obligated to and may not renew their subscriptions after their existing subscriptions expire. We cannot ensure that customers will renew subscriptions with the same or greater number of members or for the same level of subscription plan or that they will upgrade to use features such as bi-directional accounting sync and invoicing features or the Expensify Card. Customers may or may not renew their subscriptions as a result of a number of factors, including their satisfaction or dissatisfaction with our platform; changes we may implement in our pricing or structure, such as the pricing change implemented in May 2020; the pricing or capabilities of the products and services offered by our competitors; the effects of general economic conditions; or customers' budgetary constraints. If customers do not renew their subscriptions, renew on less favorable terms, or fail to add members, or if we fail to convert individuals and organizations into paying members, or expand the adoption of our platform within their organizations, our revenue may decline or grow less quickly than anticipated, which would harm our business, results of operations and financial condition. Our future success also depends in part on our ability to provide additional features to attract new members at existing customers, as well as increase transaction monetization from the Expensify Card. If our efforts to do so are not successful, our revenue may decline or grow less quickly than anticipated, which would harm our business, results of operations and financial condition.

We may fail to accurately predict the optimal pricing strategies necessary to attract new customers, retain existing customers and respond to changing market conditions.

We have in the past, and may in the future, need to change our pricing model from time to time. As the market for our platform matures, or as competitors introduce new solutions that compete with ours, we may be unable to attract new customers at the same prices or based on the same pricing models that we have used historically. While we do and will attempt to set prices based on our prior experiences and customer feedback, our assessments may not be accurate and we could be underpricing or overpricing our platform. In addition, if the offerings on our platform change, then we may need to revise our pricing strategies. Any such changes to our pricing strategies or our ability to efficiently price our offerings could adversely affect our business, operating results and financial condition. Pricing pressures and decisions could result in reduced sales, reduced margins, losses or the failure of our platform to achieve or maintain more widespread market acceptance, any of which could negatively impact our overall business, operating results and financial condition. Moreover, the organizations which we target may demand substantial price concessions. As a result, we may be required to price below our targets in the future, which could adversely affect our revenue, profitability, cash flows and financial condition.

We may not successfully develop or introduce new features, enhancements, integrations, capabilities and versions of our existing features that achieve market acceptance, and our business could be harmed and our revenue could suffer as a result.

Our ability to attract new customers and increase revenue from existing customers depends in large part upon the successful development, introduction and customer acceptance of new features, enhancements, integrations, capabilities and versions of our existing features. If we are unable to expand our platform offerings in a manner that increases retention of existing customers and attracts new customers, our customers could migrate to competitors who may offer a broader or more attractive range of products and services. Unexpected delays in releasing new or enhanced features or versions of our features, or errors following their release, could result in loss of sales, delay in market acceptance of our features, or customer claims against us, any of which could harm our business. The success of any new feature, enhancement, integration, capability or version depends on several factors, including timely completion and delivery, competitive pricing, adequate quality testing, integration with existing technologies, proper marketing of the feature and market acceptance. For example, growth from Expensify Card, which we introduced in 2020, has taken longer than anticipated due to the impact of the COVID-19 pandemic, and there can be no assurance that it will reach the level of customer adoption that it was designed to achieve. We may not be able to develop new features successfully or to introduce and gain market acceptance of new features in a timely manner, or at all.

The successful development, introduction and customer acceptance of new features, enhancements, integrations, capabilities and versions of our existing features is costly and time-consuming, and our business could be harmed if we fail to deliver new features, enhancements, integrations, capabilities and versions of our existing features that meet customer needs on a timely and cost effective basis.

For example, we are developing an open-source financial group chat optimized for financial conversations, designed to be used both in and outside of work, and maintained by a community of open source developers. We expect our open-source offering to be a complete rewrite of the Expensify front end, built on a new React Native platform that uses the same codebase across iOS, Android, web and desktop. Although we see this direction as a natural next step in our long-term product vision, we have not developed an open-source financial group chat (or similar feature) before, and it may not meet customer needs, gain member traction or generate revenue sufficient to offset the costs of development, which could harm our business.

We face significant competition, the market in which we operate is rapidly evolving, and if we do not compete effectively, our results of operations and financial condition could be harmed.

We face significant competitive challenges from do-it-yourself approaches as well as companies that provide traditional horizontal platform solutions with expense management features, corporate card

providers and niche expense management solutions. Traditional do-it-yourself approaches (for example, using spreadsheets, email, messaging and legacy project management tools) are people-intensive and involve internal personnel manually performing expense management processes. Many businesses using do-it-yourself approaches believe that these manual processes are adequate and may be unaware that Expensify can replace several expensive, disconnected services with one fully connected preaccounting platform for a fraction of the cost, resulting in an inertia that can be difficult to overcome. It is difficult to predict adoption rates and demand for our platform, the future growth rate and size of the market for expense management and other preaccounting products, or the entry of competitive offerings. The expansion of the expense management and other preaccounting products market depends on a number of factors, including the cost, performance and perceived value associated with these solutions. If expense management and other preaccounting solutions do not achieve widespread adoption, or there is a reduction in demand for expense management and other preaccounting products caused by a lack of customer acceptance, technological challenges, weakening economic conditions, security or privacy concerns, competing technologies and products, decreases in corporate spending, or otherwise, it could result in decreased revenue, and our business, results of operations and financial condition would be adversely affected.

In addition, there are a number of competing companies that provide traditional horizontal platform solutions with expense management features, some of which have substantially greater revenue, personnel and other resources than we do, such as Intuit, Oracle Corporation (NetSuite), SAP AG (Concur) and Workday. These firms have historically targeted primarily large enterprise customers, but many of them also market to SMBs in search of growth in revenue or market share. We also face competition from a growing number of other businesses offering expense management solutions and corporate cards, including Bento, Brex, Divvy, Emburse (Certify, Abacus and Nexonia), Expensya, Fyle, Happay, Pleo, Ramp, Spendesk, TravelBank, Webexpenses and Zoho Expense. Our smaller competitors who currently focus their product offerings on SMBs may be better positioned than larger competitors to increase their market share with SMBs, whether by competing based on price, service, or otherwise. Increased competition may impact our ability to add new customers at the rates we have historically achieved. Additionally, competition may increase in the future from new market entrants. With the introduction of new technologies and the entry of new companies into the market, we expect competition to persist and intensify. This could harm our ability to increase our customer base, maintain subscription renewals and maintain our prices.

Additionally, it is possible that large enterprises with substantial resources that operate in adjacent accounting, finance or compliance verticals may decide to pursue expense management automation and become immediate, significant competitors. Merger and acquisition activity in the technology industry could increase the likelihood that we compete with other large technology companies. Many of our existing competitors have, and our potential competitors could have, substantial competitive advantages such as greater name recognition, longer operating histories, larger sales and marketing budgets and resources, greater customer support resources, lower labor and development costs, larger and more mature intellectual property portfolios and substantially greater financial, technical and other resources. Some of our larger competitors also have substantially broader product lines and market focus and will therefore not be as susceptible to downturns in a particular market. Conditions in our market could change rapidly and significantly as a result of technological advancements, partnering by our competitors, or continuing market consolidation. New startup companies that innovate, and large companies that are making significant investments in research and development, may invent similar or superior products and technologies that compete with our platform, including the addition of “bottom up” adoption features. Some of our larger competitors use broader product offerings to compete, including by selling at zero or negative margins, by bundling their product, or by closing access to their technology platforms. Potential customers may prefer to purchase from their existing suppliers rather than a new supplier regardless of product performance or features. Furthermore, potential customers may be more willing to incrementally add solutions to their existing infrastructure from competitors than to replace their existing infrastructure with our platform. These competitive pressures in our market, or our failure to compete effectively, may result in price reductions, fewer new customers, lower revenue and loss of market share. Any failure to

successfully and effectively compete with current or future competitors could cause us to lose business and harm our revenue growth, business, results of operations and financial condition.

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

Market opportunity estimates and growth forecasts included in this prospectus, including those we have generated ourselves, are subject to significant uncertainty and are based on assumptions and estimates that may not prove to be accurate. Our addressable market depends on a number of factors, including businesses' desire to differentiate themselves, integration and channel partnership opportunities, changes in the competitive landscape, technological changes, data security or privacy concerns, customer budgetary constraints, changes in business practices, changes in the regulatory environment, our ability to develop and introduce new features, enhancements, integrations, capabilities and versions of our existing features and changes in economic conditions. Our estimates and forecasts relating to the size and expected growth of our market may prove to be inaccurate, and our ability to produce accurate estimates and forecasts may be further impacted by the impacts and uncertainties associated with the COVID-19 pandemic. Our competitors may develop and offer features that our customers want and that our platform does not provide. The variables that go into the calculation of our market opportunity are subject to change over time, and there is no guarantee that any particular number or percentage of customers covered by our market opportunity estimates will become paying members of our platform at all or generate any particular level of revenue for us. Even if the market in which we compete meets the size estimates and growth forecasted in this prospectus, our business could fail to grow for a variety of reasons, including competition in our industry.

Payments and other financial services-related laws and regulations and government oversight are material to our business. Our failure to comply with such laws and regulations could materially harm our business and can subject us to criminal and civil liability.

The local, state, and federal laws, rules, regulations, licensing and other authorization schemes, and industry standards that govern our business, including our payment services, include, or may in the future include, those relating to banking, invoicing, cross-border and domestic money transmission, foreign exchange, payments services (such as payment processing and settlement services), anti-money laundering, combating terrorist financing, escheatment, U.S. and international sanctions regimes, and compliance with the Payment Card Industry Data Security Standard (PCI-DSS), a set of requirements designed to ensure that all companies that process, store, or transmit payment card information maintain a secure environment to protect cardholder data. These laws, rules, regulations, licensing and other authorization schemes, and industry standards are administered and enforced by multiple authorities and governing bodies in the United States, including but not limited to the U.S. Department of the Treasury, the Federal Deposit Insurance Corporation, the Board of Governors of the Federal Reserve System, Office of Foreign Assets Control, self-regulatory organizations, and numerous state and local governmental and regulatory authorities. Any failure or perceived failure to comply with existing or new laws and regulations, or orders of any governmental authority, including changes to or expansion of their interpretations, may subject us to significant fines, penalties, criminal and civil lawsuits, forfeiture of significant assets, enforcement actions in one or more jurisdictions, result in additional compliance and licensure requirements, and increased regulatory scrutiny of our business. In addition, we may be forced to restrict or change our operations or business practices, make product changes, or delay planned product launches or improvements. Any of the foregoing could materially adversely affect our brand, reputation, business, results of operations, and financial condition.

Expensify Payments LLC (“Expensify Payments”) is a licensed money transmitter (or its equivalent) in various U.S. states and territories and is in the process of obtaining money transmission licenses in a number of states and territories. As a licensed money transmitter, Expensify Payments, its ultimate beneficial owners, and its control persons are subject to a range of restrictions and ongoing compliance obligations under the money transmitter statutes (or their equivalent) administered by the banking

departments (or their equivalent) of the various U.S. states and territories where it is licensed, including requirements with respect to the investment of customer funds, financial recordkeeping and reporting, reconciliation of customer funds, bonding, minimum capital, minimum net worth, disclosure, and inspection by regulatory authorities concerning various aspects of its business. In a number of cases, evaluation of our compliance efforts, as well as questions of whether and to what extent our activities in connection with the provision of certain products and services (both current and historical) are considered money transmission, are matters of regulatory interpretation and could change over time. In the past, regulators have identified violations or alleged violations of certain statutory and regulatory requirements, and we have been subject to fines and other penalties by state regulatory authorities due to their interpretation and application of their respective state money transmitter regime to our activities. In the future, as a result of the laws and regulations applicable to us and our business, we could be subject to investigations, inspections, examinations, and supervision, and resulting liability, including governmental fines, restrictions on our business, or other similar enforcement actions, and we could be forced to cease conducting certain aspects of our business with residents of certain jurisdictions, be forced to change our business practices in certain jurisdictions, or be required to obtain additional licenses, regulatory approvals, or other similar authorizations. We cannot make any assurances that we will be able to obtain or maintain any such licenses, regulatory approvals, and other similar authorizations, and there could be substantial costs and potential product changes involved in obtaining and maintaining any such licenses, approvals, or other similar authorizations, which could have a material adverse effect on our business. In addition, there are substantial costs and potential product changes involved in maintaining and renewing any licenses, regulatory approvals, and other similar authorizations, and we could be subject to fines or other enforcement action if we are found to violate disclosure, reporting, anti-money laundering, capitalization, net worth, corporate governance, or other requirements applicable to us, including those required in connection with maintaining such licenses, approvals, or authorizations. These factors could impose substantial additional costs on us, involve considerable delay to the development or provision of our products or services to our customers, require significant and costly operational changes, or prevent us from providing our products or services in any given market.

Governmental and regulatory bodies and authorities may also impose new or additional requirements on our business or issue or promulgate new laws, regulations, or rules applicable to persons engaged in money transmission that adversely affect our business, including those that:

- prohibit, restrict, and/or impose taxes or fees on money transmission transactions in, to or from certain countries or with certain governments, individuals, or entities;
- impose additional customer identification and customer due diligence requirements;
- impose additional reporting or recordkeeping requirements, or require enhanced transaction monitoring;
- limit the types of entities capable of providing money transmission services, or impose additional licensing or registration requirements;
- impose minimum capital or other financial requirements;
- limit or restrict the revenue that may be generated from money transmission, including revenue from interest earned on customer funds, transaction fees, and revenue derived from foreign exchange;
- require enhanced disclosures to our money transmission customers;
- require the principal amount of money transmission originated in a country to be invested in that country or held in trust until paid;
- limit the number or principal amount of money transmission transactions that may be sent to or from a jurisdiction, whether by an individual or in the aggregate;

- restrict or limit our ability to process transactions using centralized databases, for example, by requiring that transactions be processed using a database maintained in a particular country or region; or
- impose other requirements in furtherance of their missions.

We depend on our senior management team, as well as a single professional services firm for a significant portion of our finance function, and the loss of any key employees or our outsourced finance team could adversely affect our business.

Our success depends largely upon the continued services of our key executive officers and employees, including our founder and CEO, David Barrett. We also rely on our leadership team in the areas of research and development, marketing, sales, services and general and administrative functions, and on mission-critical individual contributors in research and development. From time to time, there may be changes in our executive management team resulting from the hiring or departure of executives, which could disrupt our business. We do not have employment agreements with our executive officers or other key personnel that require them to continue to work for us for any specified period and, therefore, they could terminate their employment with us at any time. The loss of one or more of our executive officers or key employees could have a serious adverse effect on our business.

In addition, we depend on a single professional services firm for a significant portion of our finance function. If we lose the services of this outsourced finance team for any reason, our ability to complete key accounting processes and reviews and provide timely and accurate financial reporting could be seriously harmed, and we could experience material weaknesses in our disclosure controls and procedures and our internal control over financial reporting. In addition, we may be unable to retain a new outside professional services firm or expand the size and expertise of our internal accounting team sufficiently and quickly enough to implement the processes and reviews necessary to ensure that material misstatements do not occur, which could seriously harm our business. Any failure to provide timely and accurate financial reporting or to maintain effective disclosure controls and internal control over financial reporting could harm our business, results of operations and financial condition, and could cause investors to lose confidence in our financial reports and our financial reporting generally, which could cause a decline in the trading price of our Class A common stock.

We rely on a single third-party vendor, issuing bank and card network for our Expensify Card, and if we lose any of these services, our business, results of operations, financial condition and growth prospects could be harmed.

The Expensify Card is an important element of our growth strategy, and we believe that, over time, the Expensify Card will be a prominent corporate card solution for SMBs in our core markets. We rely on a single third-party vendor, Marqeta, Inc. ("Marqeta"), for the Expensify Card, who also manages the relationship with the card's issuing bank, Sutton Bank, and the card network, Visa. In the year ended December 31, 2020 and the six months ended June 30, 2021, consideration from this vendor representing monetized Expensify Card activities reduced our cost of revenue by $1.0 million and $1.1 million, respectively. Our agreement with Marqeta has a three year term, expiring in June 2022 and automatically renews annually thereafter unless either party provides 90 days' notice prior to renewal. In addition to standard termination for cause provisions, either party can terminate without cause upon 180 days' notice, and under certain circumstances Marqeta may terminate with reduced or no notice, including if required to do so by the issuing bank or any regulator with jurisdiction over the issuing bank or Marqeta, or in the event of that we issue cards outside of approved use cases. In the event of termination or expiration of the agreement with Marqeta, we have the right to request Marqeta's assistance in transitioning to a new vendor, and during the transition period the agreement will continue on the same terms. If such transition is not successful, or if we otherwise lose our Expensify Card vendor, issuing bank or card network for any reason, we could experience service interruptions as well as delays and additional expenses, and we may be unable to replace these services on competitive terms, or at all, which could harm our business, results of operations, financial condition and growth prospects.

Our failure to protect our sites, networks and systems against security breaches, or otherwise to protect our confidential information or the confidential information of our members, customers, or other third parties, would damage our reputation and brand, and substantially harm our business and results of operations.

Breaches of our security measures or those of our customers, partners or third-party service providers, or other cyber security incidents, could result in intentional or accidental unauthorized access to our or our customers' or partners' sites, networks, systems and accounts; unauthorized access to, and misappropriation or disclosure of, individuals' personal information or other confidential or proprietary information of ourselves, our customers or partners, or other third parties; viruses, worms, spyware, ransomware, or other malware being served from our platform, mobile application, networks, or systems, including as a result of supply chain attacks; deletion or modification of content or the display of unauthorized content on our platform; interruption, disruption, or malfunction of operations; costs relating to breach remediation, deployment of additional personnel and protection technologies, and response to governmental investigations and media inquiries and coverage; engagement of third-party experts and consultants; or risk of loss, litigation, regulatory action and other potential liabilities. If any of these intentional or accidental breaches of security should occur, we cannot guarantee that recovery protocols and backup systems will be sufficient to prevent data loss. Additionally, if any of these breaches occur, our reputation and brand could be damaged, our business may suffer, we could be required to expend significant capital and other resources to alleviate problems caused by such breaches. Actual or anticipated security breaches or attacks may cause us to incur increasing costs, including costs to deploy additional personnel and protection technologies, train employees and engage third-party experts and consultants. Additionally, many of our employees and our service providers work remotely and during the COVID-19 pandemic, most of our employees and service providers have worked and are continuing to work remotely. As a result, we may be more vulnerable to cybersecurity-related events such as phishing attacks and other security challenges. Many companies that provide cloud based services have reported a significant increase in cyberattack activity since the beginning of the COVID-19 pandemic. Attacks upon information technology systems are increasing in their frequency, levels of persistence, sophistication and intensity, and are being conducted by sophisticated and organized groups and individuals with a wide range of motives and expertise. Furthermore, because the techniques used to obtain unauthorized access to, or to sabotage, systems change frequently and often are not recognized until launched against a target, we may be unable to anticipate these techniques or implement adequate preventative measures. We may also be subject to vulnerabilities or experience security breaches or incidents that may remain undetected for an extended period. These events threaten the performance, reliability, security and availability of our platform. Any computer malware, viruses, computer hacking, fraudulent use attempts, phishing attacks, or other data security breaches to our systems could, among other things, harm our reputation and our ability to retain existing customers and attract new customers.

Our customers provide us with information that our systems store, some of which is confidential information about them or their financial transactions. In addition, we store personal information about our employees and, to a lesser extent, those who purchase products or services from our customers. Even though we have security systems and information technology infrastructure designed to protect against unauthorized access to such information, our efforts to address these threats may not always be successful. Any actual or perceived compromise or breach of our security measures, or those of our customers, partners or third-party service providers, could violate applicable privacy, data protection, data security, network and information systems security and other laws, and cause significant legal and financial exposure, adverse publicity and a loss of confidence in our security measures, which could have a material adverse effect on our business, results of operations and financial condition. In addition, the insurance we maintain may be insufficient to cover our losses resulting from disasters, cyber-attacks, or other business interruptions, and any incidents may result in loss of, or increased costs of, such insurance. Our disaster recovery plan may not be sufficient to address all aspects or any unanticipated consequence or incident. We continue to devote significant resources to protect against security breaches, and we may need to devote significant resources in the future to address problems caused by

breaches, including notifying affected subscribers and responding to any resulting litigation, which in turn, diverts resources from the growth and expansion of our business.

Our business depends on a strong brand, and if we are not able to maintain and enhance our brand, our ability to expand our base of customers may be impaired, and our business and results of operations will be harmed.

We believe that the brand identity that we have developed has significantly contributed to the success of our business. We also believe that maintaining and enhancing the "Expensify" brand is critical to expanding our customer base and establishing and maintaining relationships with partners. Successful promotion of our brand will depend largely on the effectiveness of our marketing efforts, our ability to ensure that our platform remains high-quality, reliable, useful and competitively priced, the quality and perceived value of our platform, our ability to successfully differentiate our platform and features from those of our competitors and the ability of our customers to achieve successful results by using our platform and features. Maintaining and enhancing our brand may require us to make substantial investments not just in our core expense management service but also in newer features, such as our travel concierge services, and to make substantial investments in foreign markets, and these investments may not be successful. We also plan to enhance our brand and drive interest in our overall platform by introducing certain consumer-focused features, which may not be successful. Substantial advertising expenditures may be required to maintain and enhance our brand, which may not prove successful. Advertising and other brand promotion activities may not generate customer awareness or increase revenue, and even if they do, any increase in revenue may not offset the expenses we incur in building our brand. Additionally, there could be a negative reaction to certain advertising campaigns and values-based activity and communications. If we fail to promote and maintain the "Expensify" brand, or if we incur excessive expenses in this effort, we may fail to attract or retain customers necessary to realize a sufficient return on our brand-building efforts or to achieve the widespread brand awareness that is critical for broad customer adoption of our platform and features. We anticipate that, as our market becomes increasingly competitive, maintaining and enhancing our brand may become more difficult and expensive.

We expect to continue to make substantial investments and expenditures related to the growth of our business.

To improve the scalability, security, efficiency and failover aspects of our features, and to support our ongoing efforts to expand and enhance our platform and our business, we are continually updating our software and content and investing in the development, introduction and customer acceptance of new features, enhancements, integrations, capabilities and versions of our existing features. Additionally, we will need to continue to make substantial investments and expenditures to, among other things:

- hire new and retain existing employees;
- maintain, expand, update and improve our infrastructure;
- expand our sales and marketing activities, including to obtain channel partners and to expand our SMB and consumer advertising;
- expand our operations across multiple geographies;
- operate as a public company; and
- pay for increasing costs associated with our general and administrative organization.

We may also review or revise our software architecture as we grow, which may require significant resources and investments. For example, we are developing an open-source financial group chat optimized for financial conversations, designed to be used both in and outside of work, and maintained by a community of open source developers. We expect our open-source offering to be a complete rewrite of the Expensify front end, built on a new React Native platform that uses the same codebase across iOS,

Android, web and desktop. There can be no assurance that this direction will achieve customer acceptance or that we will realize the anticipated return on our investment.

If we experience increasing demand for our features, we may not be able to augment our infrastructure quickly enough to accommodate this demand, which may limit our growth or cause disruptions, outages and other performance problems that could lead to financial liabilities or affect our brand and reputation. If our subscription sales decrease, certain of our fixed costs, such as for capital equipment, may make it difficult for us to adjust our expenses downward quickly.

Our business is substantially dependent upon the continued development of the market for, and acceptance of, cloud based software features.

We have derived, and expect to continue to derive, substantially all of our revenue from the sale of subscriptions for our cloud based platform. The market for cloud based software is not as mature as the market for on premises software applications. We do not know whether the trend of adoption of cloud based software that we have experienced in the past will continue in the future, and the adoption rate of cloud based software may be slower at companies in industries with heightened data security interests or sensitivity to communication network slowdowns or outages. Additionally, international acceptance of cloud-based software varies by country, and is limited in certain countries where we may seek to expand. Our success will depend to a substantial extent on the widespread adoption of cloud based software products in general, and of cloud based preaccounting products in particular. Many businesses have invested substantial personnel and financial resources to integrate on premises software products into their businesses and have been reluctant or unwilling to migrate to cloud based software products. Furthermore, some businesses may be reluctant or unwilling to use cloud based products because they have concerns regarding the risks associated with the security of their data and the reliability of the technology and service delivery model associated with solutions like ours. Additionally, integration opportunities for our cloud-based platform may be limited without widespread adoption of other cloud-based software products, which may prevent a member from maximizing their experience with our platform. In addition, if we or other cloud based providers experience security incidents, loss of customer data, disruptions in delivery, or other problems, the market for cloud based software solutions as a whole, including for our solutions, may be negatively impacted. If the adoption of cloud based software solutions does not continue at the rate we anticipate, the market for these solutions may stop developing or may develop more slowly than we expect, either of which would harm our business.

If we fail to offer a high-quality customer experience, our business and reputation will suffer.

While we have designed our platform and features to be easy to adopt and use, once individuals and organizations begin using Expensify, they rely on our support services to resolve any related issues. High-quality member and customer education and customer experience have been key to the adoption of our platform and features and for the conversion of individuals and organizations using our free features and trial subscriptions into paying customers. The importance of high-quality customer experience will increase as we expand our business and pursue new customers. For instance, if we do not help organizations on our platform quickly resolve issues and provide effective ongoing member experience at the individual and organizational levels, our ability to convert organizations on our trial subscription into paying customers will suffer, and our reputation with existing or potential customers will be harmed. Further, the success of our “bottom up” business model is highly dependent on our business reputation and on word-of-mouth positive recommendations from existing individuals and organizations using our platform and features. Any failure to maintain high-quality customer experience, or a market perception that we do not maintain high-quality customer experience, could harm our reputation, our ability to sell our platform to existing and prospective customers and our business, results of operations and financial condition.

In addition, as we continue to grow our operations and reach a larger and increasingly global customer and member base, we need to be able to provide efficient customer support that meets the needs of organizations using our platform and features globally at scale. The number of organizations using our platform and features has grown significantly, which puts additional pressure on our support organization.

Our platform is designed to leverage our proprietary AI-powered customer support engine, Concierge. Our Concierge service is powered by AI and trained by customer support agents. As we continue to grow and add features, we will need to hire additional support personnel to be able to continue to provide efficient customer support globally at scale, and if we are unable to provide such support, our business, results of operations and financial condition would be harmed.

We must continue to attract and retain highly qualified personnel, including an on-demand workforce in certain jurisdictions and for certain aspects of our business, to continue to execute on our business strategy and growth plans.

In order to continue to execute on our business strategy and growth plans, including the development of new features, and to maintain and upgrade our existing features, we will need to attract a sufficient number of highly qualified personnel, especially software engineers. Competition for software engineers and other key personnel in our industry is intense, especially for engineers with high levels of experience in designing and developing software for Internet-related services. As we become a more mature company, we may find our recruiting efforts more challenging.

In addition, one of our business strategies is to supplement our small core team of generalists with a large number of specialist contractors, managed by third-party vendors, from around the world. For example, we rely on certain third-party vendors to provide a specialized on-demand workforce to provide 24/7 real-time chat support and free phone onboarding for every Expensify.com member. We also intend to use this strategy to pair our core group of engineering generalists with a global network of open source engineering specialists, such as for the development and maintenance of our open-source financial group chat. If we are unable attract a sufficient number of specialized on-demand workers, or if changes to applicable foreign, state and local laws governing the definition or classification of independent contractors make it difficult or impossible for us to hire a sufficient number of specialized on-demand workers in a cost-effective manner, our costs could increase and our business, results of operations and financial condition could be harmed.

Job candidates and existing employees often consider the value of the equity awards they receive in connection with their employment. The incentives to attract, retain and motivate employees provided by our equity awards or other compensation arrangements may not be as effective as in the past. If the perceived value of our stock declines, it may adversely affect our ability to recruit and retain highly skilled employees.

Many of the companies with which we compete for experienced personnel have greater resources than we have. If we hire employees from competitors or other companies, their former employers may attempt to assert that these employees or our company have breached their legal obligations, resulting in a diversion of our time and resources.

Our recruiting efforts may also be limited by laws and regulations, such as restrictive immigration laws, and restrictions on travel or availability of visas (including during the ongoing COVID-19 pandemic). If we do not succeed in attracting excellent personnel or retaining or motivating existing personnel, we may be unable to innovate quickly enough to support our business model or grow effectively.

Our culture has contributed to our success, and if we cannot maintain this culture as we grow, we could lose the high employee engagement fostered by our culture, which could harm our business.

We believe that a critical component of our success has been our culture, which is deeply embedded in everything we do. Our culture is centered on a belief that a life well lived is one that enables you to achieve the following three goals: Live Rich, Have Fun and Save the World. We have invested substantial time and resources in building our team with an emphasis on collaboration and innovation, ensuring customer success and a commitment to diversity and inclusion. We invest in our culture to create fun, diverse and memorable experiences for our employees, including employee travel to company-wide meetings in the U.S. and abroad. As we continue to grow and develop the infrastructure associated with

being a public company, we will need to maintain our culture among a larger number of employees dispersed in various geographic regions. Any failure to preserve our culture could negatively affect our future success, including our ability to retain and recruit personnel.

If we fail to effectively manage our growth, our business and results of operations could be harmed.

We experienced rapid growth and increased demand for our platform prior to the COVID-19 pandemic. Our revenue has grown from $53.9 million in 2018 to $80.5 million in 2019 to $88.1 million in 2020, but our headcount has remained consistent, with 131 employees as of December 31, 2018, 127 employees as of December 31, 2019 and 133 employees as of December 31, 2020. For the six months ended June 30, 2020 and June 30, 2021, our revenue has grown from $40.6 million to $65.0 million, respectively, but our headcount has remained consistent, with 134 employees as of June 30, 2020 and 140 employees as of June 30, 2021. The growth and expansion of our business and platform may place a significant strain on our management and our administrative, operational and financial reporting resources. Our ability to accurately plan for and model future growth is limited and subject to a number of uncertainties, due in part to our global operations, customer preferences and mix of products and features. We have encountered, and will continue to encounter, risks and uncertainties frequently experienced by growing companies in rapidly changing industries. If our assumptions regarding these risks and uncertainties, which we use to plan our business strategies and operations, are incorrect or change due to industry or market developments, or if we do not address these risks successfully, our operating results could differ materially from our expectations and our business could suffer. For example, we are required to manage multiple relationships with various strategic, integration and channel partners, customers and other third parties. In the event of further growth of our operations or in the number of our third-party relationships, our computer systems, procedures, or internal controls may not be adequate to support our operations, and our management may not be able to manage such growth effectively. To effectively manage our growth, we must continue to implement and improve our operational, financial and management information and reporting systems and manage our employee base. In addition, as we seek to continue to expand internationally, we will likely encounter unexpected challenges and expenses due to unfamiliarity with local regulations, requirements, practices and markets.

Our payments services and our Expensify Card are targets for illegal or improper uses, and our risk management efforts may not be effective, which could expose us to losses and liability and otherwise harm our business.

We offer payments services and the Expensify Card to our customers, and we are responsible for vetting and monitoring these customers and determining whether the transactions we process for them are legitimate. When our features and services are used to process illegitimate transactions, and we settle those funds to sellers and are unable to recover them, we suffer losses and liability. These types of illegitimate transactions can also expose us to governmental and regulatory sanctions. The highly automated nature of, and liquidity offered by, our payments services make us a target for illegal or improper uses, including fraudulent or illegal sales of goods or services, money laundering and terrorist financing. Identity thieves and those committing fraud using stolen or fabricated credit card or bank account numbers, or other deceptive or malicious practices, can potentially steal significant amounts of money from our business. In configuring our payments services, we face an inherent trade-off between security and customer convenience. Our risk management policies, procedures, techniques and processes may not be sufficient to identify all of the risks to which we are exposed, to enable us to mitigate the risks we have identified, or to identify additional risks to which we may become subject in the future. In addition, when we introduce new services, focus on new business types, or begin to operate in markets where we have a limited history of fraud loss, we may be less equipped to forecast and reserve accurately for those losses. Furthermore, if our risk management policies and processes contain errors or are otherwise ineffective, we may suffer large financial losses, we may be subject to civil and criminal liability, and our business may be materially and adversely affected.

We are currently, and will continue to be, exposed to risks associated with chargebacks and refunds in connection with payment card fraud or relating to the goods or services provided by our sellers. In the event that a billing dispute between a cardholder and a seller is not resolved in favor of the seller, including in situations where the seller engaged in fraud, the transaction is typically "charged back" to the seller and the purchase price is credited or otherwise refunded to the cardholder. If we are unable to collect chargeback or refunds from the seller's account, or if the seller refuses to or is unable to reimburse us for a chargeback or refunds due to closure, bankruptcy, or other reasons, we may bear the loss for the amounts paid to the cardholder. We do not collect and maintain reserves from our sellers to cover these potential losses. The risk of chargebacks is typically greater with those of our sellers that promise future delivery of goods and services, which we allow on our service. If we are unable to maintain our losses from chargebacks at acceptable levels, the payment card networks could fine us, increase our transaction fees, or terminate our ability to process payment cards. Any increase in our transaction fees could damage our business, and if we were unable to accept payment cards, our business would be materially and adversely affected.

If we experience excessive fraudulent activity, we could incur substantial costs and lose the right to accept credit cards for payment, which could cause our customer base to decline significantly.

A large portion of our paying customers authorize us to bill their credit card accounts through our third-party payment processing partners for our paid subscription plans. If customers pay for their subscription plans with stolen credit cards, we could incur substantial third-party vendor costs for which we may not be reimbursed. Further, our customers provide us with credit card billing information online, and we do not review the physical credit cards used in these transactions, which increases our risk of exposure to fraudulent activity. We also incur chargebacks from the credit card companies for claims that the customer did not authorize the credit card transaction for subscription plans, something that we have experienced in the past. If the number of claims of unauthorized credit card transactions becomes excessive, we could be assessed substantial fines for excess chargebacks, and we could lose the right to accept credit cards for payment. In addition, credit card issuers may change merchant standards, including data protection and documentation standards, required to utilize their services from time to time. Our third-party payment processing partners must also maintain compliance with current and future merchant standards to accept credit cards as payment for our paid subscription plans. Substantial losses due to fraud or our inability to accept credit card payments would cause our customer base to significantly decrease and would harm our business.

Sales to customers outside the United States and our international operations expose us to risks inherent in international sales and operations.

Our revenue generated from customers outside the United States was $7.6 million (9% of our revenue), $9.0 million (10% of our revenue), $4.1 million (10% of our revenue), and $7.1 million (11% of our revenue) for the year ended December 31, 2019, the year ended December 31, 2020, and the six months ended June 30, 2020 and 2021, respectively. Our core geographies are the United States, the United Kingdom, Canada and Australia. We intend to pursue expansion of our international operations. 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. In addition, we face risks in doing business internationally that could adversely affect our business and results of operations, including:

- the need to localize and adapt our platform and features for specific countries, including translation into foreign languages, tax and regulatory updates and associated expenses;
- data privacy laws that impose different and potentially conflicting obligations with respect to how personal data is processed or require that customer data be stored in a designated territory;
- more fragmented partner market which proves to be harder for our platform to integrate with;
- difficulties in staffing and managing foreign operations;

- regulatory and other delays and difficulties in setting up foreign operations;
- different pricing environments, longer accounts receivable payment 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;
- exposure to liabilities under anti-corruption and anti-money laundering laws, including the U.S. Foreign Corrupt Practices Act (FCPA), U.S. bribery laws, the UK Bribery Act and similar laws and regulations in other jurisdictions;
- increased financial accounting and reporting burdens and complexities;
- declines in the values of foreign currencies relative to the U.S. dollar;
- restrictions on the transfer of funds;
- potentially adverse tax consequences;
- the cost of and potential outcomes of any claims or litigation;
- future accounting pronouncements and changes in accounting policies;
- changes in tax laws or tax regulations;
- health or similar issues, such as a pandemic or epidemic; and
- regional and local economic and political conditions.

As we continue to expand our business globally, our success will depend, in large part, on our ability to anticipate and effectively manage these risks. These factors and others could harm our ability to increase international revenue and, consequently, would materially impact our business and results of operations. The expansion of our existing international operations and entry into additional international markets will require significant management attention and financial resources. Our failure to successfully manage our international operations and the associated risks effectively could limit the future growth of our business.

We face exposure to foreign currency exchange rate fluctuations.

While we have historically transacted in U.S. dollars with the majority of our customers and vendors, we have transacted in some foreign currencies with such parties and for our payroll in those foreign jurisdictions where we have operations, and expect to continue to transact in more foreign currencies in the future. Accordingly, declines in the value of foreign currencies relative to the U.S. dollar can adversely affect our revenue and results of operations due to remeasurement that is reflected in our earnings. Also, fluctuations in the values of foreign currencies relative to the U.S. dollar could make it more difficult to detect underlying trends in our business and results of operations.

We are subject to anti-corruption, anti-bribery, anti-money laundering and similar laws. Non-compliance with such laws can subject us to criminal and/or civil liability and harm our business.

We must comply with anti-corruption laws and regulations imposed by governments around the world with jurisdiction over our operations, which may include the U.S. Foreign Corrupt Practices Act of 1977 (the “FCPA”) and the U.K. Bribery Act 2010 (the “Bribery Act”), as well as the laws of the countries where we do business. These laws and regulations apply to companies, individual directors, officers, employees

and agents, and may restrict our operations, trade practices, investment decisions and partnering activities. Where they apply, the FCPA and the Bribery Act prohibit us and our officers, directors, employees and business partners acting on our behalf, including joint venture partners and agents, from corruptly offering, promising, authorizing or providing anything of value to public officials for the purposes of influencing official decisions or obtaining or retaining business or otherwise obtaining favorable treatment. The Bribery Act also prohibits non-governmental "commercial" bribery and accepting bribes. As part of our business, we may deal with governments and state-owned business enterprises, the employees and representatives of which may be considered public officials for purposes of the FCPA and the Bribery Act. We also are subject to the jurisdiction of various governments and regulatory agencies around the world, which may bring our personnel and agents into contact with public officials responsible for issuing or renewing permits, licenses or approvals or for enforcing other governmental regulations. In addition, some of the international locations in which we operate lack a developed legal system and have elevated levels of corruption.

Our wholly owned subsidiary, Expensify Payments LLC, is registered as a "Money Services Business" with the U.S. Department of Treasury's Financial Crimes Enforcement Network ("FinCEN"), and subject to regulatory oversight and enforcement by FinCEN under the Bank Secrecy Act, as amended by the USA PATRIOT Act of 2001 (the "BSA"). Among other things, the BSA requires money services businesses to develop and implement risk-based anti-money laundering programs, report large cash transactions and suspicious activity and maintain transaction records. The BSA prohibits, among other things, our involvement in transferring the proceeds of criminal activities. Regulators in the United States and globally may require us to further revise or expand our compliance program, including the procedures we use to verify the identity of our customers and to monitor international and domestic transactions. In addition, we are contemplating offering certain products in the future that may require us to obtain licenses to operate as a money transmitter (or its equivalent) in various states and territories where such licenses are required. We have already obtained such licenses in certain states and have pending license applications in others. If we are unable to obtain a license to operate as a money transmitter, our ability to grow certain of our services may be limited. As a licensed money transmitter, we would be subject to obligations and restrictions with respect to the handling and investment of customer funds, record keeping and reporting requirements, bonding requirements and inspection by state regulatory agencies.

There are substantial costs and potential changes to our offerings involved in obtaining, maintaining and renewing these licenses and registrations. We could be subject to significant fines or other enforcement actions if we are found to violate disclosure, reporting, anti-money laundering, economic and trade sanctions, corporate governance and internal controls, banking secrecy, or other laws and requirements. These factors could involve considerable delay to the development or provision of our offerings or services, require significant and costly operational changes, impose restrictions, limitations, or additional requirements on our business, or prevent us from providing our offerings or services in a given geography.

Our business also must be conducted in compliance with applicable economic and trade sanctions and export control laws and regulations, such as those administered and enforced by the U.S. Department of Treasury's Office of Foreign Assets Control, the U.S. Department of State, the U.S. Department of Commerce, the United Nations Security Council and other relevant sanctions authorities, which impose restrictions or prohibitions on the sale or supply of certain products or services to embargoed or sanctioned countries, governments, persons, and entities. Although we take precautions to prevent our platform from being provided in violation of such laws, our platform may have been in the past, and could in the future be, provided inadvertently in violation of such laws, despite the precautions we take. Our global operations expose us to the risk of violating, or being accused of violating, anti-corruption, anti-money laundering, export control and economic and trade sanctions laws and regulations. Our failure to comply with these laws and regulations may expose us to reputational harm as well as significant penalties, including criminal fines, imprisonment, civil fines, disgorgement of profits, injunctions and debarment from government contracts, as well as other remedial measures. Investigations of alleged violations can be expensive and disruptive. Despite our compliance efforts and activities we cannot assure compliance by our employees or representatives for which we may be held responsible, and any

such violation could materially adversely affect our reputation, business, financial condition and results of operations.

We receive, process, store and use business and personal information, which subjects us to governmental regulation and other legal obligations related to data protection and security, and our actual or perceived failure to comply with such obligations could harm our business and expose us to liability.

We receive, process, store and use business and personal information belonging to our members and customers. There are numerous federal, state, local and foreign laws, regulations and standards regarding data protection and the storing, sharing, use, processing, disclosure and protection of business and personal information, and we may be subject to these laws in certain circumstances. Most states have also adopted data security breach laws that require notice be given to affected consumers in the event of a security breach. In the event of a security breach, our compliance with these laws may subject us to costs associated with notice and remediation, as well as potential investigations from federal regulatory agencies and state attorneys general. These laws continue to evolve in scope and are subject to differing interpretations, and may contain inconsistencies or pose conflicts with other legal requirements. We seek to comply with applicable laws, regulations, policies, legal obligations and industry standards and have developed privacy policies, data processing addenda and internal privacy procedures to reflect our practices designed to achieve such compliance. However, it is possible that these obligations may be interpreted and applied in a manner that is inconsistent from one jurisdiction to another and may conflict with other rules or our practices. A failure on our part to safeguard consumer data adequately or to destroy data securely or otherwise comply with legal obligations may subject us, depending on the personal information in question, to costs associated with notice and remediation, as well as potential regulatory investigations or enforcement actions, and possibly to civil liability, under federal, state, or foreign laws or regulation, industry standards, our internal privacy policies and procedures, or our contracts governing our processing of personal information claims by third parties, and damage to our reputation, any of which could have an adverse effect on our operations, financial performance and business. We could also incur significant costs investigating and defending such claims and, if we are found liable, significant damages.

Data protection regulation is an area of increased focus and changing requirements. Any significant change in applicable laws, regulations, or industry practices regarding the use or disclosure of our members' or customers' data, or regarding the manner in which the express or implied consent of members or customers for the use and disclosure of such data is obtained, could require us to modify our platform, possibly in a material manner, and may limit our ability to develop new services and features that make use of the data that our members and customers voluntarily share.

For example, the EU General Data Protection Regulation (the "GDPR") imposes stringent data protection requirements for processing the personal data of individuals within the European Economic Area (the "EEA"). The GDPR enhances data protection obligations for processors and controllers of personal information, including, for example, expanded disclosure requirements, limitations on retention of personal information, mandatory data breach notification requirements and additional obligations. Non-compliance with the GDPR can trigger fines of up to the greater of €20 million or 4% of our global revenue. Among other requirements, the GDPR regulates transfers of personal data subject to the GDPR to third countries that have not been found to provide adequate protection to such personal data, including the United States, and the efficacy and longevity of current transfer mechanisms between the E.U. and the United States remains uncertain. For example, in 2016, the E.U. and United States agreed to a transfer framework for data transferred from the E.U. to the United States, called the Privacy Shield, but the Privacy Shield was invalidated in July 2020 by the Court of Justice of the European Union ("CJEU"). The CJEU also raised questions about whether the European Commission's Standard Contractual Clauses, one of the primary mechanisms used by companies to transfer personal information out of the EEA, complies with the GDPR. While the CJEU upheld the validity of the Standard Contractual Clauses, the CJEU ruled that the underlying data transfers must be assessed on a case-by-case basis by the data controller to determine whether the personal information will be adequately protected. At present,

there are few if any viable alternatives to the Standard Contractual Clauses and, therefore, there is uncertainty regarding how to ensure that transfers of personal information from Europe to the United States comply with the GDPR. As such, any transfers by us of personal information from Europe may not comply with European data protection laws and may increase our exposure to the GDPR's heightened sanctions for violations of its cross-border data transfer restrictions. Loss of our ability to transfer personal information from Europe may also require us to increase our data processing capabilities in those jurisdictions at significant expense.

Further, following the United Kingdom's withdrawal from the E.U. and the end of the related transition period, as of January 1, 2021, companies may be subject to both GDPR and the United Kingdom GDPR, or UK GDPR, which, together with the amended UK Data Protection Act 2018, retains the GDPR in UK national law. The UK GDPR mirrors the fines under the GDPR, imposing fines up to the greater of €20 million (£17.5 million) or 4% of global turnover. The relationship between the United Kingdom and the E.U. in relation to certain aspects of data protection law remains unclear, and it is unclear how United Kingdom data protection laws and regulations will develop in the medium to longer term, and how data transfers to and from the United Kingdom will be regulated in the long term. These changes will lead to additional costs and increase our overall risk exposure. Currently there is a four to six-month grace period agreed in the E.U. and United Kingdom Trade and Cooperation Agreement, ending June 30, 2021 at the latest, while the parties discuss an adequacy decision. The European Commission published a draft adequacy decision on February 19, 2021. If adopted, the decision will enable data transfers from E.U. member states to the United Kingdom for a four-year period, subject to subsequent extensions. While we have instituted a GDPR compliance strategy and program that we continue to evaluate and improve as our platform changes and expands, we still do not know how E.U. regulators will interpret or enforce many aspects of the GDPR, and some regulators may do so in an inconsistent manner, making such a prediction even more difficult.

In addition to the E.U., a growing number of other global jurisdictions are considering or have passed legislation implementing data protection requirements or requiring local storage and processing of data or similar requirements that could increase the cost and complexity of delivering our platform, particularly as we expand our operations internationally. Some of these laws, such as the General Data Protection Law in Brazil, or the Act on the Protection of Personal Information in Japan, impose similar obligations as those under the GDPR. Others, such as those in Russia, India and China, could potentially impose more stringent obligations, including data localization requirements. If we are unable to develop and offer features that meet legal requirements or help our members and customers meet their obligations under the laws or regulations relating to privacy, data protection, or information security, or if we violate or are perceived to violate any laws, regulations, or other obligations relating to privacy, data protection, or information security, we may experience reduced demand for our platform, harm to our reputation and become subject to investigations, claims and other remedies, which would expose us to significant fines, penalties and other damages, all of which would harm our business. Further, given the breadth and depth of changes in global data protection obligations, compliance has caused us to expend significant resources, and such expenditures are likely to continue into the future as we continue our compliance efforts and respond to new interpretations and enforcement actions.

The data protection landscape is also rapidly growing and evolving in the United States. As our operations and business grow, we may become subject to or affected by new or additional data protection laws and regulations and face increased scrutiny or attention from regulatory authorities. For example, the California Consumer Privacy Act of 2018 (the "CCPA") came into effect on January 1, 2020. The CCPA requires companies that process information on California residents to make new disclosures to consumers about their data collection, use and sharing practices, allows consumers to opt out of certain data sharing with third parties and exercise certain individual rights regarding their personal information, provides a new cause of action for data breaches, and provides for penalties for noncompliance of up to $7,500 per violation. While we are positioned as a "service provider" under the CCPA with respect to most of our data activities, have conducted a CCPA compliance review process, and do not currently share data with third parties in a way that would be currently considered a "sale" under the CCPA, some observers have noted that the CCPA could mark the beginning of a trend toward more stringent privacy

legislation in the United States, which means that despite our efforts, an expansive reading of the CCPA could increase our potential liability and adversely affect our business. Additionally, the California Privacy Rights Act (the "CPRA") was recently passed in California. The CPRA will impose additional data protection obligations on covered businesses, including additional consumer rights processes, limitations on data uses, new audit requirements for higher risk data, and opt outs for certain uses of sensitive data. It will also create a new California data protection agency authorized to issue substantive regulations and could result in increased privacy and information security enforcement. The majority of the CPRA provisions will go into effect on January 1, 2023, and additional compliance investment and potential business process changes may be required. Similar laws have been proposed, and likely will be proposed, in other states and at the federal level, and if passed, such laws may have potentially conflicting requirements that would make compliance challenging. For example, on March 2, 2021, the Virginia Consumer Data Protection Act ("CDPA") was signed into law. The CDPA becomes effective January 1, 2023 and contains provisions that require businesses subject to the legislation to conduct data protection assessments in certain circumstances and that require opt-in consent from Virginia consumers to process certain sensitive personal information.

Furthermore, the Federal Trade Commission (the "FTC") and many state Attorneys General continue to enforce federal and state consumer protection laws against companies for online collection, use, dissemination and security practices that appear to be unfair or deceptive. For example, according to the FTC, failing to take appropriate steps to keep consumers' personal information secure can constitute unfair acts or practices in or affecting commerce in violation of Section 5(a) of the Federal Trade Commission Act. The FTC expects a company's data security measures to be reasonable and appropriate in light of the sensitivity and volume of consumer information it holds, the size and complexity of its business, and the cost of available tools to improve security and reduce vulnerabilities. There are a number of legislative proposals in the United States, at both the federal and state level, and in the E.U. and more globally, that could impose new obligations in areas such as e-commerce and other related legislation or liability for copyright infringement by third parties. We cannot yet determine the impact that these future laws, regulations and standards may have on our business.

In addition to laws relating to data privacy and security, we are subject to self-regulatory standards and industry certifications that may legally or contractually apply to us. These include the Payment Card Industry Data Security Standards ("PCI-DSS") with which we are currently compliant. In the event that we fail to comply with the PCI-DSS, we could be in breach of our obligations under customer and other contracts, fines and other penalties could result, and we may suffer reputational harm and damage to our operations, financial performance, reputation and business. Further, our clients may expect us to comply with more stringent privacy and data security requirements than those imposed by laws, regulations, or self-regulatory requirements, and we may be obligated contractually to comply with additional or different standards relating to our handling or protection of data on or by our offerings.

Changes in laws and regulations related to the Internet or changes in the internet infrastructure itself may diminish the demand for our applications, and could have a negative impact on our business.

The future success of our business depends upon the continued use of the Internet as a primary medium for commerce, communication and business. Federal, state and foreign government bodies or agencies have in the past adopted, and may in the future adopt, laws or regulations affecting the use of the Internet as a commercial medium. Changes in these laws or regulations could require us to modify our applications in order to comply with these changes. In addition, government agencies or private organizations may impose taxes, fees or other charges for accessing the Internet or commerce conducted via the Internet. These laws or charges could limit the growth of Internet-related commerce or communications generally, or result in reductions in the demand for Internet-based applications such as ours.

In addition, the use of the Internet as a means of conducting business could be adversely affected due to delays in the development or adoption of new standards and protocols to handle increased demands of

Internet activity, security, reliability, cost, ease of use, accessibility and quality of service. The performance of the Internet has been adversely affected by “viruses,” “worms” and similar malicious programs and the Internet has experienced a variety of outages and other delays as a result of damage to portions of its infrastructure. If the use of the Internet is adversely affected by these issues, demand for our applications could suffer.

If we fail to manage our technical operations infrastructure, or experience service outages, interruptions, or delays in the deployment of our platform, our results of operations may be harmed.

Because our operations involve delivering a suite of preaccounting features to our customers through a cloud-based software platform, our continued growth depends in part on the ability of our platform and related computer equipment, infrastructure and systems to continue to support our features. In the past, we have experienced temporary platform disruptions, outages in our features and degraded levels of performance due to human and software errors, file corruption and capacity constraints associated with the number of customers accessing our platform simultaneously. While our past experiences have not materially impacted us, in the future we may face more disruptions, outages, or performance problems. Factors that may cause such disruptions or problems include:

- human error;
- security breaches;
- telecommunications failures or outages from third-party providers;
- computer viruses, malware, vulnerability exploits, or cyber-attacks;
- software errors, failures, vulnerabilities or bugs in our features;
- acts of terrorism, sabotage or other intentional acts of vandalism;
- unforeseen interruption or damages;
- pandemics and epidemics;
- tornados, fires, earthquakes, floods and other natural disasters; and
- power loss.

In addition, continued growth in our customer base could place additional demands on our platform and features and could cause or exacerbate slowdowns or interrupt the availability of our platform. As we expand our platform capabilities to other features, like the Expensify Card, those new features may come with different technological demands, like real time transactions. If we are unable to plan or develop our platform accordingly, it could have a negative impact on our business. If there is a substantial increase in the volume of usage across our platform, we will be required to further expand and upgrade our technology and infrastructure. There can be no assurance that we will be able to accurately project the rate or timing of increases, if any, in the use of our platform or expand and upgrade our systems and infrastructure to accommodate such increases on a timely basis. In such cases, if our members are not able to access our platform and features or encounter slowdowns when doing so, we may lose customers or partners, which would adversely impact our reputation and revenue. Further, any changes in the service levels at our data centers or any errors, defects, disruptions or other performance problems with our network infrastructure may result in lengthy interruptions in the availability of our platform and features. In such cases, we may lose our customers’ trust and confidence in our platform, and customer and employee data from recent transactions may be permanently lost and we could be exposed to significant claims by clients, particularly if the access interruption is associated with problems in the timely delivery of funds due to employees. In order to remain competitive, we must continue to enhance and improve the responsiveness, functionality and features of our platform and products. Our disaster

recovery plan may not be sufficient to address all aspects or any unanticipated consequence or incidents, and our insurance may not be sufficient to compensate us for the losses that could occur.

We lease the cloud computing infrastructure that we use to host our platform, mobile application and many of the internal tools we use to operate our business. Any significant disruption of, limitation of our access to, or other interference with our use of the cloud services would negatively impact our operations and could seriously harm our business. Our business relies on the availability of our platform for our members and customers, and we may lose members or customers if they are not able to access our platform or encounter difficulties in doing so.

In addition, we rely on third-party hosting services, hardware and infrastructure purchased or leased from third parties and software licensed from third parties to operate critical business functions. Our business would be disrupted if any of this third-party hardware, software and infrastructure becomes unavailable on commercially reasonable terms, or at all. Furthermore, delays or complications with respect to the transition of critical business functions from one third-party product to another, or any errors or defects in third-party hardware, software, or infrastructure could result in errors or a failure of our platform, which could harm our business and results of operations.

Moreover, our platform and features depend on our customers' high speed broadband or wireless access to the Internet. Increasing numbers of customers and bandwidth requirements may degrade the performance of our features due to capacity constraints and other Internet infrastructure limitations, and additional network capacity to maintain adequate data transmission speeds may be unavailable or unacceptably expensive. If adequate capacity is not available to us, our features may be unable to achieve or maintain sufficient data transmission, reliability, or performance. In addition, if Internet service providers and other third parties providing Internet services, including incumbent phone companies, cable companies and wireless companies, have outages or suffer deterioration in their quality of service, our customers may not have access to or may experience a decrease in the quality of our platform and features. These providers may take measures that block, degrade, discriminate, disrupt, or increase the cost of customer access to our features. Any of these disruptions to data transmission could lead customers to switch to our competitors or avoid using our features, which could negatively impact our revenue or harm our opportunities for growth.

We rely upon data centers and other systems and technologies provided by third parties to operate our business, and interruptions or performance problems with these centers, systems and technologies may adversely affect our business and operating results.

We rely on data centers and other technologies and services provided by third parties in order to operate our business. If any of these services becomes unavailable or otherwise is unable to serve our requirements, there could be a delay in activating a mirrored data center or our disaster recovery system.

Our business depends on our ability to protect the growing amount of information stored in our data centers and related systems, offices and hosting facilities, against damage from earthquake, floods, fires, other extreme weather conditions, power loss, telecommunications failures, hardware failures, unauthorized intrusion, overload conditions and other events. If our data centers or related systems fail to operate properly or become disabled even for a brief period of time, we could suffer financial loss, a disruption of our business, liability to customers, or damage to our reputation. Our response to any type of disaster may not be successful in preventing the loss of customer data, service interruptions and disruptions to our operations, or damage to our important facilities.

Our data center providers have no obligations to renew their agreements with us on commercially reasonable terms, or at all, and it is possible that we will not be able to switch our operations to another provider in a timely and cost effective manner should the need arise. If we are unable to renew our agreements with these providers on commercially reasonable terms, or if in the future we add additional data center facility providers, we may face additional costs or expenses or downtime, which could harm our business.

Any unavailability of, or failure to meet our requirements by, third party data centers, technologies, or services, could impede our ability to provide services to our customers, harm our reputation, subject us to potential liabilities, result in contract terminations and adversely affect our customer relationships. Any of these circumstances could adversely affect our business and operating results.

If we are unable to ensure that our platform interoperates with a variety of software applications that are developed by others, including our integration partners, we may become less competitive and our business, results of operations and financial condition may be harmed.

Our platform must integrate with a variety of hardware and software platforms, and we need to continuously modify and enhance our platform to adapt to changes in hardware, software and browser technologies. In particular, we have developed our platform to be able to easily integrate with third-party applications, including the applications of software providers that compete with us as well as our partners, through the interaction of APIs and/or platforms. In general, we rely on the providers of such software systems to allow us access to their APIs to enable these integrations. We are typically subject to standard terms and conditions of such providers, which govern the distribution, operation and fees of such software systems, and which are subject to change by such providers from time to time. Our business will be harmed if any provider of such software systems:

- discontinues or limits our access to its software or APIs;
- modifies its terms of service or other policies, including fees charged to, or other restrictions on us, or other application developers;
- changes how information is accessed by us or our customers;
- establishes more favorable relationships with one or more of our competitors; or
- develops or otherwise favors its own competitive offerings over our platform.

Third-party services and products are constantly evolving, and we may not be able to modify our platform to assure its compatibility with that of other third parties. In addition, some of our competitors may be able to disrupt the operations or compatibility of our platform with their products or services, or exert strong business influence on our ability to, and terms on which we operate our platform. Should any of our competitors modify their products or standards in a manner that degrades the functionality of our platform or gives preferential treatment to competitive products or services, whether to enhance their competitive position or for any other reason, the interoperability of our platform with these products could decrease and our business, results of operations and financial condition would be harmed. If we are not permitted or able to integrate with these and other third-party applications in the future, our business, results of operations and financial condition would be harmed.

Further, our platform includes a mobile application to enable individuals and organizations to access our platform through their mobile devices. If our mobile application does not perform well, our business will suffer. In addition, our platform interoperates with servers, mobile devices and software applications predominantly through the use of protocols, many of which are created and maintained by third parties. We therefore depend on the interoperability of our platform with such third-party services, mobile devices and mobile operating systems, as well as cloud-enabled hardware, software, networking, browsers, database technologies and protocols that we do not control. The loss of interoperability, whether due to actions of third parties or otherwise, and any changes in technologies that degrade the functionality of our platform or give preferential treatment to competitive services could adversely affect adoption and usage of our platform. Also, we may not be successful in developing or maintaining relationships with key participants in the mobile industry or in ensuring that Expensify operates effectively with a range of operating systems, networks, devices, browsers, protocols and standards. If we are unable to effectively anticipate and manage these risks, or if it is difficult for customers to access and use our platform, our business, results of operations and financial condition may be harmed.

We rely on third parties maintaining open marketplaces to distribute our mobile application. If such third parties interfere with the distribution of our platform, our business would be adversely affected.

We rely on third parties maintaining open marketplaces, including the Apple App Store and Google Play, which make our mobile application available for download. We cannot assure you that the marketplaces through which we distribute our mobile application will maintain their current structures or that such marketplaces or any new marketplaces will not charge us additional fees to list our application for download. We are also dependent on these third-party marketplaces to enable us and our members to timely update our mobile application, and to incorporate new features, integrations and capabilities.

In addition, Apple Inc. and Google, among others, for competitive or other reasons, could stop allowing or supporting access to our mobile application through their products, could allow access for us only at an unsustainable cost, or could make changes to the terms of access in order to make our mobile application less desirable or harder to access.

We rely on traditional web search engines and prominence in mobile application marketplaces to drive interest in our platform. If our website fails to rank prominently in organic search results, or our mobile application is not featured prominently in marketplaces, the discoverability of our platform could decline and our business would be adversely affected.

Our success depends in part on our discoverability – our ability to attract new members through unpaid Internet search results on traditional web search engines such as Google and through the prominence of our mobile application in open marketplaces. The number of members we are able to attract through these platforms is due in large part to how our website ranks in organic search results and how our mobile application ranks against similar applications. These rankings can be affected by a number of factors, many of which are not in our direct control, and they may change frequently. For example, a search engine may change its ranking algorithms, methodologies, or design layouts. As a result, links to our website may not be prominent enough to drive traffic to our website, and we may not know how or otherwise be in a position to influence the results. Any reduction in our discoverability could reduce our revenue or require us to increase our sales and marketing expenditures.

Third parties may claim that our platform infringes their intellectual property rights and this may create liability for us or otherwise adversely affect our business, operating results and financial condition.

There is considerable patent and other intellectual property litigation in our industry. Our competitors, as well as a number of other entities, including non-practicing entities and individuals, may own or claim to own intellectual property relating to our industry. There may be third-party intellectual property rights, including issued or pending patents, that cover significant aspects of our technologies or business methods. As we face increasing competition and our public profile increases, the possibility of intellectual property rights claims against us may also increase. From time to time, our competitors or other third parties have claimed, and may in the future claim, that we are infringing upon, misappropriating, or violating their intellectual property rights, even if we are unaware of the intellectual property rights that such parties may claim cover our platform or some or all of the other technologies we use in our business.

Our success depends, in part, on our ability to develop and commercialize our solutions and services without infringing, misappropriating or otherwise violating the intellectual property rights of third parties. In a patent infringement claim against us, we may assert, as a defense, that we do not infringe the relevant patent claims, that the patent is invalid or both. The strength of our defenses will depend on the patents asserted, the interpretation of these patents, and our ability to invalidate the asserted patents. However, we could be unsuccessful in advancing non-infringement or invalidity arguments in our defense. In the United States, issued patents enjoy a presumption of validity, and the party challenging the validity of a patent claim must present clear and convincing evidence of invalidity, which is a high burden of proof. Conversely, the patent owner need only prove infringement by a preponderance of the evidence, which is a lower burden of proof. We may also be unaware of the intellectual property rights of others that may

cover some or all of our technology. Because patent applications can take years to issue and are often afforded confidentiality for some period of time, there may currently be pending applications, unknown to us, that later result in issued patents that could cover one or more of our products and there is also a risk that we could adopt a technology without knowledge of a pending patent application, which technology would infringe a third-party patent once that patent is issued. Any litigation may also involve non-practicing entities or other adverse patent owners that have no relevant solution revenue, and therefore, our patent portfolio may provide little or no deterrence as we would not be able to assert our patents against such entities or individuals.

We may also face exposure to third party intellectual property infringement, misappropriation, or violation actions if we engage software engineers or other personnel who were previously engaged by competitors or other third parties and those personnel inadvertently or deliberately incorporate proprietary technology of third parties into our features. Any intellectual property claims, with or without merit, could be very time-consuming and expensive to settle or litigate, could cause us to incur significant expenses, pay substantial amounts in damages, ongoing royalty or license fees, or other payments, or could prevent us from offering all or aspects of our platform or using certain technologies, require us to re-engineer all or a portion of our platform or require that we comply with other unfavorable terms. The costs of litigation are considerable, and such litigation may divert management and key personnel's attention and resources, which might seriously harm our business, results of operations and financial condition. We may be required to settle such litigation on terms that are unfavorable to us. For example, a settlement may require us to obtain a license to continue practices found to be in violation of a third party's rights, which may not be available on reasonable terms and may significantly increase our operating expenses. A license to continue such practices may not be available to us at all. As a result, we may also be required to develop alternative non-infringing technology or practices or discontinue the practices. The development of alternative non-infringing technology or practices would require significant effort and expense. Similarly, if any litigation to which we may be a party fails to settle and we go to trial, we may be subject to an unfavorable judgment that may not be reversible upon appeal. For example, the terms of a judgment may require us to cease some or all of our operations or require the payment of substantial amounts to the other party. Any of these events would cause our business and results of operations to be materially and adversely affected as a result.

We are also frequently required to indemnify our reseller partners and customers in the event of any third-party infringement claims against our customers and third parties who offer our platform, and such indemnification obligations may be excluded from contractual limitation of liability provisions that limit our exposure. These claims may require us to initiate or defend protracted and costly litigation on behalf of our customers and reseller partners, regardless of the merits of these claims. If any of these claims succeed, we may be forced to pay damages on behalf of our customers and reseller partners, may be required to modify our allegedly infringing platform to make it non-infringing, or may be required to obtain licenses for the products used. If we cannot obtain all necessary licenses on commercially reasonable terms, our customers may be forced to stop using our platform, and our reseller partners may be forced to stop selling our platform.

If we are unable to protect our intellectual property rights, the value of our brand and other intangible assets may be diminished, and our business may be adversely affected.

Our success is dependent, in part, upon protecting our intellectual property rights and proprietary information. We rely and expect to continue to rely on a combination of trademark, copyright, patent and trade secret protection laws to protect our intellectual property rights and proprietary information. Our trademarks and service marks include EXPENSIFY, SMARTSCAN and various marketing slogans. Additionally, we maintain a policy requiring our employees, consultants, independent contractors and third parties who are engaged to develop any material intellectual property for us to enter into confidentiality and invention assignment agreements to control access to and use of our proprietary information and to ensure that any intellectual property developed by such employees, contractors, consultants and other third parties are assigned to us. However, we cannot guarantee that the confidentiality and proprietary agreements or other employee, consultant, or independent contractor agreements we enter into

adequately protect our intellectual property rights and other proprietary information. In addition, we cannot guarantee that these agreements will not be breached, that we will have adequate remedies for any breach, or that the applicable counter-parties to such agreements will not assert rights to our intellectual property rights or other proprietary information arising out of these relationships. If we lose valuable personnel, our ability to develop, market and support potential features or enhancements could also be hampered, which could severely harm our business. Furthermore, the steps we have taken and may take in the future may not prevent misappropriation of our proprietary features or technologies, particularly with respect to officers and employees who are no longer employed by us.

Moreover, third parties may knowingly or unknowingly infringe or circumvent our intellectual property rights, and we may not be able to prevent infringement without incurring substantial expense. Litigation brought to protect and enforce our intellectual property rights may be costly, time-consuming and distracting to management and key personnel, and could result in the impairment or loss of portions of our intellectual property. Furthermore, our efforts to enforce our intellectual property rights may be met with defenses, counterclaims and countersuits attacking the validity and enforceability of our intellectual property rights. If the protection of our intellectual property rights is inadequate to prevent use or misappropriation by third parties, the value of our brand and other intangible assets may be diminished and competitors may be able to more effectively mimic our platform and methods of operations. Any of these events would have a material adverse effect on our business, results of operations and financial condition.

Our proprietary rights may be difficult to enforce, which could enable others to copy or use aspects of our platform without compensating us and negatively affect our business.

Our future success and competitive position depends in part upon our ability to obtain or maintain certain intellectual property used in our platform. We rely primarily on patent, trademark, copyright and trade secrets laws and confidentiality procedures and contractual provisions to protect our technology. While we have been issued patents for certain aspects of our intellectual property in the United States and have additional patent applications pending in the United States, we have not applied for patent protection in foreign jurisdictions, and may be unable to obtain patent protection for the technology covered in our patent applications. In addition, we cannot ensure that any of the patent applications will issue or that the claims allowed on any issued patents will be sufficiently broad to protect our technology or platform and provide us with competitive advantages. Moreover, failure to comply with applicable procedural, documentary, fee payment and other similar requirements with the United States Patent and Trademark Office could result in abandonment or lapse of the affected patent, trademark or application. Furthermore, any issued patents may be challenged, invalidated, or circumvented by third parties.

Many patent applications in the United States may not be public for at least 18 months after they are filed, and since publication of discoveries in the scientific or patent literature tends to lag behind actual discoveries by several months, we cannot be certain that we will be the first creator of inventions covered by any patent application we make or that we will be the first to file patent applications on such inventions. In addition, recent changes to the patent laws in the United States may bring into question the validity of certain software patents and may make it more difficult and costly to prosecute patent applications. Such changes may lead to uncertainties or increased costs and risks surrounding the prosecution, validity, ownership, enforcement and defense of our issued patents and patent applications and other intellectual property, the outcome of third-party claims of infringement, misappropriation, or other violation of intellectual property brought against us and the actual or enhanced damages (including treble damages) that may be awarded in connection with any such current or future claims, and could have a material adverse effect on our business.

We also rely on unpatented proprietary technology. Despite our efforts to protect our proprietary rights, unauthorized parties may attempt to copy aspects of our technology or obtain and use information that we regard as proprietary. It is possible that others will independently develop the same or similar technology or otherwise obtain access to our unpatented technology. To protect our trade secrets and other proprietary information, we require employees, consultants and independent contractors to enter into

confidentiality agreements. However, such agreements may not be enforceable in full or in part in all jurisdictions and any breach could have a negative effect on our business and our remedy for such breach may be limited. 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. As such, we cannot guarantee that the steps taken by us will prevent misappropriation of our technology. We cannot assure you that these agreements will provide meaningful protection for our trade secrets, know-how, or other proprietary information in the event of any unauthorized use, misappropriation, or disclosure of such trade secrets, know-how, or other proprietary information. If we are unable to maintain the proprietary nature of our technologies, our business would be materially adversely affected.

We rely on our trademarks, trade names and brand names to distinguish our features from the products of our competitors, and have registered or applied to register many of these trademarks in the United States and certain countries outside the United States. However, occasionally third parties may have already registered identical or similar marks for products or features that also address the software market. As we rely in part on brand names and trademark protection to enforce our intellectual property rights, efforts by third parties to limit use of our brand names or trademarks and barriers to the registration of brand names and trademarks in various countries may restrict our ability to promote and maintain a cohesive brand throughout our key markets. Occasionally trademark offices have taken the view that certain of our trademarks, including SMARTSCAN, are merely descriptive or not inherently protectable. There can also be no assurance that pending or future U.S. or foreign trademark applications will be approved in a timely manner or at all, or that such registrations will effectively protect our brand names and trademarks. Third parties may also oppose our trademark applications, or otherwise challenge our use of the trademarks. For example, our applications to register KARMA POINTS as a trademark in the European Union and United Kingdom have been opposed by a third party. In the event that our trademarks are successfully challenged or we do not adequately protect our trademarks, we could be forced to rebrand our platform, which would result in loss of brand recognition and would require us to devote resources to advertising and marketing new brands.

Policing unauthorized use of our technology and trademarks is difficult. In addition, the laws of some foreign countries do not protect our proprietary rights to as great an extent as the laws of the United States, and many foreign countries do not enforce these laws as diligently as government agencies and private parties in the United States. For example, many foreign countries limit the enforceability of patents against certain third parties, including government agencies or government contractors. In these countries, any patents that we may obtain may provide limited or no benefit. Effective trade secret protection may also not be available in every country in which our features are available or where we have employees or independent contractors. The loss of trade secret protection could make it easier for third parties to compete with our features by copying functionality. In addition, any changes in, or unexpected interpretations of, the trade secret and employment laws in any country in which we operate may compromise our ability to enforce our trade secret and intellectual property rights. From time to time, legal action by us may be necessary to enforce our patents and other intellectual property rights, to protect our trade secrets, to determine the validity and scope of the proprietary rights of others or to defend against claims of infringement or invalidity. Such litigation could result in substantial costs and diversion of resources and could negatively affect our business, operating results and financial condition. If we are unable to protect our proprietary rights (including aspects of our software and platform protected other than by patent rights), we will find ourselves at a competitive disadvantage to others who need not incur the additional expense, time and effort required to create our platform and other innovative features that have enabled us to be successful to date. Moreover, we may need to expend additional resources to defend our intellectual property rights in foreign countries, and our inability to do so could impair our business or adversely affect our international expansion.

Our use of "open source" and third-party software could impose unanticipated conditions or restrictions on our ability to commercialize our features and could subject us to possible litigation.

A portion of the technologies we use in our platform, database infrastructure (Bedrock), Expensify.com, Expensify.cash and mobile application incorporate "open source" software, and we may incorporate open source software in our platform and mobile application in the future. From time to time, companies that use third-party open source software have faced claims challenging the use of such open source software and their compliance with the terms of the applicable open source license. We may be subject to suits by parties claiming ownership of what we believe to be open source software, or claiming non-compliance with the applicable open source licensing terms. If we combine our proprietary software with open source software in a certain manner, we could, under certain open source licenses, be required to release the source code of our proprietary software to the public, including authorizing further modification and redistribution, or otherwise be limited in the licensing of our services, each of which could provide an advantage to our competitors or other entrants to the market, allow them to create similar products with lower development effort and time, and ultimately result in a loss of sales for us. While we employ practices designed to monitor our compliance with the licenses of third-party open source software and protect our valuable proprietary source code, we may inadvertently use third-party open source software in a manner that exposes us to claims of non-compliance with the applicable terms of such license, including claims for infringement of intellectual property rights or for breach of contract. Additionally, if a third-party software provider has incorporated open source software into software that we license from such provider, we could be required to disclose source code that incorporates or is a modification of such licensed software. Furthermore, there is an increasing number of open-source software license types, almost none of which have been tested in a court of law, resulting in a dearth of guidance regarding the proper legal interpretation of such license types. If an author or other third party that distributes open source software that we use or license were to allege that we had not complied with the conditions of the applicable open source license, we may also have to expend substantial time and resources to re-engineer some or all of our software, incur significant legal expenses defending against such allegations, be subject to significant damages, or be enjoined from the sale of our platform that contained the open source software.

In addition, the use of third-party open source software typically exposes us to greater risks than the use of third-party commercial software because open-source licensors generally do not provide warranties or controls on the functionality or origin of the software. Use of open source software may also present additional security risks because the public availability of such software may make it easier for hackers and other third parties to determine how to compromise our platform. Any of the foregoing could be harmful to our business, results of operations, or financial condition.

We license technology from third parties, and our inability to maintain those licenses could harm our business.

We rely on software licensed from third parties to offer our platform. In addition, we may need to obtain future licenses from third parties to use intellectual property rights associated with the development of our platform, which might not be available on acceptable terms, or at all. Any loss of the right to use any third-party software required for the development and maintenance of our platform or mobile application could result in loss of functionality or availability of our platform or mobile application until equivalent technology is either developed by us, or, if available, is identified, obtained and integrated. Any errors or defects in third-party software could result in errors or a failure of our platform or mobile application. Licensing technologies from third parties also exposes us to increased risk of being the subject of intellectual property infringement due to, among other things, our lower level of visibility into the development process with respect to such technology and the care taken to safeguard against infringement risks. We cannot be certain that our licensors do not or will not infringe on the intellectual property rights of third parties or that our licensors have or will have sufficient rights to the licensed intellectual property in all jurisdictions in which we may sell our platform. Some of our agreements with our licensors may be terminated by them for convenience, or otherwise provide for a limited term. If we are unable to continue to license technology

because of intellectual property infringement claims brought by third parties against our licensors or against us, or if we are unable to continue our license agreements or enter into new licenses on commercially reasonable terms, our ability to develop and sell features and services containing or dependent on that technology would be limited, and our business could be harmed. Additionally, if we are unable to license technology from third parties, we may be forced to acquire or develop alternative technology, which we may be unable to do in a commercially feasible manner or at all, and may require us to use alternative technology of lower quality or performance standards. This could limit or delay our ability to offer new or competitive features and increase our costs. Any of the foregoing would disrupt the distribution and sale of subscriptions to our platform and harm our business, results of operations and financial condition.

Any future litigation against us could be costly and time-consuming to defend.

We have in the past and may in the future become subject to legal proceedings and claims that arise in the ordinary course of business. We could be subject to claims, lawsuits (including class actions and individual lawsuits), government investigations and other proceedings involving consumer protection, labor and employment, immigration, import and export practices, product labeling, competition, accessibility, securities, tax, marketing and communications practices, commercial disputes, defamation, civil rights infringement, negligence, intellectual property rights infringement, invasion of privacy, product liability, regulatory compliance, or other legal claims relating to information that is published or made available via our platform. For example, in November 2020, the Federal Election Commission ("FEC") notified us of a number of complaints filed against us in connection with David Barrett's email on October 23, 2020 urging customers to protect democracy. We responded to the complaints in November and December 2020, requesting dismissal of all complaints, and have not received a decision from the FEC on the matter. We cannot assure you that this matter will not result in further complaints, regulatory inquiries or future proceedings.

The number and significance of our legal disputes and inquiries have increased as we have grown larger, as our business has expanded in scope and geographic reach, and as our features and services have increased in complexity, and we expect the potential for future legal proceedings, claims and disputes will continue to increase. Becoming a public company will raise our public profile, which may result in increased litigation.

Regardless of the outcome, legal proceedings might result in substantial costs and may divert management and key personnel’s attention and resources, which might seriously harm our business, results of operations and financial condition. Plaintiffs may seek, and we may become subject to, preliminary or provisional rulings in the course of litigation, including preliminary injunctions requiring us to cease some or all of our operations. We may decide to settle legal disputes on terms that are unfavorable to us; for example, we may be required to cease some or all of our operations or pay substantial amounts to the other party, which could materially and adversely affect our business. Furthermore, if any litigation to which we are a party is resolved adversely, we may be subject to an unfavorable judgment that we may not choose to appeal or that may not be reversed upon appeal. We may have to seek a license to continue practices found to be in violation of a third party’s rights. If we are required, or choose to enter into, royalty or licensing arrangements, such arrangements may not be available on reasonable terms or at all and may significantly increase our operating costs and expenses. As a result, we may also be required to develop or procure alternative non-infringing technology or discontinue use of technology, and doing so could require significant effort and expense or may not be feasible. In addition, insurance might not cover these 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. A claim brought against us that is uninsured or underinsured could result in unanticipated costs and could have a material adverse effect on our business, results of operations and financial condition.

Our employees, commercial partners and vendors may engage in misconduct or other improper activities, including noncompliance with regulatory standards and requirements.

We are exposed to the risk that our employees, commercial partners and vendors may engage in fraudulent or illegal activity. Misconduct by these parties could include intentional, reckless and/or negligent conduct or disclosure of unauthorized activities to us that violate: (i) the rules of the applicable regulatory bodies; (ii) data privacy laws or other similar non-United States laws; or (iii) laws that require the true, complete and accurate reporting of financial information or data. It is not always possible to identify and deter misconduct by our employees and other third parties, and the precautions we take to detect and prevent these activities may not be effective in controlling unknown or unmanaged risks or losses or in protecting us from governmental investigations or other actions or lawsuits stemming from a failure to be in compliance with such laws or regulations. In addition, we are subject to the risk that a person or government could allege such fraud or other misconduct, even if none occurred. If any such actions are instituted against us and we are not successful in defending ourselves or asserting our rights, those actions could result in the imposition of significant fines or other sanctions, including the imposition of civil, criminal and administrative penalties, additional integrity reporting and oversight obligations. Whether or not we are successful in defending against any such actions or investigations, we could incur substantial costs, including legal fees, and divert the attention of management in defending ourselves against any of these claims or investigations, which could have a material adverse effect on our business, financial condition and results of operations.

We may need additional capital, and we cannot be sure that additional financing will be available.

In the future, we may raise additional capital through additional debt or equity financings to support our business growth, to respond to business opportunities, challenges, or unforeseen circumstances, or for other reasons. On an ongoing basis, we are evaluating sources of financing and may raise additional capital in the future. Our ability to obtain additional capital will depend on our development efforts, business plans, investor demand, operating performance, the condition of the capital markets, and other factors. We cannot assure you that additional financing will be available to us on favorable terms when required, or at all. If we raise additional funds through the issuance of equity or equity-linked securities, those securities may have rights, preferences, or privileges senior to the rights of existing stockholders, and existing stockholders may experience dilution. Debt financing, if available, may involve restrictive covenants relating to our capital raising activities and other financial and operational matters, which could reduce our operational flexibility or make it more difficult for us to obtain additional capital and to pursue business opportunities. In addition, subject to limited exceptions, our loan and security agreement with Canadian Imperial Bank of Commerce ("CIBC") restricts us from incurring indebtedness without the prior written consent of the lender. Further, if we are unable to obtain additional capital when required, or are unable to obtain additional capital on satisfactory terms, our ability to continue to support our business growth or to respond to business opportunities, challenges, or unforeseen circumstances would be adversely affected.

Our operating activities may be restricted as a result of covenants related to the indebtedness under our existing loan and security agreement and/or future indebtedness, and we may be required to repay the outstanding indebtedness in an event of default, which would have an adverse effect on our business.

Our loan and security agreement with CIBC, as amended and restated in September 2021, includes a term loan of up to $75.0 million, which matures in September 2026, and a $25.0 million revolving line of credit, which matures in September 2024. The loan and security agreement subjects us, and any future indebtedness would likely subject us, to various customary covenants, including requirements as to financial reporting, insurance and certain liquidity thresholds and restrictions on our ability to dispose of our business or property, to change our line of business, to liquidate or dissolve, to enter into any change in control transaction, to merge or consolidate with any other entity or to acquire all or substantially all the capital stock or property of another entity, to incur additional indebtedness, to incur liens on our property, to pay any dividends or other distributions on capital stock other than dividends payable solely in capital

stock, to redeem capital stock, to engage in transactions with affiliates, to encumber our intellectual property and certain other restrictions on our activities. Our business may be adversely affected by these restrictions on our ability to operate our business.

Additionally, our ability to meet our debt obligations and other expenses will depend on our future performance, which will be affected by financial, business, economic, regulatory and other factors, many of which we are unable to control. We may be required to repay the outstanding indebtedness under the loan facility if an event of default occurs under the loan and security agreement. Under the loan and security agreement and a credit agreement with CIBC that provides for a $8.25 million amortizing term mortgage, an event of default will occur if, among other things, we fail to make payments under such agreements; we breach certain of our covenants under such agreements, subject to specified cure periods with respect to certain breaches; we or our assets become subject to certain legal proceedings, such as bankruptcy proceedings; we are unable to pay our debts as they become due; or we default on contracts with third parties which would permit CIBC to accelerate the maturity of such indebtedness or that could have a material adverse change on us. We may not have enough available cash or be able to raise additional funds through equity or debt financings to repay such indebtedness at the time any such event of default occurs. CIBC could also exercise its rights as collateral agent to take possession of, and to dispose of, the collateral securing the term loans, which collateral includes substantially all of our personal property (including intellectual property). Our business, financial condition and results of operations could be materially adversely affected as a result of any of these events. We may seek to enter into an extension of the loan and security agreement or enter into a new facility with another lender. We may not be able to extend the term or obtain other debt financing on terms that are favorable to us, if at all, and we could be subject to additional restrictions on our business operations. If we are unable to obtain adequate financing or financing on satisfactory terms when required, our ability to support our business growth and to respond to business challenges could be significantly impaired, and our business may be harmed.

A failure to establish and maintain an effective system of disclosure controls and internal control over financial reporting, could adversely affect our ability to produce timely and accurate financial statements or comply with applicable regulations.

The Sarbanes-Oxley Act requires, among other things, that we maintain effective disclosure controls and procedures and internal control over financial reporting. We are continuing to develop and refine our disclosure controls and other procedures that are designed to ensure that information required to be disclosed by us in the reports that we will file with the SEC is recorded, processed, summarized, and reported within the time periods specified in SEC rules and forms and that information required to be disclosed in reports under the Securities Exchange Act of 1934, as amended, or the Exchange Act, is accumulated and communicated to our principal executive and financial officers. We are also continuing to improve our internal control over financial reporting. For example, as we have prepared to become a public company, we have worked to improve the controls around our key accounting processes and our quarterly close process, and we have hired additional accounting and finance personnel to help us implement these processes and controls. In order to maintain and improve the effectiveness of our disclosure controls and procedures and internal control over financial reporting, we have expended, and anticipate that we will continue to expend, significant resources, including accounting-related costs and investments to strengthen our accounting systems. If any of these new or improved controls and systems do not perform as expected, we may experience material weaknesses in our controls. For fiscal 2019 and 2020, we identified a material weakness in our internal controls, that we had insufficient technical skills to address complex issues combined with insufficient accounting staff to implement the process and reviews necessary to ensure material misstatements did not occur. Our remediation efforts are still ongoing and there can be no assurance that we will not experience this or other material weaknesses in the future.

Our current controls and any new controls that we develop may become inadequate because of changes in conditions in our business. Further, weaknesses in our disclosure controls and internal control over financial reporting may be discovered in the future. Any failure to develop or maintain effective controls or any difficulties encountered in their implementation or improvement could harm our results of operations

or cause us to fail to meet our reporting obligations and may result in a restatement of our consolidated financial statements for prior periods. Any failure to implement and maintain effective internal control over financial reporting also could adversely affect the results of periodic management evaluations and annual independent registered public accounting firm attestation reports regarding the effectiveness of our internal control over financial reporting that we will eventually be required to include in our periodic reports that will be filed with the SEC. Ineffective disclosure controls and procedures and internal control over financial reporting could also cause investors to lose confidence in our reported financial and other information, which would likely have a negative effect on the trading price of our Class A common stock. In addition, if we are unable to continue to meet these requirements, we may not be able to remain listed on Nasdaq. We are not currently required to comply with the SEC rules that implement Section 404 of the Sarbanes-Oxley Act and are therefore not required to make a formal assessment of the effectiveness of our internal control over financial reporting for that purpose. As a public company, we are required to provide an annual management report on the effectiveness of our internal control over financial reporting commencing with our second annual report on Form 10-K.

Our independent registered public accounting firm is not required to formally attest to the effectiveness of our internal control over financial reporting until after we are no longer an "emerging growth company" as defined in the JOBS Act. At such time, our independent registered public accounting firm may issue a report that is adverse in the event it is not satisfied with the level at which our internal control over financial reporting is documented, designed, or operating. Any failure to maintain effective disclosure controls and internal control over financial reporting could harm our business, results of operations and financial condition and could cause a decline in the trading price of our Class A common stock.

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

The preparation of financial statements in conformity with GAAP requires management to make estimates and assumptions that affect the amounts reported in our consolidated financial statements. We base our estimates on historical experience and on various other assumptions that we believe to be reasonable under the circumstances, as provided in the section titled "Management's discussion and analysis of financial condition and results of operations." The results of these estimates form the basis for making judgments about the carrying values of assets, liabilities and equity, and the amount of revenue and expenses that are not readily apparent from other sources. Significant assumptions and estimates used in preparing our consolidated financial statements include those related to the useful lives and recoverability of long-lived assets, the fair value of common stock and stock-based compensation expense, as well as those used to allocate our employee and employee related expense, which consist of contractor costs, employee salary and wages, stock-based compensation and travel and other employee-related costs, to their appropriate financial statement line items due to our generalist model and organizational structure. Our results of operations may be adversely affected if our assumptions change or if actual circumstances differ from those in our assumptions, which could cause our results of operations to fall below the expectations of securities analysts and investors, resulting in a decline in the trading price of our Class A common stock.

Our business and financial performance may differ from any projections that we disclose or any information that may be attributed to us by third parties.

From time to time, we may provide guidance via public disclosures regarding our projected business or financial performance. However, any such projections involve risks, assumptions and uncertainties, and our actual results could differ materially from such projections. Factors that could cause or contribute to such differences include, but are not limited to, those identified in these Risk Factors, some or all of which are not predictable or within our control. Other unknown or unpredictable factors also could adversely impact our performance, and we undertake no obligation to update or revise any projections, whether as a result of new information, future events, or otherwise. In addition, various news sources, bloggers and other publishers often make statements regarding our historical or projected business or financial performance, and you should not rely on any such information even if it is attributed directly or indirectly to

us. Moreover, we may choose not to provide guidance regarding our projected business or financial performance, which may have an adverse impact on our stock price.

Our ability to use our net operating loss carryforwards and certain other tax attributes to offset taxable income or reduce our taxes may be limited.

As of December 31, 2020, we had accumulated $0.1 million and $3.7 million of federal and state net operating loss carryforwards, or NOLs, respectively, available to reduce future taxable income, portions of which will begin to expire in 2037 for federal and 2031 for state tax purposes. As of December 31, 2020, we also had federal and state research and development tax credit carryforwards of $0.2 million and $0.6 million, respectively. The federal tax credits will expire at various dates beginning in the year 2029, unless previously utilized. The state tax credits do not expire and will carry forward indefinitely until utilized. It is possible that we will not generate taxable income in time to use certain of our NOLs before their expiration, or at all. Net operating losses incurred in taxable years beginning after December 31, 2017 may be carried forward indefinitely, but the deductibility of such federal net operating losses in taxable years beginning after December 31, 2020 is limited to 80% of current year taxable income. Under Section 382 and Section 383 of the Internal Revenue Code of 1986, as amended, or the Code, if a corporation undergoes an "ownership change," the corporation's ability to use its pre-change NOLs and certain other tax attributes, including R&D tax credits, to offset its post-change income or taxes may be limited. In general, an "ownership change" occurs if there is a cumulative change in our ownership by "5-percent shareholders" that exceeds 50 percentage points over a rolling three-year period. Similar rules may apply under state tax laws. Our ability to use NOLs and other tax attributes to reduce future taxable income and liabilities may be subject to annual limitations as a result of prior ownership changes and ownership changes that may occur in the future, including as a result of this offering. In addition, for state income tax purposes, the extent to which states will conform to the federal laws is uncertain and there may be periods during which the use of net operating loss carryforwards is suspended or otherwise limited, which could accelerate or permanently increase state taxes owed. For example, California imposed limits on the usability of California state net operating losses and tax credits in tax years beginning after 2019 and before 2023.

Our international operations subject us to potentially adverse tax consequences.

We report our taxable income in various jurisdictions worldwide based upon our business operations in those jurisdictions. Our intercompany relationships are subject to complex transfer pricing regulations administered by taxing authorities in various jurisdictions. The relevant taxing authorities may disagree with our determinations as to the value of assets sold or acquired or income and expenses attributable to specific jurisdictions. If such a disagreement were to occur, and our position were not sustained, we could be required to pay additional taxes, interest and penalties, which could result in one-time tax charges, higher effective tax rates, reduced cash flows and lower overall profitability of our operations.

We could be required to collect additional sales, use, value-added and other indirect taxes, or be subject to other tax liabilities in various jurisdictions, which could adversely affect our results of operations.

The application of indirect taxes, such as sales and use, value-added tax, provincial, goods and services, business, digital services and gross receipts taxes, to businesses like ours is a complex and evolving issue. Significant judgment is required to evaluate applicable tax obligations and, as a result, amounts recorded are estimates and are subject to adjustments. In many cases, the ultimate tax determination is uncertain because it is not clear when and how new and existing statutes might apply to our business. If we are found to have not adequately addressed our tax obligations, our business could be adversely impacted.

The U.S. Supreme Court held in South Dakota v. Wayfair that a U.S. state may require an online retailer to collect sales taxes imposed by the state in which the buyer is located, even if the retailer has no physical presence in that state, thus permitting a wider enforcement of such sales tax collection requirements. If our calculation, collection and remittance of taxes in the jurisdictions in which we do

business were determined to be deficient, our business and results of operations could be adversely impacted. A successful assertion by a taxing authority that we should collect additional sales, use or other taxes or remit such taxes directly to states could result in substantial tax liabilities for past sales and additional administrative expenses, which could seriously harm our business.

Changes in our effective tax rate or tax liability may adversely affect our operating results.

Our effective tax rate could increase due to several factors, including:

- changes in the relative amounts of income before taxes in the various jurisdictions in which we operate due to differing statutory tax rates in various jurisdictions;
- changes in tax laws, tax treaties and regulations or the interpretation of them;
- changes to our assessment about our ability to realize our deferred tax assets that are based on estimates of our future results, the prudence and feasibility of possible tax planning strategies and the economic and political environments in which we do business;
- the outcome of future tax audits, examinations, or administrative appeals; and
- limitations or adverse findings regarding our ability to do business in some jurisdictions.

Any of these developments could adversely affect our operating results.

Risks relating to the multiple class structure of our common stock and the Voting Trust Agreement

The multiple class structure of our common stock and the ownership of all of our LT10 and LT50 common stock by Trust Beneficiaries through the Voting Trust have the effect of concentrating voting control with the Voting Trust for the foreseeable future, which will limit your ability to influence corporate matters, including a change in control. We are controlled by the Voting Trust, whose interests may differ from those of our public stockholders. Our amended and restated certificate of incorporation also delegates significant authority to an Executive Committee.

Each share of our LT10 and LT50 common stock is entitled to 10 and 50 votes per share, respectively, and each share of our Class A common stock, which is the stock offered in this offering, is entitled to one vote per share. Upon the completion of this offering, the Voting Trust is expected to hold approximately 7,332,640 and 6,224,160 shares of LT10 and LT50 common stock, respectively, representing approximately 82.6% of the economic interest and 16.8% of the voting power of outstanding capital stock following the completion of this offering. All decisions with respect to the voting (but not the disposition) of shares held in the Voting Trust from time to time will be made by the Trustees in their sole and absolute discretion, and with no responsibility under the Voting Trust Agreement as stockholder, trustee or otherwise, except for his or her own individual malfeasance. The Voting Trust and its Trustees will, for the foreseeable future, have significant influence over our corporate management and affairs, and will be able to control virtually all matters requiring stockholder approval. The Voting Trust is able to, subject to applicable law, elect all of the members of our board of directors and control actions to be taken by us and our board of directors, including amendments to our amended and restated certificate of incorporation and amended and restated bylaws, compensation matters and approval of significant corporate transactions, including mergers and sales of substantially all of our assets. The directors so elected will have the authority, subject to the terms of our indebtedness and applicable rules and regulations, to issue additional stock, implement stock repurchase programs, declare dividends and make other decisions. This concentrated control will limit your ability to influence corporate matters for the foreseeable future and may materially adversely affect the market price of our Class A common stock. It is possible that the interests of the Voting Trust may, in some circumstances, conflict with our interests and the interests of our other stockholders, including you. For example, the Voting Trust may have different tax positions or other differing incentives from other stockholders that could influence its decisions regarding whether and when to cause us to dispose of assets, incur new or refinance existing indebtedness, or take other

actions. Additionally, the Voting Trust and the holders of our LT10 and LT50 common stock may cause us to make strategic decisions or pursue acquisitions that could involve risks to you or may not be aligned with your interests.

Additionally, for as long as the Voting Trust holds securities representing at least 50% of the voting power of our outstanding capital stock, our amended and restated certificate of incorporation delegates to the Executive Committee all of the power and authority of the board of directors in the management of our business and affairs, provided that the Executive Committee will not have power or authority in reference to (i) matters that must be approved by the Audit Committee of the board, (ii) matters that must be approved by a committee qualified to grant equity to persons subject to Section 16 of the Exchange Act for purposes of exempting transactions pursuant to Section 16b-3 thereunder, (iii) matters required under Delaware law to be approved by the full board of directors, or (iv) as otherwise required by SEC rules and the rules of Nasdaq. The members of the Executive Committee are expected to be directors who may also be our employees, and the Executive Committee will initially consist of David Barrett, Ryan Schaffer, Anu Muralidharan, Jason Mills and Daniel Vidal. See "Management—Committees of our board of directors."

The concentrated control is also likely to have the effect of limiting the likelihood of an unsolicited merger proposal, unsolicited tender offer, or proxy contest for the removal of directors. As a result, our governance structure and the Voting Trust may have the effect of depriving our stockholders of an opportunity to sell their shares at a premium over prevailing market prices and make it more difficult to replace our directors and management.

Delaware law could also require holders of our LT10 and LT50 common stock to vote separately as a single class in the event we seek to amend our amended and restated certificate of incorporation to increase or decrease the par value of a class of our common stock or in a manner that alters or changes the powers, preferences or special rights of LT10 or LT50 common stock in a manner that affects its holders adversely. Future transfers by holders of LT10 and LT50 common stock may result in those shares converting on a one-for-one basis to Class A common stock, which will have the effect, over time, of increasing the relative voting power of those holders of LT10 and LT50 common stock who retain their shares.

We are a "controlled company" within the meaning of Nasdaq listing standards and, as a result, will qualify for, and intend to rely on, exemptions from certain corporate governance requirements. You will not have the same protections afforded to stockholders of companies that are subject to such requirements.

After this offering, the Voting Trust will control a majority of the voting power of our outstanding common stock. As a result, we will qualify as a "controlled company" within the meaning of the corporate governance standards of Nasdaq. Under these rules, a listed company of which more than 50% of the voting power is held by an individual, group or another company is a "controlled company" and may elect not to comply with certain corporate governance requirements, including the requirement that a majority of the board of directors consist of independent directors, the requirement that we have a nominating and corporate governance committee that is composed entirely of independent directors, and the requirement that we have a compensation committee that is composed entirely of independent directors.

Following this offering, we intend to rely on some or all of these exceptions. As a result, we will not have a majority of independent directors and we will not have a compensation and nominating and corporate governance committee. Accordingly, you will not have the same protections afforded to stockholders of companies that are subject to all of the corporate governance requirements of Nasdaq .

The multiple class structure of our common stock features certain provisions that are novel or uncommon among other corporations with multiple class structures.

A number of provisions relating to the multiple class structure of our common stock are novel or uncommon among other corporations with multiple class structures. For example, whenever a holder of

LT10 or LT50 common stock desires to transfer or convert shares of his or her LT10 or LT50 common stock, our amended and restated certificate of incorporation and the Voting Trust Agreement contain certain provisions that require, subject to certain exceptions, the trustees of the Voting Trust to attempt to find a holder of shares of Class A common stock to exchange such shares for such shares of LT10 or LT50 common stock, and such shares of LT10 or LT50 common stock will only convert into shares of Class A common stock if no such Class A stockholder is identified. As a result, shares of our LT10 and LT50 common stock may convert into shares of Class A common stock at a slower rate.

We cannot predict the impact our capital structure, governance structure, and the concentrated control by the Voting Trust may have on our stock price or business.

We cannot predict whether our multiple share class capital structure, combined with the concentrated control by the Voting Trust and other aspects of our governance structure, will result in a lower trading price or greater fluctuations in the trading price of our Class A common stock, or will result in adverse publicity or other adverse consequences. The holding of low-voting stock, such as our Class A common stock, may not be permitted by the investment policies of certain institutional investors or may be less attractive to the portfolio managers of certain institutional investors. For example, in July 2017, FTSE Russell, a provider of widely followed stock indexes, stated that it plans to require new constituents of its indexes to have at least five percent of their voting rights in the hands of public stockholders. In addition, in July 2017, S&P Dow Jones, another provider of widely followed stock indexes, stated that companies with multiple share classes will not be eligible for certain of their indexes. As a result, our Class A common stock will likely not be eligible for these stock indexes. We cannot assure you that other stock indexes will not take a similar approach to FTSE Russell or S&P Dow Jones in the future. Exclusion from indexes could make our Class A common stock less attractive to investors and, as a result, the market price of our Class A common stock could be adversely affected.

Risks related to this offering and ownership of our Class A common stock

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

Prior to this offering, there has been no public market for our Class A common stock. Although we have applied to have our Class A common stock listed on Nasdaq, an active trading market may not develop following the completion of this offering or, if developed, may not be sustained. The lack of an active market may impair your ability to sell your shares at the time you wish to sell them or at a price that you consider reasonable. The lack of an active market may also reduce the fair market value of your shares. An inactive market may also impair our ability to raise capital to continue to fund operations by selling shares and may impair our ability to acquire other companies or technologies by using our shares as consideration. The initial public offering price was determined by negotiations between us and the underwriters and may not be indicative of the future prices of our Class A common stock.

Further, we currently anticipate that up to 2% of the shares of Class A common stock offered hereby will, at our request, be offered to retail investors through Robinhood Financial, LLC, as a selling group member, via its online brokerage platform. There may be risks associated with the use of the Robinhood platform that we cannot foresee, including risks related to the technology and operation of the platform, and the publicity and the use of social media by users of the platform that we cannot control.

Our share price may be volatile, and you may be unable to sell your shares at or above the offering price.

The market price of our Class A common stock is likely to be volatile and could be subject to wide fluctuations in response to the risk factors described in this prospectus, and others beyond our control, including:

- the impact of the COVID-19 pandemic and the end of the COVID-19 pandemic;
- actual or anticipated fluctuations in our results of operations;

- our actual or anticipated operating performance and the operating performance of our competitors;
- changes in the financial projections we provide to the public or our failure to meet these projections;
- failure of securities analysts to initiate or maintain coverage of us, changes in financial estimates by any securities analysts who follow our company, or our failure to meet the estimates or the expectations of investors;
- any major change in our board of directors, management, or key personnel;
- price and volume fluctuations in the overall stock market, including as a result of trends in the economy as a whole;
- the economy as a whole in the United States and internationally, and market conditions in our industry;
- rumors and market speculation involving us or other companies in our industry;
- announcements by us or our competitors of significant innovations, new products, services, features, integrations, or capabilities, acquisitions, strategic investments, partnerships, joint ventures, or capital commitments;
- the legal and regulatory landscape and changes in the application of existing laws or adoption of new laws that impact our business;
- legal and regulatory claims, litigation, or pre-litigation disputes and other proceedings;
- changes in our capital structure;
- other events or factors, including those resulting from war, incidents of terrorism, or responses to these events; and
- sales or expected sales of our Class A common stock by us, our officers, directors, principal stockholders and employees.

If the market price of our Class A common stock after this offering does not exceed the initial public offering price, you will not realize any return on your investment in us and will lose some or all of your investment. Stock prices of many companies, including technology companies, have fluctuated in a manner often unrelated to the operating performance of those companies. These fluctuations may be even more pronounced in the trading market for our Class A common stock shortly following the listing of our Class A common stock on Nasdaq as a result of the supply and demand forces described above. In the past, stockholders have instituted securities class action litigation following periods of stock 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 adversely affect our business, results of operations and financial condition.

Future sales of our Class A common stock in the public market could cause our share price to fall.

Sales of a substantial number of shares of our Class A common stock in the public market after this offering, or the perception that these sales might occur in large quantities, could cause the market price of our Class A common stock to decline and could impair our ability to raise capital through the sale of additional equity securities. Upon the completion of this offering, we will have 67,347,706 shares of Class A common stock outstanding, approximately 7,332,640 shares of LT10 common stock outstanding and approximately 6,224,160 shares of LT50 common stock outstanding.

All of our directors and officers and the holders of substantially all of our capital stock and securities convertible into our capital stock are subject to lock-up agreements that restrict their ability to transfer shares of our capital stock for 180 days from the date of this prospectus, subject to earlier termination as described under "Shares eligible for future sale—Lock-up agreements and other transfer restrictions."

These lock-up agreements limit the number of shares of capital stock that may be sold immediately following this offering. Subject to certain limitations, approximately 64,739,010 shares of Class A common stock will become eligible for sale upon expiration of the 180-day lock-up period, or earlier, subject to earlier termination as described above. J.P. Morgan Securities LLC may, in their sole discretion, permit our stockholders who are subject to these lock-up agreements to sell shares prior to the expiration of the lock-up agreements. Our amended and restated certificate of incorporation imposes additional transfer restrictions on shares of our LT10 and LT50 common stock, as described under "Description of capital stock."

All of the Class A common stock sold in this offering will be freely tradable without restrictions or further registration under the Securities Act of 1933, as amended, or the Securities Act, except for any shares held by our affiliates as defined in Rule 144 under the Securities Act ("Rule 144").

In addition, there were 8,565,230 shares of Class A common stock issuable upon the exercise of options outstanding as of June 30, 2021. We intend to register all of the shares of Class A common stock issuable upon exercise of outstanding options, RSUs or other equity incentives we may grant in the future, for public resale under the Securities Act. The shares of Class A common stock will become eligible for sale in the public market to the extent such options, RSUs or other equity awards are exercised, subject to the lock-up agreements described above and compliance with applicable securities laws.

We may issue our shares of common stock or securities convertible into our common stock from time to time in connection with financings, acquisitions, investments, or otherwise. Any such issuance could result in substantial dilution to our existing stockholders and cause the trading price of our Class A common stock to decline.

Increases in interest rates may cause the market price of our Class A common stock to decline.

Interest rates are at or near record lows. Increases in interest rates may cause a corresponding decline in demand for equity investments. Any such increase in interest rates or reduction in demand for our Class A common stock resulting from other relatively more attractive investment opportunities may cause the market price of our Class A common stock to decline.

Our management has broad discretion in the use of the net proceeds received by us from this offering and may not use the net proceeds effectively.

Our management will have broad discretion in the application of the net proceeds received by the Company in connection with this offering, which may include working capital, operating expenses and capital expenditures. We cannot specify with certainty the uses to which we will apply these net proceeds. The failure by our management to apply these funds effectively could adversely affect our ability to pursue our growth strategies and expand our business.

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

We have never declared or paid any cash dividends on our capital stock, and we do not intend to pay any cash dividends in the foreseeable future. Our current indebtedness, including our loan and security agreement with CIBC, contains, and our future indebtedness may contain, restrictions on our ability to pay cash dividends on our capital stock. Any determination to pay dividends in the future will be at the discretion of our Executive Committee, for as long as the Voting Trust controls a majority of the voting power of our outstanding common stock, and at the discretion of our board of directors thereafter. Accordingly, investors in our Class A common stock must rely on sales of their Class A common stock after price appreciation, which may never occur, as the only way to realize any future gains on their investments.

If you purchase shares of our Class A common stock in this offering, you will incur immediate and substantial dilution.

The offering price of our Class A common stock is substantially higher than the net tangible book value per share of our Class A common stock, which was $0.66 per share of our Class A common stock as of June 30, 2021. As a result, you will incur immediate and substantial dilution in net tangible book value when you buy our Class A common stock in this offering. This means that you will pay a higher price per share than the amount of our total tangible assets, less our total liabilities, divided by the number of shares of all of our common stock outstanding. In addition, you may also experience additional dilution if options or other rights to purchase our common stock that are outstanding or that we may issue in the future are exercised or converted or we issue additional shares of our common stock at prices lower than our net tangible book value at such time. See “Dilution.”

Future sales and issuances of our Class A common stock or rights to purchase our Class A common stock, including pursuant to our equity incentive plans, or other equity securities or securities convertible into our Class A common stock, could result in additional dilution of the percentage ownership of our stockholders and could cause the stock price of our Class A common stock to decline.

We may issue additional securities following the completion of this offering. In the future, we may sell Class A common stock, convertible securities, or other equity securities, including preferred securities, in one or more transactions at prices and in a manner we determine from time to time. We also expect to issue Class A common stock to employees, consultants and directors pursuant to our equity incentive plans. If we sell Class A common stock, convertible securities, or other equity securities in subsequent transactions, or Class A common stock or LT10 or LT50 common stock is issued pursuant to equity incentive plans, investors may be materially diluted. New investors in subsequent transactions could gain rights, preferences and privileges senior to those of holders of our Class A common stock.

Anti-takeover provisions contained in our amended and restated certificate of incorporation and amended and restated bylaws, as well as provisions of Delaware law, could impair a takeover attempt and could also reduce the market price of our Class A common stock.

Our amended and restated certificate of incorporation and amended and restated bylaws, which will become effective immediately prior to the completion of this offering, contain and Delaware law contains provisions which could have the effect of rendering more difficult, delaying or preventing an acquisition deemed undesirable by our board of directors. Our corporate governance documents include provisions:

- authorizing blank check preferred stock, which could be issued with voting, liquidation, dividend and other rights superior to our common stock;
- eliminating the ability of our stockholders to take action by consent in lieu of a meeting following the date on which the Voting Trust holds less than a majority of the voting power of our outstanding capital stock;
- requiring advance notice of stockholder proposals for business to be conducted at meetings of our stockholders and for nominations of candidates for election to our board of directors;
- providing to our board of directors the exclusive right to determine the size of the board, and providing that any vacancies or newly created seats on the board may only be filled by the board of directors, unless the board determines that such vacancies be filled by the stockholders;
- maintaining our current multi-class structure; and
- limiting the liability of, and providing indemnification to, our directors and officers.

These provisions, alone or together, could delay or prevent hostile takeovers and changes in control or changes in our management.

As a Delaware corporation, we are also subject to provisions of Delaware law, including Section 203 of the General Corporation Law of the State of Delaware (the “Delaware General Corporation Law”), which prevents some stockholders holding more than 15% of our outstanding common stock from engaging in certain business combinations without approval of the holders of substantially all of our outstanding common stock.

Any provision of our amended and restated certificate of incorporation, amended and restated bylaws or Delaware law that has the effect of delaying or deterring a change in control could limit the opportunity for our stockholders to receive a premium for their shares of our common stock, and could also affect the price that some investors are willing to pay for our Class A common stock. For more information, see the section titled "Description of capital stock—Anti-takeover provisions."

Claims for indemnification by our directors and officers may reduce our available funds to satisfy successful third-party claims against us and may reduce the amount of money available to us.

Our amended and restated bylaws, which will become effective immediately prior to the effectiveness of the registration statement on Form S-1, of which this prospectus is a part, provide that we will indemnify our directors and officers, in each case to the fullest extent permitted by Delaware law.

In addition, as permitted by Section 145 of the Delaware General Corporation Law, our amended and restated bylaws to be effective immediately prior to the completion of this offering and our indemnification agreements that we have entered or intend to enter into with our directors and officers provide that:

- we will indemnify our directors and officers for serving us in those capacities or for serving other business enterprises at our request, to the fullest extent permitted by Delaware law. Delaware law provides that a corporation may indemnify such person if such person acted in good faith and in a manner such person reasonably believed to be in or not opposed to the best interests of the registrant and, with respect to any criminal proceeding, had no reasonable cause to believe such person’s conduct was unlawful;
- we may, in our discretion, indemnify employees and agents in those circumstances where indemnification is permitted by applicable law;
- we are required to advance expenses, as incurred, to our directors and officers in connection with defending a proceeding, except that such directors or officers shall undertake to repay such advances if it is ultimately determined that such person is not entitled to indemnification;
- the rights conferred in our amended and restated bylaws are not exclusive, and we are authorized to enter into indemnification agreements with our directors, officers, employees and agents and to obtain insurance to indemnify such persons; and
- we may not retroactively amend our amended and restated bylaw provisions to reduce our indemnification obligations to directors, officers, employees and agents.

While we have procured directors’ and officers’ liability insurance policies, such insurance policies may not be available to us in the future at a reasonable rate, may not cover all potential claims for indemnification, and may not be adequate to indemnify us for all liability that may be imposed.

Our amended and restated certificate of incorporation will provide for an exclusive forum in the Court of Chancery of the State of Delaware for certain disputes between us and our stockholders, and that 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 under the Securities Act, which could limit our stockholders’ ability to obtain a favorable judicial forum for disputes with us or our directors, officers, or employees.

Our amended and restated certificate of incorporation will provide that, unless we consent in writing to the selection of an alternative forum, the Court of Chancery of the State of Delaware (or, if such court does not have subject matter jurisdiction thereof, the federal district court of the State of Delaware) is the

exclusive forum for any derivative action or proceeding brought on our behalf, any action asserting a breach of fiduciary duty owed by any of our current or former directors, officers, other employees, agents or stockholders to us or our stockholders, any action asserting a claim arising pursuant to any provision of the Delaware General Corporation Law, our amended and restated certificate of incorporation or our amended and restated bylaws (as either may be amended or restated) or as to which the Delaware General Corporation Law confers jurisdiction on the Court of Chancery of the State of Delaware, or any action asserting a claim against us that is governed by the internal affairs doctrine of the State of Delaware; provided that the exclusive forum provision will not apply to suits brought to enforce any liability or duty created by the Exchange Act to the extent that the Exchange Act confers exclusive federal jurisdiction over such claims, subject to applicable law. Our amended and restated certificate of incorporation will also provide that 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 against us or any of our directors, officers, or employees arising under the Securities Act.

We believe these provisions may benefit us by providing increased consistency in the application of Delaware law and federal securities laws by chancellors and judges, as applicable, particularly experienced in resolving corporate disputes, efficient administration of cases on a more expedited schedule relative to other forums and protection against the burdens of multi-forum litigation. This choice of forum provision may limit a stockholder's ability to bring a claim in a judicial forum that it finds favorable for disputes with us or any of our directors, officers, other employees or stockholders, which may discourage lawsuits with respect to such claims. If a court were to find the choice of forum provision that will be contained in our amended and restated certificate of incorporation to be inapplicable or unenforceable in an action, we may incur additional costs associated with resolving such action in other jurisdictions, which could materially adversely affect our business, results of operations and financial condition.

General risk factors

Our reported financial results may be adversely affected by changes in accounting principles generally accepted in the United States.

Generally accepted accounting principles in the United States are subject to interpretation by the Financial Accounting Standards Board ("FASB"), the American Institute of Certified Public Accountants, the Securities and Exchange Commission ("SEC") and various bodies formed to promulgate and interpret appropriate accounting principles. A change in these principles or interpretations could have a significant effect on our reported financial results, and could affect the reporting of transactions completed before the announcement of a change.

We are an emerging growth company under the JOBS Act, and we are permitted to rely on exemptions from certain disclosure requirements. We cannot be certain if the reduced disclosure requirements applicable to emerging growth companies will make our Class A common stock less attractive to investors.

We are an "emerging growth company" as defined in the JOBS Act. For as long as we continue to be an emerging growth company, which could be as long as five years following the completion of our listing on Nasdaq, we may choose to take advantage of certain exemptions from various reporting requirements applicable to other public companies that are not emerging growth companies, including not being required to comply with the auditor attestation requirements of Section 404 of the Sarbanes-Oxley Act, reduced disclosure obligations regarding executive compensation in our periodic reports and proxy statements, exemptions from the requirements of holding a nonbinding advisory vote on executive compensation and stockholder approval of any golden parachute payments not previously approved, and extended transition periods for complying with new or revised accounting standards. We cannot predict if investors will find our Class A common stock less attractive because we may rely on these exemptions. If some investors find our Class A common stock less attractive as a result, there may be a less active trading market for our Class A common stock and the trading price of our Class A common stock may be more volatile.

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

As a public company, we are subject to the reporting requirements of the Exchange Act, the listing standards of Nasdaq and other applicable securities rules and regulations. We expect that the requirements of these rules and regulations will continue to increase our legal, accounting and financial compliance costs, make some activities more difficult, time-consuming, and costly, and place significant strain on our personnel, systems and resources. Furthermore, several members of our management team do not have prior experience in running a public company. For example, the Exchange Act requires, among other things, that we file annual, quarterly and current reports with respect to our business and results of operations. As a result of the complexity involved in complying with the rules and regulations applicable to public companies, our management's attention may be diverted from other business concerns, which could harm our business, results of operations and financial condition. Although we have already hired additional employees to assist us in complying with these requirements, we may need to hire more employees in the future or engage outside consultants, which will increase our operating expenses. In addition, changing laws, regulations and standards relating to corporate governance and public disclosure are creating uncertainty for public companies, increasing legal and financial compliance costs and making some activities more time-consuming. These laws, regulations and standards are subject to varying interpretations, in many cases due to their lack of specificity, and, as a result, their application in practice may evolve over time as new guidance is provided by regulatory and governing bodies. This could result in continuing uncertainty regarding compliance matters and higher costs necessitated by ongoing revisions to disclosure and governance practices. We intend to invest substantial resources to comply with evolving laws, regulations and standards, and this investment may result in increased general and administrative expenses and a diversion of management's time and attention from business operations to compliance activities. If our efforts to comply with new laws, regulations and standards differ from the activities intended by regulatory or governing bodies due to ambiguities related to their application and practice, regulatory authorities may initiate legal proceedings against us and our business may be harmed. We also expect that being a public company that is subject to these new rules and regulations will make it more expensive for us to obtain director and officer liability insurance, and we may be required to accept reduced coverage or incur substantially higher costs to obtain coverage. These factors could also make it more difficult for us to attract and retain qualified members of our board of directors, particularly members who can serve on our audit committee, and qualified executive officers. As a result of the disclosure obligations required of a public company, our business and financial condition will become more visible, which may result in an increased risk of threatened or actual litigation, including by competitors and other third parties. If such claims are successful, our business, results of operations and financial condition would be harmed, and even if the claims do not result in litigation or are resolved in our favor, these claims, and the time and resources necessary to resolve them, would divert the resources of our management and harm our business, results of operations and financial condition.

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

The trading market for our Class A common stock will be influenced by the research and reports that industry or securities analysts publish about us or our business. If one or more of these analysts ceases coverage of our company or fails to publish reports on us regularly, we could lose visibility in the financial markets, which in turn could cause our stock price or trading volume to decline. Moreover, if our operating results do not meet the expectations of the investor community, one or more of the analysts who cover our company may change their recommendations regarding our company, and our stock price could decline.

Cautionary note regarding forward-looking statements

This prospectus contains forward-looking statements about us and our industry that involve substantial risks and uncertainties. All statements other than statements of historical facts contained in this prospectus, including statements regarding our strategy, future financial condition, future operations, projected costs, prospects, plans, objectives of management and expected market growth, are forward-looking statements. In some cases, you can identify forward-looking statements because they contain words such as “may,” “will,” “shall,” “should,” “expects,” “plans,” “anticipates,” “could,” “intends,” “target,” “projects,” “contemplates,” “believes,” “estimates,” “predicts,” “potential,” “goal,” “objective,” “seeks,” or “continue” or the negative of these words or other similar terms or expressions that concern our expectations, strategy, plans, or intentions. Forward-looking statements contained in this prospectus include, but are not limited to, statements about:

- the effects of the COVID-19 pandemic and the end of the COVID-19 pandemic on our business, results of operations and financial condition, and the global economy generally;
- our expectations regarding our financial performance and future operating performance;
- our ability to attract and retain members, expand usage of our platform, sell subscriptions to our platform and convert individuals and organizations into paying customers;
- the timing and success of new features, integrations, capabilities and enhancements by us, or by competitors to their products, or any other changes in the competitive landscape of our market;
- the amount and timing of operating expenses and capital expenditures that we may incur to maintain and expand our business and operations to remain competitive;
- the sufficiency of our cash, cash equivalents and investments to meet our liquidity needs;
- our ability to make required payments under and to comply with the various requirements of our current and future indebtedness;
- our ability to effectively manage our exposure to fluctuations in foreign currency exchange rates;
- the increased expenses associated with being a public company;
- the size of our addressable markets, market share and market trends;
- anticipated trends, developments and challenges in our industry, business and the highly competitive markets in which we operate;
- our expectations regarding our income tax liabilities and the adequacy of our reserves;
- our ability to effectively manage our growth and expand our infrastructure and maintain our corporate culture;
- our ability to identify, recruit and retain skilled personnel, including key members of senior management;
- the safety, affordability and convenience of our platform and our offerings;
- our ability to successfully defend litigation brought against us;
- our ability to successfully identify, manage and integrate any existing and potential acquisitions of businesses, talent, technologies or intellectual property;
- general economic conditions in either domestic or international markets, including the societal and economic impact of the COVID-19 pandemic, and geopolitical uncertainty and instability;

- our protections against security breaches, technical difficulties, or interruptions to our platform;
- our ability to maintain, protect and enhance our intellectual property; and
- our intended use of the net proceeds from this offering.

We caution you that the foregoing list does not contain all of the forward-looking statements made in this prospectus.

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

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

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

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

Market and industry data

This prospectus contains estimates, projections, and other information concerning our industry and our business, as well as data regarding market research, estimates, and forecasts prepared by our management. Information that is based on estimates, forecasts, projections, market research, or similar methodologies is inherently subject to uncertainties, and actual events or circumstances may differ materially from events and circumstances that are assumed in this information. The industry in which we operate is subject to a high degree of uncertainty and risk due to a variety of factors, including those described in the section titled “Risk factors.” Unless otherwise expressly stated, we obtained this industry, business, market and other data from reports, research surveys, studies and similar data prepared by market research firms and other third parties, industry and general publications, government data and similar sources. In some cases, we do not expressly refer to the sources from which this data is derived. In that regard, when we refer to one or more sources of this type of data in any paragraph, you should assume that other data of this type appearing in the same paragraph is derived from sources which we paid for, sponsored, or conducted, unless otherwise expressly stated or the context otherwise requires. While we have compiled, extracted and reproduced industry data from these sources, we have not independently verified the data. Forecasts and other forward-looking information with respect to industry, business, market and other data are subject to the same qualifications and additional uncertainties regarding the other forward-looking statements in this prospectus. See “Special note regarding forward-looking statements.”

Use of proceeds

We estimate that the net proceeds to us from this offering will be approximately $52.0 million, based upon an assumed initial public offering price of $24.00 per share, which is the midpoint of the price range set forth on the cover page of this prospectus, and after deducting underwriting discounts and commissions and estimated offering expenses payable by us. We will not receive proceeds from the sale of Class A common stock sold by the selling stockholders in this offering.

Each $1.00 increase or decrease in the assumed initial public offering price per share of $24.00, which is the midpoint of the price range set forth on the cover page of this prospectus, would increase or decrease, as applicable, the net proceeds to us from this offering by approximately $2.4 million, assuming the number of shares of Class A common stock offered by us, as set forth on the cover page of this prospectus, remains the same and after deducting underwriting discounts and commissions and estimated offering expenses payable by us. Similarly, each 1.0 million share increase or decrease, as applicable, in the number of shares of Class A common stock offered by us in this offering would increase or decrease the net proceeds to us from this offering by approximately $22.3 million, assuming that the initial public offering price per share remains at $24.00, which is the midpoint of the price range set forth on the cover page of this prospectus, and after deducting underwriting discounts and commissions and estimated offering expenses payable by us.

The principal purposes of this offering are to increase our capitalization and financial flexibility and to create a public market for our common stock.

We currently intend to use the net proceeds from this offering for general corporate purposes, including working capital, operating expenses and capital expenditures.

We also intend on using a portion of the net proceeds we receive from this offering to pay discretionary cash bonuses to our employees during the fourth quarter of the year ended December 31, 2021, in an amount currently estimated to range from $27.5 million to $32.2 million (as described under "Management's discussion and analysis of financial condition and results of operations—Critical accounting policies and estimates—Cash bonuses").

The expected use of net proceeds from this offering represents our intentions based upon our present plans and business conditions. We cannot predict with certainty all of the particular uses for the proceeds of this offering or the amounts that we will actually spend on the uses set forth above. Accordingly, our management will have broad discretion in applying the net proceeds of this offering. The timing and amount of our actual expenditures will be based on many factors, including cash flows from operations and the anticipated growth of our business.

Pending their use, we intend to invest the net proceeds of this offering in a variety of capital-preservation investments, including short- and intermediate-term investments, interest-bearing investments, investment-grade securities, government securities and money market funds.

Capitalization

The following table sets forth our cash and cash equivalents and capitalization as of June 30, 2021:

- on an actual basis;
- on a pro forma basis, giving effect to (i) the automatic conversion of all outstanding shares of our convertible preferred stock into an aggregate of 42,031,390 shares of our Class A common stock immediately prior to the completion of this offering; (ii) the reclassification of all outstanding shares of our common stock into an equivalent number of shares of Class A common stock, which will occur in connection with the filing and effectiveness of an amendment to our current amended and restated certificate of incorporation immediately prior to the effectiveness of the registration statement on Form S-1, of which this prospectus is a part; (iii) the completion of the Exchange Offer, pursuant to which an aggregate of 13,556,800 shares of our Class A common stock will be exchanged for 7,332,640 and 6,224,160 newly issued shares of our LT10 and LT50 common stock, respectively; (iv) the exercise of 1,483,900 outstanding stock options pursuant to the Option Exercise, which will occur prior to the completion of the Exchange Offer; and (v) the filing and effectiveness of our amended and restated certificate of incorporation immediately prior to the completion of this offering; and
- on a pro forma as adjusted basis, giving effect to (i) the pro forma adjustments described above, (ii) the issuance and sale by us of 2,608,696 shares of Class A common stock in this offering at an assumed initial public offering price of $24.00 per share, which is the midpoint of the price range set forth on the cover page of this prospectus, after deducting the underwriting discounts and commissions and estimated offering expenses payable by us, and (iii) the use of approximately $29.9 million of net proceeds, which is the midpoint of the estimated range set forth under "Use of proceeds", to pay discretionary cash bonuses to our employees during the fourth quarter of the year ended December 31, 2021.

You should read this information in conjunction with our audited consolidated financial statements and the related notes included elsewhere in this prospectus and the “Management’s discussion and analysis of financial condition and results of operations” section and other financial information contained in this prospectus.

	As of June 30, 2021		
	Actual	Pro forma	Pro forma as adjusted[1]
(in thousands, except share and per share data)			
Cash and cash equivalents	$ 45,429	$ 46,701	$ 68,869
Long-term debt	$ 29,102	$ 29,102	$ 29,102
Convertible preferred stock, $0.0001 par value; 4,203,139 shares authorized, 4,203,139 shares issued and outstanding, actual; no shares authorized, issued, and outstanding, pro forma and pro forma as adjusted	45,105	—	—
Stockholders’ equity (deficit):			
Preferred stock, $0.0001 par value; no shares authorized, issued and outstanding, actual; 10,000,000 shares authorized, no shares issued and outstanding, pro forma and pro forma as adjusted	—	—	—
Common stock, $0.0001 par value; 95,000,000 shares authorized, 34,780,520 shares issued and outstanding, actual; no shares authorized, issued, and outstanding, pro forma and pro forma as adjusted	—	—	—

Class A common stock, $0.0001 par value; no shares authorized, issued and outstanding, actual; 1,000,000,000 shares authorized, 64,739,010 shares issued and outstanding, pro forma; 1,000,000,000 shares authorized, 67,347,706 shares issued and outstanding, pro forma as adjusted	—	—	—
LT10 common stock, $0.0001 par value; no shares authorized, issued and outstanding, actual; 25,000,000 shares authorized, 7,332,640 shares issued and outstanding, pro forma and pro forma as adjusted	—	—	—
LT50 common stock, $0.0001 par value; no shares authorized, issued and outstanding, actual; 25,000,000 shares authorized, 6,224,160 shares issued and outstanding, pro forma and pro forma as adjusted	—	—	—
Additional paid-in capital	25,641	72,018	94,186
Subscriptions receivable	(1,760)	(1,760)	(1,760)
Accumulated deficit	(37,674)	(37,674)	(37,674)
Total stockholders' equity (deficit)	(13,793)	32,584	54,752
Total capitalization	$ 60,414	$ 61,686	$ 83,854

(1) Each $1.00 increase or decrease in the assumed initial public offering price per share of $24.00, which is the midpoint of the price range set forth on the cover page of this prospectus, would increase or decrease, as applicable, each of cash and cash equivalents, additional paid-in capital, total stockholders' equity (deficit) and total capitalization on a pro forma as adjusted basis by approximately $2.4 million, assuming the number of shares offered, as set forth on the cover page of this prospectus, remains the same and after deducting underwriting discounts and commissions and estimated offering expenses payable by us. Similarly, each 1.0 million share increase or decrease in the number of shares offered by us in this offering would increase or decrease, as applicable, each of cash and cash equivalents, additional paid-in capital, total stockholders' equity (deficit) and total capitalization on a pro forma as adjusted basis by approximately $22.3 million, assuming that the initial public offering price per share remains at $24.00, which is the midpoint of the price range set forth on the cover page of this prospectus, and after deducting underwriting discounts and commissions and estimated offering expenses payable by us.

The number of shares of our common stock issued and outstanding, pro forma and pro forma as adjusted in the table above, is based on 76,811,910 shares of Class A Common Stock (including all shares of our convertible preferred stock on an as-converted basis) outstanding as of June 30, 2021, and excludes:

- warrants to purchase 300,000 shares of our common stock at $0.07 per share and 130,080 shares of our common stock at $0.53 per share, all of which will automatically convert into warrants to purchase an aggregate of 430,080 shares of Class A common stock upon the reclassification of all outstanding shares of our common stock into an equivalent number of shares of our Class A common stock;
- 2,662,470 shares of common stock issuable upon exercise of outstanding stock options as of June 30, 2021 granted under our 2009 Plan, with a weighted-average exercise price of $0.27 per share;
- 5,902,760 shares of common stock issuable upon exercise of outstanding stock options as of June 30, 2021 granted under our 2019 Plan, with a weighted-average exercise price of $1.71 per share;
- 223,400 shares of common stock issuable upon exercise of outstanding stock options granted subsequent to June 30, 2021 under our 2019 Plan, with a weighted-average exercise price of $12.97 per share;
- 11,676,932 shares of Class A common stock reserved for future issuance under our 2021 Incentive Award Plan and 2021 Non-Qualified Employee Stock Purchase and Matching Plan; and
- 4,339,690 and 4,339,690 shares of Class A and LT50 common stock, respectively, issuable upon the vesting of RSUs granted by our board of directors subsequent to June 30, 2021 under our 2019 Plan which will be effective immediately prior to the effectiveness of the registration on Form S-1, of which this prospectus is a part.

Dividend policy

We currently intend to retain all available funds and any future earnings to fund the development and growth of our business, and therefore we do not anticipate declaring or paying any cash dividends on any class of our common stock in the foreseeable future. Any future determination as to the declaration and payment of dividends, if any, will be at the discretion of our board of directors (or duly authorized committee thereof, including our Executive Committee), subject to compliance with contractual restrictions and covenants in the agreements governing our current and future indebtedness, including our loan and security agreement with Canadian Imperial Bank of Commerce. Any such determination will also depend upon our business prospects, results of operations, financial condition, cash requirements and availability, and other factors that our Executive Committee or our board of directors may deem relevant. The holders of our Class A, LT10 and LT50 common stock are entitled to receive dividends if, as and when declared from time to time by our board of directors out of legally available funds.

Accordingly, you may need to sell your shares of our Class A common stock to realize a return on your investment, and you may not be able to sell your shares at or above the price you paid for them. See “Risk factors—Risks relating to the multiple class structure of our common stock and the Voting Trust Agreement — We do not intend to pay dividends for the foreseeable future.”

Dilution

If you invest in our Class A common stock in this offering, your ownership interest will be immediately diluted to the extent of the difference between the initial public offering price per share of Class A common stock and the pro forma as adjusted net tangible book value per share of our Class A, LT10 and LT50 common stock immediately after this offering.

Our historical net tangible book value as of June 30, 2021 was $22.8 million, or $0.66 per share. Net tangible book value per share is determined by dividing our total tangible assets less our total liabilities by the number of shares of common stock outstanding.

Our pro forma net tangible book value as of June 30, 2021 was $24.1 million, or $0.37 per share. Pro forma net tangible book value per share is determined by subtracting our total liabilities from the total book value of our tangible assets and dividing the difference by the number of shares of common stock deemed to be outstanding, after giving effect to (i) the automatic conversion of all outstanding shares of our preferred stock into shares of Class A common stock immediately prior to the completion of this offering, and (ii) the reclassification of all outstanding shares of our common stock into an equivalent number of shares of our Class A common stock immediately followed by the completion of the Exchange Offer, which will occur immediately prior to the effectiveness of the registration statement on Form S-1, of which this prospectus is a part.

Our pro forma as adjusted net tangible book value as of June 30, 2021, after giving effect to this offering would have been $46.3 million, or $0.69 per share of common stock. This amount represents an immediate increase in pro forma as adjusted net tangible book value of $0.32 per share to our existing stockholders and an immediate dilution in pro forma as adjusted net tangible book value of $23.31 per share to new investors purchasing shares of Class A common stock in this offering. We determine dilution by subtracting the pro forma as adjusted net tangible book value per share after this offering from the amount of cash that a new investor paid for a share of common stock. The following table illustrates this dilution:

Assumed initial public offering price per share of Class A common stock		$ 24.00
Historical net tangible book value per share as of June 30, 2021	$ 0.66	
Decrease per share attributable to the pro forma adjustments described above	0.29	
Pro forma net tangible book value per share of June 30, 2021	0.37	
Increase in pro forma net tangible book value per share attributable to investors purchasing shares of Class A common stock in this offering	0.32	
Pro forma as adjusted net tangible book value per share		$ 0.69
Dilution per share to new investors participating in this offering		$ 23.31

A $1.00 increase or decrease in the assumed initial public offering price of $24.00 per share, which is the midpoint of the price range listed on the cover page of this prospectus, would increase, as applicable, the pro forma as adjusted net tangible book value per share after this offering by approximately $0.04, and dilution in pro forma as adjusted net tangible book value per share to new investors by approximately $0.96, 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 estimated offering expenses payable by us. Each increase or decrease of 1.0 million shares in the number of shares of Class A common stock offered by us would increase or decrease, as applicable, the pro forma as adjusted net tangible book value per share after this offering by approximately $0.36 per share and decrease the dilution to investors participating in this offering by approximately $0.33 per share, assuming that the assumed initial public offering price remains the same, and after deducting underwriting discounts and commissions and estimated offering expenses payable by us.

If the underwriters exercise in full their option to purchase additional shares of our Class A common stock, the pro forma as adjusted net tangible book value after the offering would be $0.69 per share, the increase in pro forma as adjusted net tangible book value per share to existing stockholders would be $0.32 per share and the dilution in pro forma as adjusted net tangible book value to new investors would be $23.31 per share, in each case assuming an initial public offering price of $24.00 per share, which is the midpoint of the price range listed on the cover page of this prospectus.

The following table presents, as of June 30, 2021, the differences between the existing stockholders and the new investors purchasing shares of our common stock in this offering with respect to the number of shares purchased from us, the total consideration paid or to be paid to us, which includes net proceeds received from the issuance of our common stock, cash received from the exercise of stock options and the average price per share paid or to be paid to us at the assumed initial public offering price of $24.00 per share, which is the midpoint of the price range listed on the cover page of this prospectus, before deducting the underwriting discounts and commissions and estimated offering expenses payable by us.

	Shares purchased		Total consideration		
	Number	Percent	Amount (in thousands)	Percent	Weighted-average price per share
Existing stockholders before this offering[1]	64,739,010	96.1 %	$ 53,628	46.1 %	$ 0.83
New investors purchasing shares in this offering	2,608,696	3.9 %	62,609	53.9 %	24.00
Total	67,347,706	100 %	$ 116,236	100 %	

(1) The presentation in this table regarding ownership by existing stockholders does not give effect to any purchases that existing stockholders may make in this offering.

Each $1.00 increase or decrease in the assumed initial public offering price of $24.00 per share would increase or decrease, as applicable, the total consideration paid by new investors and the total consideration paid by all stockholders by $2.4 million, assuming the number of shares offered by us remains the same and after deducting underwriting discounts and commissions but before estimated offering expenses. Each increase or decrease of 1.0 million shares in the number of shares of Class A common stock offered by us would increase or decrease, as applicable, the pro forma as adjusted net tangible book value per share after this offering by approximately $0.36 per share and decrease or increase the dilution to investors participating in this offering by approximately $0.32 per share, assuming that the assumed initial public offering price remains the same, and after deducting underwriting discounts and commissions and estimated offering expenses payable by us.

Except as otherwise indicated, the discussion and the tables above assume no exercise of the underwriters' option to purchase additional shares of our Class A common stock.

The foregoing tables and calculations (other than the historical net tangible book value calculation) are based on 76,811,910 shares of Class A common stock (including all shares of our convertible preferred stock on an as-converted basis) outstanding as of June 30, 2021 and excludes:

- warrants to purchase 300,000 shares of our common stock at $0.07 per share and 130,080 shares of our common stock at $0.53 per share, all of which will automatically convert into warrants to purchase an aggregate of 430,080 shares of Class A common stock upon the reclassification of all outstanding shares of our common stock into an equivalent number of shares of our Class A common stock;
- 2,662,470 shares of common stock issuable upon exercise of outstanding stock options as of June 30, 2021 granted under our 2009 Plan, with a weighted-average exercise price of $0.27 per share;
- 5,902,760 shares of common stock issuable upon exercise of outstanding stock options as of June 30, 2021 granted under our 2019 Plan, with a weighted-average exercise price of $1.71 per share;

- 223,400 shares of common stock issuable upon exercise of outstanding stock options granted subsequent to June 30, 2021 under our 2019 Plan, with a weighted-average exercise price of $12.97 per share;
- 11,676,932 shares of Class A common stock reserved for future issuance under our 2021 Incentive Award Plan and 2021 Non-Qualified Employee Stock Purchase and Matching Plan; and
- 4,339,690 and 4,339,690 shares of Class A and LT50 common stock, respectively, issuable upon the vesting of RSUs granted by our board of directors subsequent to June 30, 2021 under our 2019 Plan that will be effective immediately prior to the effectiveness of the registration on Form S-1, of which this prospectus is a part.

To the extent that any outstanding options are exercised or new options are issued under the equity benefit plans, or we issue additional shares of common stock or other securities convertible into or exercisable or exchangeable for shares of our capital stock in the future, there will be further dilution to investors purchasing shares of common stock in this offering.

Selected consolidated financial and other data

The following tables set forth our selected consolidated statements of income and consolidated balance sheet data for the periods and as of the dates indicated. The selected consolidated statements of operations data for the years ended December 31, 2019 and 2020 and the selected consolidated balance sheet data as of December 31, 2019 and 2020 have been derived from our audited consolidated financial statements elsewhere in this prospectus. The selected consolidated statements of operations for the six months ended June 30, 2020 and 2021 and the selected consolidated balance sheet data as of June 30, 2021 have been derived from our unaudited consolidated financial statements elsewhere in this prospectus. We have prepared the unaudited interim consolidated financial statements on the same basis as the audited consolidated financial statements and have included all adjustments, consisting only of normal recurring adjustments that, in our opinion, are necessary to state fairly the information set forth in those consolidated financial statements. Our historical results are not necessarily indicative of the results that may be expected for any other period in the future, and the results of operations for the six months ended June 30, 2021 are not necessarily indicative of the results to be expected for the full year ending December 31, 2021, or any other future period. You should read the following selected consolidated financial data in conjunction with the section entitled “Management’s discussion and analysis of financial condition and results of operations” and our audited consolidated financial statements, related notes and other financial information included elsewhere in this prospectus. The selected consolidated financial data in this section is not intended to replace the consolidated financial statements and is qualified in its entirety by the consolidated financial statements, related notes and other financial information included elsewhere in this prospectus. Our historical results for any prior period are not necessarily indicative of our future results.

	Year ended December 31,		Six months ended June 30,	
	2019	2020	2020	2021
Consolidated statements of income:	(in thousands, except share and per share data)			
Revenue	$ 80,460	$ 88,072	$ 40,641	$ 65,024
Cost of revenue, net[1]	31,985	32,414	15,438	15,571
Gross margin	48,475	55,658	25,203	49,453
Operating expenses:				
Research and development[1]	4,110	6,728	2,377	5,971
General and administrative[1]	15,930	33,372	10,138	17,494
Sales and marketing[1]	27,188	9,888	6,323	6,947
Total operating expenses	47,228	49,988	18,838	30,412
Income from operations	1,247	5,670	6,365	19,041
Interest and other expenses, net	(2,757)	(2,718)	(1,514)	(1,506)
(Loss) income before income taxes	(1,510)	2,952	4,851	17,535
Benefit (provision) for income taxes	2,751	(4,662)	(1,365)	(2,861)
Net income (loss)	$ 1,241	$ (1,710)	$ 3,486	$ 14,674
Less: income allocated to participating securities	(1,241)	—	(2,907)	(9,426)
Net income (loss) attributable to common stockholders	$ —	$ (1,710)	$ 579	$ 5,248
Net income (loss) per share attributable to common stockholders:				
Basic	$ —	$ (0.06)	$ 0.02	$ 0.18
Diluted	$ —	$ (0.06)	$ 0.02	$ 0.13
Weighted-average shares of common stock used to compute net income (loss) per share attributable to common stockholders:				
Basic	25,921,890	27,424,480	26,663,418	29,680,220
Diluted	25,921,890	27,424,480	35,495,100	41,216,420
Net income (loss) attributable to common stockholders		$ (1,710)		$ 5,248
Pro forma adjustment on undistributed income allocated to participating securities[2]		—		9,426
Pro forma net income (loss) attributable to common stockholders, basic and diluted		$ (1,710)		$ 14,674
Pro forma net income (loss) per share attributable to common stockholders:				
Basic		$ (0.03)		$ 0.21
Diluted		$ (0.03)		$ 0.18
Weighted-average shares of common stock used to compute pro forma net income (loss) per share attributable to common stockholders:				
Basic		69,455,870		71,711,610
Diluted		69,455,870		83,247,810

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

	Year ended December 31,		Six months ended June 30,	
	2019	2020	2020	2021
	(in thousands)			
Cost of revenue, net	$ 846	$ 2,272	$ 324	$ 425
Research and development	741	2,469	240	328
General and administrative	1,496	12,648	516	708
Sales and marketing	404	448	106	137
Total stock-based compensation expense	$ 3,487	$ 17,837	$ 1,186	$ 1,598

(2) The pro forma adjustment on undistributed income allocated to participating securities is the add back of undistributed earnings for the period allocated to convertible preferred stockholders up to the amount of the undeclared stated dividends for the period. As all convertible preferred stockholders convert to common stockholders upon the initial public offering, any undistributed earnings allocated to participating securities will not apply to the pro forma period as no participating securities exist in the pro forma.

	As of December 31,		As of June 30,
	2019	2020	2021
Consolidated balance sheet data:	(in thousands)		
Cash and cash equivalents	$ 9,990	$ 34,401	$ 45,429
Working capital [1]	5,905	24,464	39,574
Total current assets	50,510	63,664	92,112
Total assets	76,596	87,733	116,795
Total current liabilities	44,605	39,200	52,538
Total liabilities	79,955	73,664	85,483
Convertible preferred stock, par value $0.0001; 4,203,139 shares authorized, issued and outstanding at December 31, 2019, December 31, 2020 and June 30, 2021 (unaudited) (aggregate liquidation preference of $24,929,457 at December 31, 2019, December 31, 2020 and June 30, 2021 (unaudited))	45,105	45,105	45,105
Accumulated deficit	(50,638)	(52,348)	(37,674)
Total stockholders' deficit	(48,464)	(31,036)	(13,793)

(1) We define working capital as current assets less current liabilities. See our audited consolidated financial statements and related notes included elsewhere in this prospectus for further details regarding our current assets and current liabilities.

Key business metrics and non-GAAP financial measures

We review the following key metrics and non-GAAP financial measures to evaluate our business, measure our performance, identify trends affecting our business, formulate business plans and make strategic decisions. Accordingly, we believe that these key business metrics and non-GAAP financial measures provide useful information to investors and others in understanding and evaluating our results of operations in the same manner as our management team. These key business metrics and non-GAAP financial measures are presented for supplemental informational purposes only, should not be considered a substitute for financial information presented in accordance with GAAP and may be different from similarly titled metrics or measures presented by other companies.

Paid members

We believe that our ability to increase the number of paid members on our platform will drive our success as a business. Companies pay for subscriptions on behalf of employees and contractors who use the platform, whom we refer to as paid members. We define paid members as the average number of users (employees, contractors, volunteers, team members, etc.) who are billed on *Collect* or *Control* plans during any particular quarter. For SMBs or sole proprietors with only one employee, the business owner may also be the only paid member.

The number of paid members on our platform grew each quarter through March 31, 2020, when the COVID-19 pandemic severely impacted the operations of our customers and SMBs broadly, and greatly reduced business travel, which has traditionally been a significant driver of expenses on our platform. While the full lasting impact of the COVID-19 pandemic on the global economy and SMBs in particular remains uncertain, there have been signs of recovery as the economy has slowly reopened. See the section titled “Impact of COVID-19” below for additional information.

The following table sets forth the average number of paid members for the quarters ended March 31, 2018 through June 30, 2021.

Quarter ended	Paid members (in thousands)
March 31, 2018	406
June 30, 2018	447
September 30, 2018	486
December 31, 2018	535
March 31, 2019	577
June 30, 2019	623
September 30, 2019	662
December 31, 2019	714
March 31, 2020	742
June 30, 2020	630
September 30, 2020	633
December 31, 2020	645
March 31, 2021	631
June 30, 2021	639

Adjusted EBITDA and adjusted EBITDA margin

We define adjusted EBITDA as net income from operations excluding provision for income taxes, interest and other expenses, net, depreciation and amortization and stock based compensation. We define adjusted EBITDA margin as adjusted EBITDA divided by total revenue for the same period. We are focused on profitable growth and we consider adjusted EBITDA to be an important measure because it helps illustrate underlying trends in our business that could otherwise be masked by the effect of the income or expenses that are not indicative of the core operating performance of our business.

	Year ended December 31,		Six months ended June 30,	
	2019	2020	2020	2021
	(in thousands, except percentages)			
Adjusted EBITDA	$ 7,579	$ 26,755	$ 9,160	$ 22,933
Adjusted EBITDA margin	9 %	30 %	23 %	35 %

Non-GAAP financial measures have limitations as analytical tools and should not be considered in isolation or as substitutes for financial information presented under GAAP. There are a number of limitations related to the use of non-GAAP financial measures versus comparable financial measures determined under GAAP. For example, other companies in our industry may calculate these non-GAAP financial measures differently or may use other measures to evaluate their performance. All of these limitations could reduce the usefulness of these non-GAAP financial measures as analytical tools. Investors are encouraged to review the related GAAP financial measures and the reconciliations of these non-GAAP financial measures to their most directly comparable GAAP financial measures and to not rely on any single financial measure to evaluate our business.

The following table reconciles the most directly comparable GAAP financial measure to each of these non-GAAP financial measures:

Adjusted EBITDA and adjusted EBITDA margin reconciliation

	Year ended December 31,		Six months ended June 30,	
	2019	2020	2020	2021
	(in thousands, except percentages)			
Net income (loss)	$ 1,241	$ (1,710)	$ 3,486	$ 14,674
Net income (loss) margin	2 %	(2)%	9 %	23 %
Add:				
Provision (benefit) for income taxes	(2,751)	4,662	1,365	2,861
Interest and other expenses, net	2,757	2,718	1,514	1,506
Depreciation and amortization	2,845	3,248	1,609	2,294
Stock-based compensation[(1)]	3,487	17,837	1,186	1,598
Adjusted EBITDA	$ 7,579	$ 26,755	$ 9,160	$ 22,933
Adjusted EBITDA margin	9 %	30 %	23 %	35 %

(1) For the year ended December 31, 2019, we recorded stock based compensation of $3,487 thousand in the consolidated statement of income. Of this amount, $1,706 thousand was recorded through additional paid in capital and $1,781 thousand was not recorded within additional paid in capital as it represents the excess of the repurchase price over the fair value of shares repurchased. Please refer to Note 9 - Stock-based compensation in our notes to the consolidated financial statements for further detail.

For additional information about our key business metrics and non-GAAP financial measures, please see the section titled “Management’s discussion and analysis of financial condition and results of operations—Key business metrics and non-GAAP financial measures.”

Management's discussion and analysis of financial condition and results of operations

You should read the following discussion and analysis of our financial condition and results of operations together with "Selected consolidated financial and other data" and our audited consolidated financial statements and related notes included elsewhere in this prospectus. This discussion contains forward-looking statements based upon current plans, expectations and beliefs involving risks and uncertainties. Our actual results may differ materially from those anticipated in these forward-looking statements as a result of various factors, including those set forth under "Risk factors" and in other parts of this prospectus.

Overview

Expensify is a cloud-based expense management software platform that helps the smallest to the largest businesses simplify the way they manage money. Every day, people from all walks of life in organizations around the world use Expensify to scan and reimburse receipts from flights, hotels, coffee shops, office supplies and ride shares. Since our founding in 2008, we have added over 10 million members to our community and processed and automated over 1.1 billion expense transactions on our platform, freeing people to spend less time managing expenses and more time doing the things they love. For the quarter ended June 30, 2021, an average of 639,000 paid members across 53,000 companies and over 200 countries and territories used Expensify to make money easy.

Our business model

Our employee-centric product strategy, viral and bottom-up business model, word-of-mouth adoption and unique company culture come together to drive value for our members and a competitive advantage for us. We believe that if we remain hyper-focused on our end-user members, and build great products, our members will continue to drive adoption.

We believe our approach is effective because we enable a self-service, low-friction model that makes it simple for anyone to try and use our platform and then easily share it with others. Anyone can easily download our application or go to our website and sign up for free on their own, and later upgrade to a paid subscription for advanced features. The adoption of Expensify within an organization typically starts with the individual employee, who downloads our mobile application for free and uses it to easily submit expenses to their manager with a few taps. After the employee realizes the benefits of our platform, they become a champion of Expensify and spread it internally to other employees – as well as to their friends in other companies. With multiple employees using Expensify, and valuable features simplifying the manager's job, the decision maker often purchases a subscription to Expensify and becomes a paying customer with a few members. Our usage within an organization expands further as the company adds members and adopts new features such as the Expensify Card or Bill Pay. For the six months ended June 30, 2021, 60% of our revenue can be attributed to an instance where an employee used our application before the purchaser, and recommended it to their manager. Most of the remaining 40% of our revenue is attributed to instances where the decision maker institutes Expensify within the organization after learning about it through word-of-mouth, brand recognition, or referral from their accountant – through our *ExpensifyApproved!* Partner Program, we train and support accountants who then encourage their customers to use Expensify.

Though we offer onboarding and ongoing support to everyone, our members and customers generally prefer to take advantage of our self-service options. We have developed Concierge, our customer support engine, to make handling customer support inquiries much more efficient. Concierge is powered by AI-assisted customer support agents, with different levels of skill and training, spread out across the world. Our product managers use the information we gather from Concierge to remain closely in tune with customer needs and guide our future platform roadmap.

We primarily generate revenue from annual subscriptions to our cloud-based platform, driven by the number of paid members active on a monthly basis. Individuals or companies pay for subscriptions on behalf of themselves, their employees and contractors, who we collectively refer to as members. We define a customer as any member who pays for themselves and zero or more other members, grouped into one or more "expense policies." This might be an individual, an entire company, or a department of a larger company. The definition of customer inherently excludes sole proprietors on Track or Submit plans.

Our individual subscriptions include our *Track* and *Submit* plans, which include an optional paid monthly upgrade for anyone wishing to SmartScan more than 25 receipts in a given month. These subscriptions are billed monthly, irrespective of activity:

- **Free Plans** (Optional upgrade for unlimited SmartScan)
  - ***Track.*** Our free Track plan comes with our SmartScan receipt scanning functionality and is used primarily by individuals and sole-proprietors to streamline their receipt and mileage tracking.
  - ***Submit.*** Our free Submit plan includes the same functionality in Track, and also adds the ability to automatically submit expense reports to anyone for reimbursement.

Our business subscriptions can be used by teams, organizations and companies for free or upgraded to one of our paid plans, which include our *Collect* and *Control* plans, following a free trial. We bill customers on *Collect* and *Control* plans at the start of each month based on the number of policy members who were active in the previous month. Each customer has either a "pay per use" plan in which they are billed a flat rate for each active member, or an "annual" plan where they commit to a minimum number of monthly seats in exchange for a lower subscription rate. *Collect* and *Control* customers can access lower rates if they spend on the Expensify Card:

- **Free Plans**
  - ***Free.*** Our Free plan, introduced in September 2021, enables our members to roll out a corporate card program with the Expensify Card, reimburse cash expenses for employees, send invoices to clients and set up bill payment for their team.
- **Paid Plans**
  - ***Collect.*** Our Collect plan enables our members to integrate with popular small business accounting systems, configure simple expense report approval workflows, as well as reimburse employees, contractors and volunteers via Direct Deposit ACH.
  - ***Control.*** Our Control plan, which is by far our most popular plan, includes everything in Collect and adds the ability to configure rules-based approval workflows, and integrate with financial, travel, HR and other internal systems commonly used by mid-market and enterprise companies.

We fully launched the Expensify Card in 2020 and, despite pullback in corporate expenses with the COVID-19 pandemic, customers have begun to adopt the card. We monetize transactions from the Expensify Card by receiving a percentage of the interchange for all spend on the card. As we expand our platform, we intend to increase the number of integrations and to more actively promote the Expensify Card with complementary use cases beyond expense management to both new and existing customers to drive increased adoption.

Through our pricing, we aim to encourage viral adoption of Expensify, make it easy for SMBs to become customers, and encourage customers to commit to annual subscriptions as well as adopt the Expensify Card. To encourage viral adoption, we offer viral features that are free and accessible without a paid subscription because using the feature has the secondary effect of promoting Expensify. For example, individual employees download the Expensify app, for free, and use it to submit their expenses to their bosses – turning every expense report into a highly targeted marketing message, straight to a decision maker. To lower the barrier for companies to adopt Expensify, we offer customers free trials, and lower subscription rates to customers who commit to an annual subscription and/or adopt the Expensify Card.

Key factors affecting our performance

Our future performance will depend on many factors, including the following:

Investing in Product-Led Growth

We are focused on continuing to grow the number of paid members on our platform. Relative to other software companies, we invest more in product development and less in sales. This investment in product allows us to develop easy-to-use but powerful features that encourage adoption of our platform. Our ability to grow our paid members depends on our viral, "bottom-up" adoption cycle that starts with an individual employee. After downloading our free app to submit expenses and realizing the benefits of Expensify, our enthusiastic members champion our platform internally, spread it via word-of-mouth or invites to other employees and often convince decision makers to adopt Expensify company-wide. For the six months ended June 30, 2021, 60% of our revenue can be attributed to an instance where an employee used our application first and recommended it to their manager. While we had an average of 639,000 monthly paid members in the quarter ended June 30, 2021, we believe we have significant greenfield opportunities. In order to continue to grow, we believe we must continue prioritizing investments in our platform to delight our members and drive viral expansion.

Continuing to Convert Freemium to Paid Members

Our success depends on converting users who try the free aspects of the Expensify platform into paid members. While our viral model means that employees or contractors often introduce Expensify into SMBs, companies subscribe and pay for the majority of our paid members.

Investing to Maintain Market Consensus

Our viral and word-of-mouth adoption model is effective in part because we have established ourselves as a recognized leader in expense management for SMBs. We deploy large scale brand advertising to promote our platform superiority and create market consensus that Expensify is the category leader for expense management software. We believe this enables us to focus on creating great viral features for our members rather than relying on low-margin, unscalable activities of traditional sales and marketing to drive customer acquisition.

Retaining Existing Customers

Expense management touches many functions across a company. To provide a seamless experience for our customers, we integrate with accounting, ERP and travel software used by SMBs and their employees every day. We also have frictionless integrations with many of the technology providers that generate the most receipts for our members, such as Uber and Lyft. Expensify delivers an expense management platform that we believe customers like, and that embeds us within organizations. Because of these two factors, we have historically enjoyed high customer retention rates that often outperform enterprise retention rates. We believe an additional factor that drives our retention rates is that SMBs generally re-evaluate their technology solutions less frequently, and as such, there is rarely a conscious choice to choose to continue using Expensify for another year.

Gross logo retention and net seat retention are important indicators of customer satisfaction and usage of our platform. We calculate our gross logo retention rate as of the end of a period by using (a) the number of distinct companies who have ever had 5 or more paid members paying for a subscription during the period ending one year prior as the denominator and (b) the number of those same companies that are still paying for at least 1 subscription during the more recent period as the numerator. In 2019 and 2020, our annual gross logo retention was 88% and 86%, respectively. We calculate our net seat retention rate as of the end of a period by using (a) the number of paid member seats from companies who have ever had 5 or more paid members paying for a subscription during the period ending one year prior as the denominator and (b) the number of paid member seats at those same companies during the more recent period as the numerator. In 2019 and 2020, our net seat retention was 119% and 98%, respectively. The COVID-19 pandemic impacted our retention as our customers ceased (or paused) operations, and scaled

back usage of our platform as their business travel and other expenses declined. Our growth will depend on our ability to continue to retain existing customers.

Introducing Features to Expand Our Relationship with Existing Customers

We fully launched the Expensify Card in 2020 and, despite pullback in corporate expenses with the COVID-19 pandemic, customers have begun to adopt the card. Going forward, we intend to more actively promote the Expensify Card to both new and existing customers to drive increased adoption. Outside of the Expensify Card, we have invested, and will continue to invest, in developing features complementary and adjacent to expense management. At most companies, not every employee generates expenses that would be submitted via an expense report on a monthly basis. As we add additional features that are used by all employers, we have the potential to monetize the segment of our customers' employees that are not submitting expense reports.

Impact of COVID-19

As a result of the COVID-19 pandemic, we temporarily closed our offices, asked our employees to work remotely and implemented travel restrictions, all of which represent a disruption in how we operate our business. The operations of our customers, the majority of which are SMBs, have likewise been disrupted. The outsized impact of the pandemic on SMBs was evident in 2020 as an abnormal percentage of our customers stopped adding new members to our platform, ceased (or paused) operations and/or scaled back or terminated subscriptions to the Expensify platform.

Business travel, traditionally a significant driver of expenses on our platform, has been severely curtailed during the pandemic with complex regional effects as lockdowns were put in place and altered rapidly. As a result of the pull-back in travel related expenses and other expenses that were not generated in a work from home environment, many of our customers that remained on our platform had fewer employees incurring expenses on a monthly basis in 2020. After a steady increase in paid members over multiple years (see figure below), the average number of paid members on our platform declined 15% from 742,000 in the quarter ended March 31, 2020 to 630,000 in the quarter ended June 30, 2020 and we have rebounded to 639,000 paid members in the quarter ended June 30, 2021. Our activity is still recovering from May 2020 as the United States and certain other parts of the world continue to rebound from COVID-19. The amount of expenses incurred by the paid members remaining on our platform has also declined as a result of the factors stated above. While activity decreased and remains at lower levels than pre-pandemic, our revenue only declined until the quarter ended June 30, 2020. This initial adverse impact on revenue was mitigated by the prevalence of our annual contracts and minimum user requirements in those contracts as well as a price change that became effective in May 2020. We introduced the Expensify Card in 2020, immediately before the pandemic. Given the decline in the volume of expenses and potential customers' reluctance to adopt a new card in this unusual environment, growth from monetizing the transactions from the Expensify Card has taken longer than anticipated, but the rate of adoption is increasing despite the COVID headwinds.

While the full lasting impact of the COVID-19 pandemic on the global economy and SMBs in particular remains uncertain, we believe that use of our platform will increase as economies reopen and business travel resumes.

While uncertainty remains on many fronts, we are confident that the pandemic has also had a positive impact on the way we operate our business. We have fully embraced the distributed workforce and reimagined how we use our existing office space. As demand for expense management slowed during the pandemic, we invested in building our platform outside of our core expense management features, which will result in a more diversified range of use cases that is better insulated against similar shocks in the future.

See the section titled "Risk factors" for further discussion of the possible impact of the COVID-19 pandemic on our business.

Key business metrics and non-GAAP financial measures

We review the following key metrics and non-GAAP financial measures to evaluate our business, measure our performance, identify trends affecting our business, formulate business plans and make strategic decisions. Accordingly, we believe that these key business metrics and non-GAAP financial measures provide useful information to investors and others in understanding and evaluating our results of operations in the same manner as our management team. These key business metrics and non-GAAP financial measures are presented for supplemental informational purposes only, should not be considered a substitute for financial information presented in accordance with GAAP, and may be different from similarly titled metrics or measures presented by other companies.

Key business metrics

Paid members

We believe that our ability to increase the number of paid members on our platform will drive our success as a business. Companies pay for subscriptions on behalf of employees and contractors who use the platform, whom we refer to as paid members. We define paid members as the average number of users (employees, contractors, volunteers, team members, etc.) who are billed on *Collect* or *Control* plans during any particular quarter. For SMBs or sole proprietors with only one employee, the business owner may also be the only paid member.

The number of paid members on our platform grew each quarter through March 31, 2020, when the COVID-19 pandemic severely impacted the operations of our customers and SMBs broadly, and greatly reduced business travel, which has traditionally been a significant driver of expenses on our platform. While the full lasting impact of the COVID-19 pandemic on the global economy and SMBs in particular remains uncertain, there have been signs of recovery as the economy has slowly reopened. See the section titled “Impact of COVID-19” above for additional information.

The following table sets forth the average number of paid members for the quarters ended March 31, 2018 through June 30, 2021.

Quarter ended	Paid members (in thousands)
March 31, 2018	406
June 30, 2018	447
September 30, 2018	486
December 31, 2018	535
March 31, 2019	577
June 30, 2019	623
September 30, 2019	662
December 31, 2019	714
March 31, 2020	742
June 30, 2020	630
September 30, 2020	633
December 31, 2020	645
March 31, 2021	631
June 30, 2021	639

Components of results of operations

Revenue

We generate revenue from subscription fees based on the usage of our expense reporting cloud-based platform under arrangements paid monthly in arrears that are either month-to-month that can be terminated by either party without penalty at any time or annual arrangements based on a minimum number of monthly members. During 2019, annual subscription customers who wished to terminate their contracts before the end of the term were required to pay the remaining obligation in full plus any fees or penalties set forth in the agreement. In May 2020, we updated our terms of service whereby annual contracts became non-cancelable. We charge our customers subscription fees for access to our platform based on the number of monthly active members and level of service. The contractual price is based on either negotiated fees or rates published on our website. We generate most of our revenue from customers who have a credit card or debit card on file with us that is automatically charged each month. Virtually all of our customers have a standard terms of service contract, with the few exceptions on bespoke service contracts.

Our contracts with our customers include two performance obligations: access to the hosted software service, inclusive of all features available within the platform and related customer support. We account for the platform access and the support as a combined performance obligation because they have the same pattern of transfer over the same period and are therefore delivered concurrently. We satisfy our performance obligation over time each month as we provide platform access and support services to customers and as such recognize revenue over time. We recognize revenue net of applicable taxes imposed on the related transaction.

Cost of revenue, net

Cost of revenue, net primarily consists of expenses related to hosting the company's service, including the costs of data center capacity, credit card processing fees, third-party software license fees, outsourcing costs to support customer service and outsourcing costs to support and process the SmartScan technology, net of consideration from a vendor. Additional costs include amortization expense on capitalized software development costs and personnel-related expenses, including stock-based compensation and employee costs attributable to supporting our customers and maintenance of our platform.

The consideration from a vendor is related to the Expensify Card. We use a third-party vendor to issue Expensify Cards and process the related transactions. When purchases are made with the Expensify Card, a fee is charged by the card network to the merchant (also known as "Interchange"). The vendor is contractually entitled to the Interchange through its relationships with the card network and card issuing bank. The vendor keeps a portion of the Interchange for their services, and our agreement with the vendor results in us receiving the remainder of the Interchange minus the amount retained by the vendor (our remainder portion, the "Expensify Interchange Amount"). The vendor also charges us fees (the "Vendor Fees") for the services it provides to us. Due to the nature of the vendor agreement, we do not record the Expensify Interchange Amount as revenue. Instead, the net of the Expensify Interchange Amount and Vendor Fees are paid to us, and we record it as "consideration from a vendor", a contra-expense in Cost of revenue, net. The following summarizes these various amounts for the periods presented:

	Year ended December 31		Six months ended June 30	
	2019	2020	2020	2021
	(in thousands)			
Expensify Interchange Amount	$ 39	$ 1,096	$ 413	$ 1,195
Vendor Fees	8	90	43	77
Consideration from a Vendor	$ 31	$ 1,006	$ 370	$ 1,118

We anticipate an increase in Cost of revenue, net expenses during the year in which we complete our initial public offering as a result of the discretionary cash bonuses anticipated to be paid to our employees during the fourth quarter of fiscal year 2021 as described in the subsection titled “Critical accounting policies and estimates — Cash bonuses”, as well as additional stock-based compensation expense going forward, as described within "Subsequent events" within Note 2 of the notes to the consolidated financial statements included elsewhere in this prospectus, related to the shares of Class A and LT50 common stock issuable upon the vesting of RSUs granted immediately prior to the effectiveness of the registration statement on Form S-1, of which this prospectus is a part.

Operating expenses

Research and development

Research and development expenses consist primarily of personnel-related expenses, including stock-based compensation, incurred related to the planning and preliminary project stage and post-implementation stage of new products or enhancing existing products or services. We capitalize certain software development costs that are attributable to developing or adding significant functionality to our internal-use software during the application development stage of the projects. All research and development expenses, excluding capitalized software development costs, are expensed as incurred.

We believe delivering new functionality is critical to attract new customers and expand our relationships with existing customers. We expect to continue to make investments in and expand our product and service offerings to enhance our customers’ experience and satisfaction and to attract new customers. We expect research and development expenses will increase as we expand our research and development team to develop new products and product enhancements.

We anticipate an increase in Research and development expenses during the year in which we complete our initial public offering as a result of the discretionary cash bonuses anticipated to be paid to our employees during the fourth quarter of fiscal year 2021 as described in the subsection titled “Critical accounting policies and estimates — Cash bonuses”, as well as additional stock-based compensation expense going forward, as described within "Subsequent events" within Note 2 of the notes to the consolidated financial statements included elsewhere in this prospectus, related to the shares of Class A and LT50 common stock issuable upon the vesting of RSUs granted immediately prior to the effectiveness of the registration statement on Form S-1, of which this prospectus is a part.

Sales and marketing

Sales and marketing expenses primarily consist of personnel-related expenses, including stock-based compensation, advertising expenses, branding and public relations expenses and referral fees for strategic partners and other benefits that we provide to our referral and affiliate partners. We expect sales and marketing expenses will increase as we expand our sales efforts to pursue our market opportunity.

We anticipate an increase in Sales and marketing expenses during the year in which we complete our initial public offering as a result of the discretionary cash bonuses anticipated to be paid to our employees during the fourth quarter of fiscal year 2021 as described in the subsection titled “Critical accounting policies and estimates — Cash bonuses”, as well as additional stock-based compensation expense going forward, as described within "Subsequent events" within Note 2 of the notes to the consolidated financial statements included elsewhere in this prospectus, related to the shares of Class A and LT50 common stock issuable upon the vesting of RSUs granted immediately prior to the effectiveness of the registration statement on Form S-1, of which this prospectus is a part.

General and administrative

General and administrative expenses primarily consist of personnel-related expenses, including stock-based compensation, for executive management and any employee time allocated to administrative functions, including finance and accounting, legal and human resources. In addition to personnel-related expenses, general and administrative expenses consist of rent, utilities, depreciation on property and

equipment, amortization of finance lease right-of-use assets and external professional services, including accounting, audit, tax, finance, legal and compliance, human resources and information technology. 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, business insurance and consulting fees.

We anticipate an increase in General and administrative expenses during the year in which we complete our initial public offering as a result of the discretionary cash bonuses anticipated to be paid to our employees during the fourth quarter of fiscal year 2021 as described in the subsection titled “Critical accounting policies and estimates — Cash bonuses”, as well as additional stock-based compensation expense going forward, as described within "Subsequent events" within Note 2 of the notes to the consolidated financial statements included elsewhere in this prospectus, related to the shares of Class A and LT50 common stock issuable upon the vesting of RSUs granted immediately prior to the effectiveness of the registration statement on Form S-1, of which this prospectus is a part.

Interest and other expenses, net

Interest and other expenses, net, consist primarily of interest paid under our credit facilities with Canadian Imperial Bank of Commerce (CIBC). It also includes realized gains and losses on foreign currency transactions and foreign currency remeasurement.

Benefit (provision) for income taxes

Income taxes primarily consist of income taxes in the United States, United Kingdom, Australia, Netherlands and Canada, as well as states in the United States in which we do business.

Results of operations

The results of operations presented below should be reviewed in conjunction with the consolidated financial statements and notes included elsewhere in this prospectus.

The following table sets forth our results of operations for the periods presented:

	Year ended December 31,		Six months ended June 30,	
	2019	2020	2020	2021
	(in thousands, except share and per share data)			
Revenue	$ 80,460	$ 88,072	$ 40,641	$ 65,024
Cost of revenue, net[(1)]	31,985	32,414	15,438	15,571
Gross margin	48,475	55,658	25,203	49,453
Operating expenses:				
Research and development[(1)]	4,110	6,728	2,377	5,971
General and administrative[(1)]	15,930	33,372	10,138	17,494
Sales and marketing[(1)]	27,188	9,888	6,323	6,947
Total operating expenses	47,228	49,988	18,838	30,412
Income from operations	1,247	5,670	6,365	19,041
Interest and other expenses, net	(2,757)	(2,718)	(1,514)	(1,506)
(Loss) income before income taxes	(1,510)	2,952	4,851	17,535
Benefit (provision) for income taxes	2,751	(4,662)	(1,365)	(2,861)
Net income (loss)	$ 1,241	$ (1,710)	$ 3,486	$ 14,674
Less: income allocated to participating securities	(1,241)	—	(2,907)	(9,426)
Net income (loss) attributable to common stockholders	$ —	$ (1,710)	$ 579	$ 5,248
Net income (loss) per share attributable to common stockholders:				
Basic	$ —	$ (0.06)	$ 0.02	$ 0.18
Diluted	$ —	$ (0.06)	$ 0.02	$ 0.13
Weighted-average shares of common stock used to compute net income (loss) per share attributable to common stockholders:				
Basic	25,921,890	27,424,480	26,663,418	29,680,220
Diluted	25,921,890	27,424,480	35,495,100	41,216,420

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

	Year ended December 31,		Six months ended June 30,	
	2019	2020	2020	2021
	(in thousands)			
Cost of revenue, net	$ 846	$ 2,272	$ 324	$ 425
Research and development	741	2,469	240	328
General and administrative	1,496	12,648	516	708
Sales and marketing	404	448	106	137
Total stock-based compensation expense	$ 3,487	$ 17,837	$ 1,186	$ 1,598

Comparison of the six months ended June 30, 2020 and 2021

Revenue

	Six months ended June 30,		Change	
	2020	2021	Amount	%
	(in thousands, except percentages)			
Revenue	$ 40,641	$ 65,024	$ 24,383	60 %

Revenue increased $24.4 million, or 60%, for the six months ended June 30, 2021 compared to the same period in 2020, primarily due to a pricing change implemented in May 2020, which led to a gradual increase in per member price for our paid members from existing customers not using the Expensify Card in connection with our expense management platform for 50% or more of their approved expenses and increased demand for business travel, which is a significant use case for our platform and drove an increase in the number of paid members, due to the lifting of travel restrictions within the United States and certain other countries and increased employers returning to the office as a result of the wide spread availability and distribution of COVID-19 vaccines. All new customers beginning on May 1, 2020, were subject to this pricing change. Our revenue for the six months ended June 30, 2020 was adversely affected by the COVID-19 pandemic, particularly due to the decrease in business travel.

Cost of revenue, net and Gross margin

	Six months ended June 30,		Change	
	2020	2021	Amount	%
	(in thousands, except percentages)			
Cost of revenue, net	$ 15,438	$ 15,571	$ 133	1 %
Gross margin	25,203	49,453	$ 24,250	96 %
Gross margin %	62 %	76 %		

Cost of revenue, net remained relatively flat with an increase of $0.1 million, or 1%, for the six months ended June 30, 2021 compared to the same period in 2020. Cost of revenue, net increased primarily due to a higher volume of payment processing fees directly related to the increase in reimbursement activity, amortization related to capitalized software as our research and development efforts continue to grow to develop new products and services, and increased outsourcing activities related to maintaining the platform. As a result of the increased outsourcing activities, we were able to refocus employee's time on developing new products and services as part of our research and development efforts, which resulted in a decrease in employee costs that partially offset the aforementioned increases. In addition, consideration from a vendor, which represents monetizing Expensify Card activities, reduced Cost of revenue, net by $0.4 million and $1.1 million for the six months ended June 30, 2020 and June 30, 2021, respectively. This increase in reduction to Cost of revenue, net was driven primarily by increased adoption and spend captured from members on the Expensify Card.

Gross margin increased to 76% for the six months ended June 30, 2021 compared to 62% in the same period in 2020. This increase was primarily driven by the 60% increase in revenue for the six months ended June 30, 2021 compared to the same period in 2020. Although revenue increased by 60% for the same period, Cost of revenue, net did not increase at the same rate due to the factors described in the preceding paragraph.

Operating expenses

Research and development

	Six months ended June 30,		Change	
	2020	2021	Amount	%
	(in thousands, except percentages)			
Research and development	$ 2,377	$ 5,971	$ 3,594	151 %

Research and development expenses increased by $3.6 million, or 151%, for the six months ended June 30, 2021 compared to the same period in 2020, primarily driven by an increase in employee salaries and employee personnel directly engaged in the planning and preliminary project stage and post-implementation stage of new products and features that are crucial for the success of our company. We continue to believe that focused investments in research and development are critical to our future growth and competitive position in the marketplace, and to the development of new and updated features, products and services that are central to our core business strategy. Our research and development expenses for the six months ended June 30, 2020 were down as a result of the increased uncertainty in the marketplace at due to the COVID-19 pandemic.

Sales and marketing

	Six months ended June 30,		Change	
	2020	2021	Amount	%
	(in thousands, except percentages)			
Sales and marketing	$ 6,323	$ 6,947	$ 624	10 %

Sales and marketing expenses remained relatively flat, increasing by only $0.6 million, or 10%, for the six months ended June 30, 2021 compared to the same period in 2020. The increase was predominantly driven by increased advertising spend to gain further brand awareness.

General and administrative

	Six months ended June 30,		Change	
	2020	2021	Amount	%
	(in thousands, except percentages)			
General and administrative	$ 10,138	$ 17,494	$ 7,356	73 %

General and administrative expenses increased $7.4 million, or 73%, for the six months ended June 30, 2021 compared to the same period in 2020, primarily due to increased employee compensation of our executive employees and higher professional service costs for accounting, auditing and legal services related to our annual financial statement audits and quarterly reviews.

Interest and other expenses, net

	Six months ended June 30,		Change	
	2020	2021	Amount	%
	(in thousands, except percentages)			
Interest and other expenses, net	$ (1,514)	$ (1,506)	$ 8	(1)%

Interest and other expenses, net remained relatively flat, decreasing by only $0.01 million, or 1%, for the six months ended June 30, 2021 compared to the same period in 2020. We had decreased interest expense in the six months ended June 30, 2021 as compared to the same period in 2020 due to the decrease in our outstanding principal balance for borrowings under our amortizing term loan with CIBC.

Benefit (provision) for income taxes

	Six months ended June 30,		Change	
	2020	2021	Amount	%
	(in thousands, except percentages)			
Benefit (provision) for income taxes	$ (1,365)	$ (2,861)	$ (1,496)	110 %

We recorded a $2.9 million provision for income taxes in the six months ended June 30, 2021 compared to a $1.4 million provision for income taxes in the six months ended June 30, 2020. We follow the asset and liability method of accounting for income taxes, whereby we recognize deferred income taxes for the tax consequences of temporary differences between the financial statement carrying amounts and the tax basis of the assets and liabilities. Valuation allowances are recorded to reduce deferred tax assets when it is more likely than not that a tax benefit will not be realized. The provision for income taxes reflects taxable income earned and taxed in U.S. federal and state and non-U.S. jurisdictions.

Our effective tax rate was 28.1% and 16.4% for the six months ended June 30, 2020 and 2021, respectively. The tax rate differed from the statutory tax rate of 21.0% for both the six months ended June 30, 2020 and 2021, respectively, primarily as a result of a discrete benefit from our federal deduction for excess stock-based compensation during 2021, stock-based compensation resulting from ISOs, state taxes as well as state tax credits for 2020.

Our tax provisions were affected primarily by federal and state taxes in the six months ended June 30, 2020 and 2021, respectively. In the six months ended June 30, 2020, we benefited from the utilization of our U.S. federal and state net operating loss and credit carryforwards.

Comparison of the years ended December 31, 2019 and 2020

Revenue

	Year ended December 31,		Change	
	2019	2020	Amount	%
	(in thousands, except percentages)			
Revenue	$ 80,460	$ 88,072	$ 7,612	9 %

Revenue increased $7.6 million, or 9%, in 2020 compared to 2019, primarily due to increased demand for our platform from both new and existing customers as well as an increase in our average paid members and a pricing change implemented in May 2020, which led to a gradual increase in per member price for our paid members from existing customers not using the Expensify Card in connection with our expense management platform for 50% or more of their approved expenses. All new customers beginning on May 1, 2020, were subject to this pricing change. Our revenue was adversely affected by the COVID-19 pandemic, particularly due to the decrease in business travel, which is a significant use case for our platform, but this adverse impact was mitigated by the prevalence of our annual contracts and minimum user requirements in those contracts.

Cost of revenue, net and Gross margin

	Year ended December 31,		Change	
	2019	2020	Amount	%
	(in thousands, except percentages)			
Cost of revenue, net	$ 31,985	$ 32,414	$ 429	1 %
Gross margin	48,475	55,658	$ 7,183	15 %
Gross margin %	60 %	63 %		

Cost of revenue, net remained relatively flat with an increase of $0.4 million, or 1%, in 2020 compared to 2019. The increase was primarily driven by increased compensation to employees and higher costs for outsourced support and onboarding agents as we ramped up these outsource teams to provide for faster and higher levels of customer support. We also began to use outsourced engineering resources to speed up our development cycles in 2020, unlike in prior periods. These increases were partially offset by a decrease in SmartScan costs primarily driven by a decrease in receipts scanned by members due to lower travel and business spending during the COVID-19 pandemic. In addition, consideration from a vendor, which represents monetizing Expensify Card activities, reduced Cost of revenue, net by $0.03 million and $1.0 million for the years ended December 31, 2019 and 2020, respectively.

Gross margin increased to 63% in 2020 compared to 60% in the same period in 2019. This increase was primarily driven by the 9% increase in revenue in 2020 compared to the same period in 2019. Although revenue increased by 9% for the same period, Cost of revenue, net did not increase at the same rate due to the factors described in the preceding paragraph.

Research and development

	Year ended December 31,		Change	
	2019	2020	Amount	%
	(in thousands, except percentages)			
Research and development	$ 4,110	$ 6,728	$ 2,618	64 %

Research and development expenses increased by $2.6 million, or 64%, in 2020 compared to 2019, primarily driven by an increase in employee salaries and employee personnel directly involved in the planning and preliminary project stage and post-implementation stage of new products and features that are crucial for the success of our company. We continue to believe that focused investments in research and development are critical to our future growth and competitive position in the marketplace, and to the development of new and updated features, products and services that are central to our core business strategy.

Sales and marketing

	Year ended December 31,		Change	
	2019	2020	Amount	%
	(in thousands, except percentages)			
Sales and marketing	$ 27,188	$ 9,888	$ (17,300)	(64)%

Sales and marketing expenses decreased $17.3 million, or 64%, in 2020 compared to 2019 primarily due to reduced advertising expenses. In 2019, we ran our first Super Bowl commercial, which we did not repeat in 2020. Following an Expensify Card launch advertising campaign during the first three months of 2020, we aggressively reduced our advertising and other sales and marketing expenses for the remainder of 2020 due to the impact of the COVID-19 pandemic.

General and administrative

	Year ended December 31,		Change	
	2019	2020	Amount	%
	(in thousands, except percentages)			
General and administrative	$ 15,930	$ 33,372	$ 17,442	109 %

General and administrative expenses increased $17.4 million, or 109%, in 2020 compared to 2019, primarily due to increased employee compensation which was driven by the secondary market sale of equity by our executive employees facilitated by us, and higher professional service costs for accounting, auditing and legal services related to our initial public offering preparation efforts.

Interest and other expenses, net

	Year ended December 31,		Change	
	2019	2020	Amount	%
	(in thousands, except percentages)			
Interest and other expenses, net	$ (2,757)	$ (2,718)	$ 39	(1)%

Interest and other expenses, net decreased $0.04 million, or 1% in 2020 compared to 2019. We had increased interest expense due to a drawdown on our line of credit with CIBC as well as a full year of interest on the mortgage for our Portland facility compared to a partial year in 2019. These increases were offset by a decrease in the interest payable as a result of our decreased outstanding principal balance in 2020 for the borrowings under our amortizing term loan with CIBC.

Benefit (provision) for income taxes

	Year ended December 31,		Change	
	2019	2020	Amount	%
	(in thousands, except percentages)			
Benefit (provision) for income taxes	$ 2,751	$ (4,662)	$ (7,413)	(269)%

We recorded a $4.7 million provision for income taxes in 2020 compared to a benefit for income taxes of $2.8 million in 2019. We follow the asset and liability method of accounting for income taxes, whereby we recognize deferred income taxes for the tax consequences of temporary differences between the financial statement carrying amounts and the tax basis of the assets and liabilities. Valuation allowances are recorded to reduce deferred tax assets when it is more likely than not that a tax benefit will not be realized. The provision for income taxes reflects taxable income earned and taxed in U.S. federal and state and non-U.S. jurisdictions.

Our effective tax rate was 181.9% and 157.9% for the years ended December 31, 2019 and 2020, respectively. The tax rate differed from the statutory tax rate of 21.0% primarily as a result of a valuation allowance release and state taxes for 2019 and stock-based compensation resulting from a secondary market sale and ISOs and state taxes for 2020.

Our tax provision was affected in 2019 by the release of our valuation allowance. Prior to 2019, we recorded a valuation allowance that fully offset our deferred tax assets. In the fourth quarter of 2019, based on our evaluation of various factors, including our achievement of a cumulative three-year income position and forecasts of future operating results, we released all of our valuation allowance against our federal and state deferred tax assets, partially offset by our permanent items related to stock-based compensation and recorded a corresponding income tax benefit as described in “Note 10. Income Taxes” in the notes to our consolidated financial statements. Our release of the valuation allowance led to a $1.2 million net income in 2019.

In 2020, we had a $15.3 million stock-based compensation expense in the fourth quarter resulting primarily from a secondary market sale. There was no cash impact related to this secondary market sale expense. Because this expense was not tax deductible, it had the effect of increasing our effective tax rate in 2020.

During 2020 and 2019, the amount of our unrecognized tax benefits increased by $0.1 million and $0.3 million respectively. The future impact of the unrecognized tax benefits of $1.3 million, if recognized, would affect the effective tax rate.

In both 2019 and 2020, we benefited from the utilization of our U.S. federal and state net operating loss and credit carryforwards.

Quarterly results of operations

The following tables present our unaudited consolidated statements of operations for each of the last ten quarters through the period ended June 30, 2021. The unaudited consolidated statements of operations for each quarter have been prepared on the same basis as the annual consolidated financial statements included in the prospectus and reflect all normal and recurring adjustments that are, in our opinion, necessary for the fair presentation of the results of operations for the periods presented. Our historical results are not necessarily indicative of the results that may be expected in the future. The following quarterly financial data should be read in conjunction with our consolidated financial statements included elsewhere in the prospectus.

Quarterly consolidated statements of income:

	Three months ended									
	March 31, 2019	June 30, 2019	September 30, 2019	December 31, 2019	March 31, 2020	June 30, 2020	September 30, 2020	December 31, 2020	March 31, 2021	June 30, 2021
	(in thousands)									
Revenue	$ 18,097	$ 19,759	$ 20,531	$ 22,073	$ 21,888	$ 18,753	$ 21,694	$ 25,737	$ 29,720	$ 35,304
Cost of revenue, net[(1)]	7,560	7,720	8,019	8,686	7,854	7,584	8,443	8,533	7,637	7,934
Gross margin	10,537	12,039	12,512	13,387	14,034	11,169	13,251	17,204	22,083	27,370
Operating expenses:										
Research and development[(1)]	650	783	1,229	1,448	928	1,449	2,268	2,083	1,097	4,874
General and administrative[(1)]	2,984	4,087	4,128	4,731	4,483	5,655	14,579	8,655	6,367	11,127
Sales and marketing[(1)]	14,662	6,809	2,586	3,131	3,349	2,974	1,491	2,074	3,077	3,870
Total operating expenses	18,296	11,679	7,943	9,310	8,760	10,078	18,338	12,812	10,541	19,871
Income from operations	(7,759)	360	4,569	4,077	5,274	1,091	(5,087)	4,392	11,542	7,499
Interest and other expenses, net	(618)	(652)	(674)	(813)	(764)	(750)	(646)	(558)	(737)	(769)
(Loss) income before income taxes	(8,377)	(292)	3,895	3,264	4,510	341	(5,733)	3,834	10,805	6,730
Benefit (provision) for income taxes	(25)	2	(21)	2,795	(1,224)	(141)	(1,205)	(2,092)	(2,762)	(99)
Net income (loss)	$ (8,402)	$ (290)	$ 3,874	$ 6,059	$ 3,286	$ 200	$ (6,938)	$ 1,742	$ 8,043	$ 6,631

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

	Three months ended									
	March 31, 2019	June 30, 2019	September 30, 2019	December 31, 2019	March 31, 2020	June 30, 2020	September 30, 2020	December 31, 2020	March 31, 2021	June 30, 2021
	(in thousands)									
Cost of revenue, net	$ 24	$ 156	$ 153	$ 513	$ 167	$ 157	$ 956	$ 992	$ 188	$ 237
Research and development	8	78	115	540	97	143	1,062	1,167	154	174
General and administrative	23	238	267	968	278	238	9,689	2,443	304	404
Sales and marketing	18	79	73	234	56	50	58	284	64	73
Total stock-based compensation expense	$ 73	$ 551	$ 608	$ 2,255	$ 598	$ 588	$ 11,765	$ 4,886	$ 710	$ 888

Quarterly revenue trends

Our revenue in each of the quarters presented predominantly increased consecutively over periods presented primarily due to increased demand for our platform from both new and existing customers as well as an increase in our average paid members and a pricing change implemented in May 2020, which led to a gradual increase in per member price for our paid members from existing customers not using the

Expensify Card in connection with our expense management platform for 50% or more of their approved expenses. All new customers beginning on May 1, 2020, were subject to this pricing change. Our revenue was adversely affected by the COVID-19 pandemic in the quarter ended June 30, 2020, particularly due to the decrease in business travel, which is a significant use case for our platform, but this adverse impact was mitigated by the prevalence of our annual contracts and minimum user requirements in those contracts.

Quarterly cost of revenue, net trends

Our cost of revenue, net increased throughout all quarters in 2019 as a result of increased demand for our product and increased support costs associated with that demand. In 2020, this spend was offset by a decrease in receipts scanned by members due to lower travel and business spending during the COVID-19 pandemic, resulting in cost of revenue, net remaining relatively flat over the quarters presented through June 2020. The third and fourth quarters of 2020 increased at a higher rate due to stock-based compensation costs related to a secondary market sale of employee shares facilitated by us. In 2021, cost of revenue, net remained relatively flat as we continued to refocus employee's time to developing new products and services while relying on increased outsourcing activities to maintain the platform. Starting with the fourth quarter of 2019, our cost of revenue, net has been partially offset by increasing consideration received from a vendor for monetization of transactions from the Expensify Card.

Quarterly operating expenses trends

Our research and development expenses predominantly increased in each of the quarters presented primarily due to an increased effort to develop new and updated features, products and services that are central to our core business strategy and increasing our personnel-related costs to meet this focused investment into research and development.

Our general and administrative expenses predominantly increased consecutively over all periods due to the overall growth of our business and higher professional service costs for accounting, auditing and legal services related to our annual financial statement audits. This also includes increases in personnel-related costs, including stock-based compensation expense, for existing and new employees offset by a decrease in travel and event spend due to the COVID-19 pandemic. The third and fourth quarters of 2020 increased at a higher rate due to stock-based compensation costs related to a secondary market sale of employee shares facilitated by us.

Our sales and marketing expenses in the first two quarters of 2019 reflect an increase in costs associated with our Super Bowl campaign. The first quarter of 2020 reflects an increase in expenses associated with product advertising campaigns, however starting in the second quarter of 2020, we aggressively reduced our advertising and other sales and marketing expenses due to the impact of the COVID-19 pandemic. In 2021, quarters presented reflect an increase in expenses associated with advertising campaigns targeted towards brand awareness.

Quarterly interest and other expenses, net trends

Our other income (expense), net increased throughout all quarters in 2019 as a result of an increase in interest expense related to our line of credit, term loans and amortizing mortgage. In 2020, this expense was partially offset primarily due to favorable impact from foreign exchange rates, which stabilized by the six months ended June 30, 2021.

Non-GAAP financial measures

Adjusted EBITDA and adjusted EBITDA margin

We define adjusted EBITDA as net income from operations excluding provision for income taxes, interest and other expenses, net, depreciation and amortization and stock based compensation. We define adjusted EBITDA margin as adjusted EBITDA divided by total revenue for the same period. We are focused on profitable growth and we consider adjusted EBITDA to be an important measure because it

helps illustrate underlying trends in our business that could otherwise be masked by the effect of the income or expenses that are not indicative of the core operating performance of our business.

	Year ended December 31,		Six months ended June 30,	
	2019	2020	2020	2021
	(in thousands, except percentages)			
Adjusted EBITDA	$ 7,579	$ 26,755	$ 9,160	$ 22,933
Adjusted EBITDA margin	9 %	30 %	23 %	35 %

Limitations and reconciliations of non-GAAP financial measures

Non-GAAP financial measures have limitations as analytical tools and should not be considered in isolation or as substitutes for financial information presented under GAAP. There are a number of limitations related to the use of non-GAAP financial measures versus comparable financial measures determined under GAAP. For example, other companies in our industry may calculate these non-GAAP financial measures differently or may use other measures to evaluate their performance. All of these limitations could reduce the usefulness of these non-GAAP financial measures as analytical tools. Investors are encouraged to review the related GAAP financial measures and the reconciliations of these non-GAAP financial measures to their most directly comparable GAAP financial measures and to not rely on any single financial measure to evaluate our business.

The following table reconciles the most directly comparable GAAP financial measure to each of these non-GAAP financial measures.

Adjusted EBITDA and adjusted EBITDA margin

	Year ended December 31,		Six months ended June 30,	
	2019	2020	2020	2021
	(in thousands, except percentages)			
Net income (loss)	$ 1,241	$ (1,710)	$ 3,486	$ 14,674
Net income (loss) margin	2 %	(2)%	9 %	23 %
Add:				
Provision (benefit) for income taxes	(2,751)	4,662	1,365	2,861
Interest and other expenses, net	2,757	2,718	1,514	1,506
Depreciation and amortization	2,845	3,248	1,609	2,294
Stock-based compensation[1]	3,487	17,837	1,186	1,598
Adjusted EBITDA	$ 7,579	$ 26,755	$ 9,160	$ 22,933
Adjusted EBITDA margin	9 %	30 %	23 %	35 %

(1) For the year ended December 31, 2019, we recorded stock based compensation of $3,487 thousand in the consolidated statement of income. Of this amount, $1,706 thousand was recorded through additional paid in capital and $1,781 thousand was not recorded within additional paid in capital as it represents the excess of the repurchase price over the fair value of shares repurchased. Please refer to Note 9 - Stock-based compensation in our notes to the consolidated financial statements for further detail.

Liquidity and capital resources

As of June 30, 2021, we had $45.4 million in cash and cash equivalents. Since our inception, we have financed our operations primarily through our cash flow from operations, sales of our equity securities and borrowings under our credit facilities. As of June 30, 2021, we had $46.6 million in outstanding indebtedness.

Our future capital requirements will depend on many factors, including revenue growth and costs incurred to support growth in our business and our need to respond to business opportunities, challenges or unforeseen circumstances. We believe that our existing cash resources will be sufficient to finance our

continued operations, growth strategy and the additional expenses we expect to incur as a public company for at least the next 12 months.

We may from time to time seek to raise additional capital to support our growth. Any equity financing we may undertake could be dilutive to existing stockholders, and any additional debt financing we may undertake could require debt service and contain restrictive covenants relating to our capital raising activities and other financial and operational matters, which could adversely affect our business. We cannot assure that we would be able to obtain future financing on acceptable terms or at all.

Cash bonuses

As described in the subsection titled "Critical accounting policies and estimates—Cash bonuses," we determined that we would pay a cash bonus to each of our employees in a value that approximates the cost of each employee exercising 45% of their total stock options, limited by the total stock options outstanding and held by each existing employee as of June 15, 2021, including the tax withholding applicable to each employee. We included both vested and unvested stock options outstanding and held by each existing employee as of June 15, 2021 by each employee in determining the cash bonus paid. No employee is obligated to use the cash bonus to exercise their outstanding stock options.

From July 1, 2021 through the previous financial statement issuance date on September 24, 2021, we have paid $9.5 million of these cash bonuses to employees. Additionally, from September 25, 2021 through November 1, 2021, we paid approximately $3.3 million in cash bonuses to employees. As of September 24, 2021, the total cash bonuses yet to be paid to employees are estimated to range from approximately $30.8 million to $35.5 million. As of November 1, 2021, the total cash bonuses yet to be paid to employees are estimated to range from $27.5 million to $32.2 million. We expect payment of these cash bonuses to take place during the fiscal quarter ended December 31, 2021.

Cash flows

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

	Year ended December 31,		Six months ended June 30,	
	2019	2020	2020	2021
	(in thousands)			
Net cash provided (used) by operating activities	$ 12,430	$ 7,585	$ (10,186)	$ 24,213
Net cash used by investing activities	(4,904)	(4,295)	(2,268)	(3,293)
Net cash provided (used) by financing activities	5,136	8,787	8,446	(3,988)
Net increase (decrease) in cash, cash equivalents and restricted cash	$ 12,662	$ 12,077	$ (4,008)	$ 16,932

Cash provided (used) by operating activities

During the six months ended June 30, 2021, cash provided by operating activities was $24.2 million, which consisted of net income of $14.7 million adjusted by non-cash charges of $4.4 million and net cash inflows from the change in assets and liabilities of $5.0 million. The non-cash charges primarily consisted of stock-based compensation expense of $1.6 million and depreciation and amortization expense of $2.3 million, which increased from the six months ended June 30, 2020 primarily due to increased property and equipment and capitalized software additions. The net cash inflows from the change in our assets and liabilities were driven by a $7.1 million increase in settlement liabilities primarily due to increased expense reimbursement activity resulting in increased revenue and a $6.8 million increase in accrued expenses and other liabilities primarily resulting from expenses related to increases in payroll and income tax liabilities partially offset by a $3.5 million increase in accounts receivable and a $3.0 million increase in settlement assets, which both resulted from our increased revenue as well as a $1.5 million increase in

prepaid expenses primarily from increased spending on sales and marketing as the business ramps up for future advertising with expected increased demand for business travel.

During 2020, cash provided by operating activities was $7.6 million, which consisted of net loss of $1.7 million adjusted by non-cash charges of $25.9 million and net cash outflows from the change in assets and liabilities of $16.6 million. The non-cash charges primarily consisted of stock-based compensation expense of $17.8 million and depreciation and amortization expense of $3.2 million. The net cash outflows from the change in our assets and liabilities were driven by a $16.5 million decrease in settlement liabilities from a decrease in expense reimbursements due to COVID, $2.2 million increase in accounts receivable resulting from our increased revenue, a $1.4 million increase in other current assets primarily due to increased collateral accounts related to increased use of our Expensify Card and a $0.7 million decrease in accounts payable due primarily to timing of payments to our vendors, partially offset by a $1.8 million increase in accrued expenses and other liabilities primarily resulting from expenses related to our planned initial public offering.

During the six months ended June 30, 2020, cash used in operating activities was $10.2 million, which consisted of net income of $3.5 million adjusted by non-cash charges of $5.0 million and net cash outflows from the change in assets and liabilities of $18.7 million. The non-cash charges primarily consisted of stock-based compensation expense of $1.2 million, $1.0 million for reduction of operating lease right-of-use assets due to the termination of an office lease, $1.2 million related to our deferred tax asset in result of state net operating loss and tax credit carryforwards, and depreciation and amortization expense of $1.6 million related to property and equipment, capitalized software and finance lease right-of-use assets. The net cash outflows from the change in our assets and liabilities were driven by a $20.4 million decrease in settlement liabilities from a decrease in expense reimbursements due to the COVID-19 pandemic and a $1.4 million decrease in accounts payable primarily due to timing of payments to our vendors, partially offset by a $3.5 million decrease in settlement assets due to decreased use of our Expensify Card during the period.

During 2019, cash provided by operating activities was $12.4 million, which consisted of net income of $1.2 million adjusted by non-cash charges of $3.0 million and net cash inflows from the change in assets and liabilities of $8.2 million. The non-cash charges primarily consisted of depreciation and amortization expense of $2.8 million and stock-based compensation expense of $1.7 million, partially offset by a $2.9 million benefit related to our deferred tax assets in connection with the full release of our valuation allowance in 2019. The net cash inflows from the change in our assets and liabilities were primarily due to a $5.5 million increase in settlement liabilities from an increase in expense reimbursement activity, $3.6 million decrease in prepaid expenses primarily resulting from prepayments in 2018 for our 2019 Super Bowl advertising campaign, partially offset by a $2.0 million increase in accounts receivable driven primarily by our increased revenue.

Cash used in investing activities

During the six months ended June 30, 2021, cash used in investing activities was $3.3 million, primarily consisting of the purchase of property and equipment related to the build-out of our offices in Portland and San Francisco of $1.9 million and software development costs of $1.4 million.

During 2020, cash used in investing activities was $4.3 million, primarily consisting of the purchase of property and equipment related to the build-out of our offices in Portland and San Francisco of $2.5 million and software development costs of $1.8 million.

During the six months ended June 30, 2020, cash used in investing activities was $2.3 million, primarily consisting of the purchase of property and equipment related to the build-out of our offices in Portland and San Francisco of $1.6 million and software development costs of 0.7 million.

During 2019, cash used in investing activities was $4.9 million, primarily consisting of the purchase of property and equipment related to our Portland office of $3.2 million and software development costs of $1.7 million.

Cash provided (used) by financing activities

During the six months ended June 30, 2021, cash used by financing activities was $4.0 million, which included $1.2 million principal payments on our amortizing term loan obligation, $0.4 million principal payments on our finance lease obligations and $3.3 million in payments related to deferred offering costs, partially offset by $1.0 million of proceeds from the exercise of stock options.

During 2020, cash provided by financing activities was $8.8 million, which included $9.6 million of borrowings under our line of credit and $1.3 million of proceeds from the exercise of stock options, partially offset by a $1.0 million principal payment on our line of credit and $0.8 million of principal payments on our finance lease obligations.

During the six months ended June 30, 2020, cash provided by financing activities was $8.4 million, which included $9.6 million of borrowings under our line of credit partially offset by a $1.0 million principal payment on our line of credit and $0.4 million of principal payments on our finance lease obligations.

During 2019, cash provided by financing activities was $5.1 million, which included $5.5 million of borrowings under our line of credit and $0.5 million of proceeds from the exercise of stock options, partially offset by $0.8 million of principal payments on our finance lease obligations.

Credit facilities

Amortizing term mortgage

In 2019, we purchased a commercial building in Portland, Oregon. In connection with the purchase, we entered into a credit agreement with CIBC that provides for a $8.25 million amortizing term mortgage. The agreement requires interest and principal payments be made each month over a 30-year period. Interest accrues at a fixed rate of 5% per year until August 2024, at which point the interest rate changes to the Wall Street Journal Prime Rate minus 0.25% for the remaining term of the mortgage. The borrowings are secured by the building. As of December 31, 2019 and 2020, the outstanding balance of the amortizing term mortgage was $8.2 million and $8.1 million, respectively. As of June 30, 2021, the outstanding balance of the amortizing term mortgage was $8.0 million.

Loan and security agreement

Our loan and security agreement with CIBC, as amended and restated in September 2021, includes a $75.0 million term loan and a $25.0 million revolving line of credit. The loan and security agreement was originally entered into in May 2018, and the term loan and revolving line of credit mature in September 2026 and September 2024, respectively.

In November 2018, we entered into a first amendment to the loan and security agreement to add a $15.0 million revolving line of credit and a $14.0 million amortizing term loan to the existing $11.0 million non-amortizing term loan. The revolving line of credit provided borrowings of the lesser of $15.0 million or 300% of monthly recurring revenue. Borrowings under the revolving line of credit bear interest at the bank's reference rate plus 1.00% (5.75% and 4.25% as of December 31, 2019 and 2020, respectively) and were secured by substantially all of our assets. As of December 31, 2019 and 2020, we had drawn $6.4 million and $15.0 million, respectively, under the revolving line of credit. The revolving line of credit originally expired in October 2022. As of June 30, 2021, we had drawn $15.0 million under the revolving line of credit. As of December 31, 2020 and June 30, 2021, we had no capacity available for borrowings under our line of credit.

The $11.0 million non-amortizing term loan was an interest-only loan (fixed at 9.5% per year) for 60 months that became due and payable at the end of the note term in November 2023. The borrowings were secured by substantially all our assets. As of December 31, 2019, December 31 2020 and June 30, 2021, the outstanding balance of the non-amortizing term loan was $11.0 million.

The $14.0 million amortizing term loan required interest-only payments on the outstanding borrowings through November 1, 2020. Beginning in November 2020, the amount outstanding at such time became

payable over a 36-month period with principal and accrued interest payments due each month thereafter. The amounts borrowed are payable with interest at the bank's reference rate plus 2.25% (7.0% and 5.5% at December 31, 2019 and 2020, respectively) beginning in November 2020 through 2023. The borrowings were secured by substantially all our assets. As of December 31, 2019 and 2020, the outstanding balance of the amortizing term loan was $14.0 million and $13.8 million, respectively. As of June 30, 2021, the outstanding balance of the amortizing term loan was $12.7 million.

In August 2019, we entered into a second amendment to the loan and security agreement to exclude a default under our amortizing term mortgage from the existing cross default event of default.

In December 2019, we entered into a third amendment to the loan and security agreement to waive restrictions related to a stock repurchase program and to modify certain definitions and terms that were not significant.

In September 2020, we entered into a fourth amendment to the loan and security agreement to exclude certain subsidiaries as guarantors and to modify certain definitions and terms and waive existing events of default related to certain new subsidiaries.

In September 2021, we amended and restated the loan and security agreement to refinance the existing term loans, establish a single term loan of up to $75.0 million, consisting of a $45.0 initial term loan with an option at a later date to enter into an additional $30.0 million delayed term loan, and increase the revolving line of credit to $25.0 million. A portion of the loan proceeds from the initial term loan were used to repay our remaining balances under the amortizing and non-amortizing term loans at the time of the amendment and restatement.

Certain covenants

We are subject to customary covenants under our loan and security agreement, which unless waived by CIBC, restrict our and our subsidiaries' ability to, among other things incur additional indebtedness, create or incur liens, permit a change of control or merge or consolidate with other companies, sell or transfer assets, pay dividends or make distributions, make acquisitions, investments or loans, or payments and prepayments of subordinated indebtedness, subject to certain exceptions. We must also maintain certain financial covenants: for the first year, a total annual recurring revenue leverage ratio not to exceed 0.8 to 1.0, tested on the last day of each fiscal quarter, and maintaining liquidity at times not less than $10.0 million, in each case as defined in the loan and security agreement; and thereafter, a total EBITDA net leverage ratio, tested each quarter, of not less than 5.00 to 1.00 from September 30, 2022 through and including June 30, 2023, not less than 4.00 to 1.00 from September 30, 2023 through and including June 30, 2024, and not less than 3.00 to 1.00 from September 30, 2024 and thereafter, and a fixed charge coverage ratio of not less than 1.10 to 1.100, tested on the last day of each calendar quarter.

If we fail to perform our obligations under these and other covenants, CIBC's credit commitments could be terminated and any outstanding borrowings, together with accrued interest, under the credit or loan agreements could be declared immediately due and payable.

As of June 30, 2021, we were in compliance with all debt covenants.

Contractual obligations and commitments

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

	Payments due by period (in thousands)			
	Less than 1 year	1-3 years	More than 3 years	Total
Principal payments on debt	$ 17,465	$ 22,755	$ 7,671	$ 47,891
Interest payments on debt	2,686	4,874	5,890	13,450
Finance lease commitments	816	1,292	—	2,108
Operating lease commitments	880	1,128	—	2,008
Total	$ 21,847	$ 30,049	$ 13,561	$ 65,457

Off-balance sheet arrangements

During the periods presented, we did not have, 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.

Quantitative and qualitative disclosures about market risk

Foreign currency exchange risk

We report our results in U.S. dollars, which is our reporting currency. For our foreign operations, the majority of our revenues and expenses are denominated in other currencies, such as the British Pound and the Australian Dollar. Foreign currency assets and liabilities are remeasured into the U.S. dollar at the end-of-period exchange rates except for prepaid expenses, property and equipment and related depreciation and amortization, and lease right-of-use assets and related amortization, which are remeasured at the historical exchange rates. Revenues and expenses are remeasured at average exchange rates in effect during each period. Gains or losses from foreign currency transactions are included in the consolidated statements of income.

If the value of the U.S. dollar weakens relative to the foreign currencies, this may have an unfavorable effect on our cash flows and operating results. We do not believe that a 10% change in the relative value of the U.S. dollar to other foreign currencies would have a material effect on our cash flows and operating results.

Interest rate risk

We are subject to interest rate risk in connection with borrowings under our amortizing term mortgage, our monthly revolving line of credit and our amortizing term loan. Interest rate changes generally impact the amount of our interest payments and, therefore, our future net income and cash flows, assuming other factors held constant. Assuming the amounts outstanding under these borrowing facilities are fully drawn, a hypothetical 10% change in interest rates would not have a material impact on our consolidated financial statements.

Critical accounting policies and estimates

Our consolidated financial statements included elsewhere herein have been prepared in accordance with U.S. generally accepted accounting principles. The preparation of our financial statements requires us to make estimates and judgments that affect our reported amounts of assets, liabilities, revenues and expenses. We base our estimates on historical experience and on various other assumptions that we believe are reasonable under the circumstances. Actual results may differ from these estimates under

different assumptions or conditions. While our significant accounting policies are more fully described in the notes to our consolidated financial statements included elsewhere herein, we believe that the following accounting policies and estimates are critical to our business operations and understanding of our financial results. See Note 2 to our consolidated financial statements contained elsewhere herein for a description of our other significant accounting policies.

Employee and employee-related expenses

Allocating our employee and employee-related expenses, which consist of contractor costs, employee salary and wages, stock-based compensation and travel and other employee-related costs, to their appropriate financial statement line items on the consolidated statements of income, requires us to make estimates and judgments as a result of our generalist model and organizational structure. We base our estimates for allocating employee and employee related expenses on our internal time tracking tools. Management reviews the estimates each reporting period to evaluate the estimate of the allocated amounts to each expense financial statement line item in the consolidated financial statements.

Revenue recognition

We generate revenue from subscription fees paid by our customers to access and use our hosted software services, as well as standard customer support. We adopted Accounting Standard Update (ASU) No. 2014-09, *Revenue from Contracts with Customers (Topic 606)* as of January 1, 2019, utilizing the full retrospective method of transition.

We recognize revenue when control of the promised goods or services is transferred to customers, in an amount that reflects the consideration we expect to be entitled to in exchange for those goods or services.

Under Topic 606, we determine the amount of revenue to be recognized through the following five-step framework:

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

Our contracts are either month-to-month arrangements billed monthly in arrears based on a specified number of members or annual arrangements billed monthly in arrears based on a minimum number of monthly members. Month-to-month contracts can be terminated by either party at any time without penalty. During 2019, annual subscription customers who wished to terminate their contracts before the end of the term were required to pay the remaining obligation in full plus any fees or penalties set forth in the agreement. In May 2020, we updated our terms of service, which resulted in annual contracts becoming noncancelable and a pricing change, which led to an increase in the per member price for paid members.

We charge our customers subscription fees for access to our platform based on the number of monthly members and level of service. The contractual price per member is based on either negotiated fees or rates published on our website. Our contracts with our customers include two performance obligations: access to the hosted software service (SaaS), inclusive of all features available within the platform, and related customer support. We account for the SaaS and the support as a combined performance obligation because they have the same pattern of transfer over the same period and are therefore delivered concurrently. We satisfy our performance obligation over time each month as we provide the SaaS and support services to customers and as such generally recognize revenue monthly based on the number of monthly members and contractual rate per member.

Certain annual contracts provide the customer the option to increase the minimum number of members and extend the contract term on a prospective basis or to purchase members beyond the minimum contracted number of members at a higher rate for a particular month. We account for these options when the customer exercises the option as they do not represent a material right, and we account for them as a contract modification when exercised by the customer.

We recognize revenue net of applicable taxes imposed on the related transaction. We charge the customer on a monthly basis, in arrears, with typical payment terms being 30 days. A contract asset is the right to consideration for transferred goods or services and arises when the amount of revenue recognized exceeds amounts billed to a customer. As a result of a price increase in 2020 that was applicable to certain annual contracts and is being billed incrementally by us over a twelve month period, we recorded revenue for such contracts on a straight line basis over the twelve month period affected by the price increase. This resulted in contract assets that consist of unbilled receivables for revenue recognized in excess of billings. We recorded contract assets for unbilled receivables of $1.2 million within Other current assets on our consolidated balance sheet as of December 31, 2020. We recorded contract assets of $0.4 million within Other current assets on our consolidated balance sheet as of June 30, 2021. The contract asset will decrease as the price increase is applied to the amounts billed to customers, over the twelve month period. We had no contract assets as of December 31, 2019. Since our performance obligation is satisfied monthly, at any reporting period, we have no unsatisfied, or partially unsatisfied, performance obligations.

Common stock valuations

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

- independent third-party valuations of our common stock;
- the prices at which others have purchased our convertible preferred stock in arm’s-length transactions;
- the rights, preferences and privileges of our convertible preferred stock relative to those of our common stock;
- our financial condition, results of operations and capital resources;
- the likelihood and timing of achieving a liquidity event, such as an initial public offering or sale of the company, given prevailing market conditions;
- the lack of marketability of our common stock;
- our estimates of future financial performance;
- valuations of comparable companies;
- the hiring or loss of key personnel;
- the status of our development, product introduction and sales efforts;
- industry information, such as market growth and volume and macro-economic events; and
- additional objective and subjective factors relating to our business.

To determine the fair value of our common stock, we first determined our enterprise value and then allocated that enterprise value to our common stock and common stock equivalents. Our enterprise value was estimated using two generally accepted approaches: the income approach and the market approach.

The income approach estimates enterprise value based on the estimated present value of future cash flows the business is expected to generate over its remaining life. The estimated present value is calculated using a discount rate reflective of the risks associated with an investment in a similar company in a similar industry or having a similar history of revenue growth. The market approach measures the value of a business through an analysis of recent sales or offerings of comparable investments or assets, and in our case, focused on comparing us to a group of our peer companies. In applying this method, valuation multiples are derived from historical operating data of the peer company group. We then apply multiples to our operating data to arrive at a range of indicated values of the company.

For each valuation, we prepared a financial forecast to be used in the computation of the value of invested capital for both the income approach and market approach. The financial forecast considered our past results and expected future financial performance. The risk associated with achieving this forecast was assessed in selecting the appropriate discount rate. There is inherent uncertainty in these estimates as the assumptions used are highly subjective and subject to changes as a result of new operating data and economic and other conditions that impact our business.

As an additional indicator of fair value, we provided weighting to arm's-length transactions involving issuances of our securities near the respective valuation dates in connection with acquisitions.

Following our initial public offering, it will not be necessary to determine the fair value of our common stock, as our shares will be traded in the public market.

Stock-based compensation

We account for stock-based compensation under the fair value recognition and measurement provisions of U.S. generally accepted accounting principles. Those provisions require all stock-based awards granted to employees, including stock options, to be measured based on fair value at the date of grant, with the resulting expense generally recognized in the consolidated statements of income over the period during which the employee is required to perform service in exchange for the award.

We utilize the Black-Scholes option pricing model to determine the estimated fair value of stock-based awards. We recognize these stock-based compensation costs on a straight-line basis over the requisite service period of the award, which is generally the option vesting term of four years. We record forfeitures as they occur.

The Black-Scholes option pricing model requires management to make a number of assumptions, including the fair value and expected volatility of our underlying common stock price per share, expected life of the award, risk-free interest rate and expected dividend yield. The fair value of common stock is determined by the Board of Directors based on a number of factors including independent third-party valuations of our common stock, which consider estimates of our future performance and valuations of comparable companies. We also consider prices at which others have purchased our stock, and the likelihood and timing of achieving a liquidity event. When awards are granted or revalued between the dates of valuation reports, we consider the change in common stock fair value and the amount of time that lapsed between the two reports to determine whether to use the latest common stock valuation or an interpolation between two valuation dates for purposes of valuing stock-based awards. We estimate the volatility of our common stock at the date of grant based on the expected weighted-average volatility for a group of publicly traded companies in a similar industry or with similar service offerings, with a term of one year or greater. The expected life represents the period that our stock-based award is expected to be outstanding. We determine the expected life for option grants using the simplified method. The simplified method deems the expected life to be the average of the time-to-vesting and the contractual life of the stock-based awards. The risk-free interest rate is based on the U.S. Treasury yield for a term consistent

with the expected life of the awards in effect at the time of grant. The expected dividend yield is assumed to be zero as we have not paid and do not expect to pay dividends.

No income tax benefit has been recognized relating to stock-based compensation expense and no tax benefits have been realized from exercised stock options during the years ended December 31, 2019 and 2020.

Cash bonuses

In July 2021, we determined that we would pay a cash bonus to each of our employees in a value that approximates the cost of each employee exercising 45% of their total stock options issued, limited by the total stock options outstanding as of June 15, 2021, including the tax withholding applicable to each employee. We included both vested and unvested stock options outstanding and held by each existing employee as of June 15, 2021 to each employee in determining the cash bonus paid.

In addition to using the exercise cost of the stock options through June 15, 2021, management relied on an estimate to determine the tax withholding that could be applicable to each employee based on if they were to exercise the stock options. In order to determine this estimate, we relied on third-party tax consultants that reviewed a number of assumptions provided by management, including the applicable taxable income to the employee as a result of the cash bonus in 2021 and the spread of the fair value of the options based on the latest independent third-party common stock valuation and the exercise price of the same options applicable to each employee. No employee is obligated to use the cash bonus to exercise their outstanding stock options.

From July 1, 2021 through the previous financial statement issuance date on September 24, 2021, we have paid $9.5 million of these cash bonuses to employees. Additionally, from September 25, 2021 through November 1, 2021, we paid approximately $3.3 million in cash bonuses to employees. As of September 24, 2021, the total cash bonuses yet to be paid to employees are estimated to range from approximately $30.8 million to $35.5 million. As of November 1, 2021, the total cash bonuses yet to be paid to employees are estimated to range from $27.5 million to $32.2 million. We expect payment of these cash bonuses to take place during the fiscal quarter ended December 31, 2021.

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.

Subsequent events

We have evaluated subsequent events through April 28, 2021, September 24, 2021, and November 1, 2021, the dates the consolidated financial statements for the years ended December 31, 2019 and 2020 were originally issued, revised for the reclassification of prior year presentation and for the retroactive stock split presentation (as discussed in Note 1), respectively. Additionally, we have evaluated subsequent events through September 24, 2021 and November 1, 2021, the date the interim consolidated financial statements as of and for the six months ended June 30, 2021 (unaudited) were originally issued and revised for the retroactive stock split presentation (as discussed in Note 1). See Note 2 to our consolidated financial statements included elsewhere in this prospectus for more information.

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 consolidated financial statements may not be comparable to companies that comply with new or revised accounting pronouncements as of public company effective dates.

Letter from our founder and CEO

The next 100 years are going to be nuts.

Global population is going to peak, and then go down—possibly forever—inverting the labor pool. The worst effects of climate change will be felt, and (with enough effort) begin to subside. Automation will wipe out millions of jobs, potentially creating a hyper-concentration of wealth that would exacerbate social tensions around the world. VR and personal VTOL travel will radically alter where we live and work. Miniaturized surveillance and data aggregation will challenge all notions of privacy, while quantum computers wipe out all modern cryptography. The Singularity will (maybe?) occur. We will become a multi-planetary civilization.

To repeat, the next 100 years are going to be nuts.

These vast climate, social, and technological changes are so daunting, it's tempting to bury our heads and pretend they will only happen to somebody else. But odds are, if you are reading these words, you are going to be alive to witness the most extreme effects of these trends—and if not, your children certainly will.

This stark reality has weighed on me, for a long time. Our world is incredible, mysterious, diverse, and beautiful. But so fragile, and pushed to the brink. I am convinced we can get through this, and leave everything for our kids better than we found it. If enough of us help.

Expensify is how we help.

I've been through the startup grinder a few times, and the last time left me a modest chunk of change in my pocket, while I was living in the Tenderloin in San Francisco. And while it can be paralyzing to think about these huge, systemic problems, I wanted to do something for the homeless neighbors I saw on my street every day as I walked to my comfortable job.

So I set out to build a private label electronic food stamp card I could hand out to anyone in need, that could be used once a day, up to $10 per day, only at restaurants that didn't serve alcohol—with every purchase billed back to me. I reasoned that while I couldn't solve hunger globally, it was within my power to do it on my street (but only if it was easy enough to manage; I had a day job, after all).

The technology, as is usually the case, was the easy part: I built a decentralized ACID-safe, Paxos-based, WAN-clustered self-healing database using blockchain synchronization (before Satoshi published his first paper on Bitcoin), and prepared to drop it on to Visa's ISO 8583 private internet to print a stack of instant-issue cards I'd keep in my back pocket to hand out as needed. The hard part, as is usually the case, was getting permission from the many gatekeepers involved.

When I took this idea to the banks, they were like… what? Where is the business model? What about PCI compliance, money transfer licensing, KYC, AML, and a list of TLAs as long as my arm. They were very clear: *this is too weird, and too risky, I'm out*.

This led me to think, "Hm… I need to sound safe, and boring. What is the most boring application of these cards I can imagine… Aha!"

A corporate card, as a Trojan horse for charity.

I went back to those banks and said "Forget all that. Instead, I'm going to make a corporate card that small business owners can give to their employees, that enforces expense policy such as spend amounts and merchant authorization, at the point of purchase, but then bills every purchase back to the owner, so they keep the rewards. I call it: The Expensify Card."

It was the same technology I needed to feed people on my street, but presented in a way that would go down easy. They all murmured that this felt safe, and boring, and they hated their expense reports too, so let's do this.

A lot happened since then.

The first Black man was elected president. Don't Ask Don't Tell was repealed. The #MeToo movement held previously unaccountable men to account. The economy tanked, then boomed. America was Made Great. Racist ideology spiked. George Floyd was murdered. Walls were built, old alliances faded, mutual distrust compounded. Wildfires choked our cities, while a virus choked our lungs. The wars droned on, then pulled out. Our capitol was directly attacked for the first time in centuries. Democracy itself came under fire.

Throughout it all, our business grew. We surfed the tidal waves of the iPhone launch, the consumerization of IT, the rise of social media, and in a shockingly short time went from a tiny joke startup ignored by incumbents, to *being* the incumbent. But our incumbency is very different than the one we replace.

A new kind of incumbent.

Our greatest innovation isn't our product, it's the company itself. People are often surprised to learn we have only 140 employees, with no dedicated managers, compensation decided by universal vote, and everyone deciding their own personal career path. We don't do it to be iconoclastic. We do it to achieve results. Fundamentally, we think shareholders are best served when we build a company that unlocks the full potential of employees by empowering them to:

- **Live rich.** We define this as having comfortable means, and the time to enjoy them. To be excited to go to work, empowered while you are there, and energized to return home to be with those you love. For every boring, average day, to be awesome.
- **Have fun.** Not Xbox fun; bucket-list fun. We make work inherently fun by surrounding everyone with the finest possible peers, and providing them and their families incredible social experiences that exceed anyone's individual imagination.
- **Save the world.** When every employee has a solid financial baseline and work/life balance, and is making brisk progress through their bucket list, they can truly dedicate the time and resources to focus on solving the biggest problems of the world: enabling everyone to live rich and have fun, not just a lucky few.

The result of all this is a company that doesn't just generate value for shareholders, but also produces compounding social good for the world at large. We have fully melded our charity model directly into our business model, so each supports and grows the other.

And we never forgot our original mission. Every swipe of the Expensify Card makes a small donation to our Expensify.org charity wing, which has dozens of active campaigns addressing homelessness, recidivism, climate change, youth issues, and—the inspiration for it all—hunger. Just one of those campaigns has already helped feed thousands of families on SNAP assistance, as well as encourage vaccinations amongst our most vulnerable population.

Expensify.org grows in lockstep with Expensify, meaning our business success directly funds our charitable activities. We firmly believe that doing good is good for business.

What we've learned so far.

We are very proud of what we've done over the past thirteen years. I truly believe that Expensify is the best, easiest to use, most powerful business payments superapp in the world. We are used by more businesses than any company we consider our peers, across a huge range of industries, company sizes,

countries, and currencies. And in the process of building it, we learned a lot. Those lessons are too numerous to list here, but to summarize some highlights:

- **The market for expense management is enormous**. Literally every business on the planet does expense management; not all businesses have revenue, but all have expenses.
- **The market for expense management is almost entirely untapped.** There are over 100 million businesses in the world, but less than 0.1% actually use some form of modern expense management. Excel/email—or a physical, paper envelope—are our primary competitors. Everyone else is a rounding error.
- **Expense management is a company's first accounting process**. Way before you have an accountant or an accounting package, you've figured out some way to keep track of your receipts.
- **Expense management scales gracefully.** The employee experience for expense management—swipe a card, scan a receipt—is remarkably consistent for sole-proprietors up to the Fortune 500. What back-end accounting differences that do appear at different scales are neatly contained to a few people in each company, invisible to the average employee.
- **Expense management is the strategic high ground of the back office.** The primary job of expense management is to "normalize" the chaos of the outside world, to clean up all financial data to be ready for the accounting team. We started calling this "preaccounting" (a term the industry has since adopted), which means expense management is the nexus point between rank-and-file employees and the general ledger system, HR system, payroll, CRM, project management, invoicing, bill processing, single sign-on, and basically every back end system you have.
- **Expense management is extremely high margin in the SMB.** Despite offering an incredible range of functionality at no cost to the customer—often replacing a basket of competitors at a fraction of the price—enables us to monetize employees in the SMB at approximately 3x the average revenue per user in our target market than is possible in the enterprise. Our unique bottom-up business model enables us to thrive where others struggle, meaning there's minimal competition, minimal margin erosion, and better than enterprise-class customer retention in the SMB.
- **Expense management functionality is a superset of AR/AP.** Though historically seen as separate industries, the expense report submission, approval, and reimbursement process is far more complicated than any other accounts receivable/payable process. This is why we are able to offer a single platform to do all these features in one simple app: an invoice is just a simplified expense report you send to a client; a bill is just the other side of an invoice. A paycheck is just an expense report that's automatically submitted for a fixed amount every two weeks. And so on. All of these synchronize with the same ledger system, and pay from the same bank accounts. Expensify isn't an expense management platform, it's an all-in-one business payments platform. It's one app, that's free to start, and easy to upgrade.
- **Expense management grows virally.** Every time you submit an expense report, you put us in touch with someone closer to the decision maker than you—your boss, your finance team, etc. This is why we give employees a free expense management app: we turn every expense report into a highly targeted endorsement, from a chain of trusted employees, directly to the buyer. That same viral loop works between accounting departments as well (because every invoice is sent from one accounting team to another), and between employees (because personal money requests often go from an employee in one company to an employee in another). No matter which feature is used, members organically promote Expensify to their friends, co-workers, bosses, employees, vendors, and clients—at zero marginal cost to us.

The SMB expense management market is like the land that time forgot—a huge, high margin, largely untapped "silent majority" of the market that is scraping by with antique solutions. And we are the ones that have created a single, powerful, easy-to-use tool with a viral, word-of-mouth model to capture and

modernize it at scale. But expense management alone was never the full plan, just the foundation for what's to come.

What we're doing now.

Expensify is a dynamic platform that changes a little every day, and a lot every year. Every change is a step down a long path to unify all of consumer and business payments into a single household-name superapp that grows rapidly, profitably, and scalably at zero marginal cost through viral use cases. There are a huge number of parallel initiatives underway to achieve that vision, but to highlight a few of my favorites:

- **We serve two bosses: your boss, and you.** Making a business purchase with your personal card is akin to lending money to your company at zero interest, and then acting as your own repo man to get paid back. It's not just a company expense: it's your expense, and it's our job to get you paid back. Our novel "individual ownership" legal structure deftly handles the subtle dynamics of joint data ownership in a business/personal context, as well as carefully isolates your personal data (such as your credit card) from company data (such as your corporate card). You own your Expensify account, not your boss. And we work for both of you, equally.
- **We are blurring the line between work and home.** Because you own your individual account, you take it with you when you change jobs. This makes our design more like LinkedIn or Facebook than Salesforce or Concur; joining a company is as simple as joining a group—company groups, community groups, church groups, our architecture treats them equally. Join as many or as few as you like, and leave whenever you want. You are in control. Expensify is a single app that works equally across all facets of your life, and our massively scalable blockchain-synchronized database allows everyone to securely swim side by side in the same data lake.
- **We are adding end-to-end encryption with quantum-safe tech.** Our individual ownership design and bottom-up business model make privacy even more paramount than they would normally be. However, quantum computers threaten to undermine the RSA/DH algorithms that underpin all modern cryptography. Accordingly, we are using the latest in lattice-based public key encryption to protect employee communications from advances in quantum computing.
- **We are gradually migrating to a chat-centric design.** Just like you can't talk to yourself, you can't pay yourself: every payment is a conversation, to resolve some kind of financial tension. Expense management has always involved a complex conversation between employees and companies, and we are doubling down on that inherent truth with a highly-simplified chat-centric design that feels like some kind of WhatsApp/Venmo lovechild.
- **We are becoming a feature-rich, totally free business chat system.** If expense management is ultimately just a complex financial conversation, chat is just expense management without the expenses. And since our bottom-up business model starts with individual employees using Expensify to manage those financial conversations for free, we are extending that model further to allow any business conversation for free. This is being designed to get a foothold in new companies even easier and earlier than before.
- **We are consolidating everything into a single, universal codebase.** By using React Native, we can build a single codebase that works identically across iPhone, Android, web, and even desktop. This means we don't need to rewrite the same features four times—we have one team, working on one app, that works equally everywhere.
- **We leverage the open source community.** Great talent appears everywhere, but not everyone wants a full time job. To capture the benefit from this global talent pool we augment our own engineering team with nearly a hundred open source developers around the world. We are committed to an open world of collaborative development, both by supporting existing projects and inviting everyone into our own.

- **We will support your side hustle.** Today you need to link together a basket of random tools to crowdfund, communicate with fans, and isolate your expenses. Expensify will bring the power of enterprise expense management into your pocket, simplified for the smallest project, growing in sophistication as you do.
- **We will link your community.** Volunteering with your church, hosting a block party, cleaning up a beach—all of these community activities are surprisingly complicated project management exercises, often with people you don't know very well, and often with large financial obligations split amongst the group. Expensify will make this easy.
- **We will help you travel with friends**. As the world reopens and our wanderlust takes hold, Expensify will be there booking your flights, managing your hotels, keeping track of your tabs, and settling up as you go.
- **We will connect your family.** Managing allowances, digitizing the tooth fairy, teaching financial literacy—Expensify will grow with your family.

Expensify isn't just a corporate card, any more than Google is just a search engine, or Microsoft just an operating system. Both established an unassailable hold on one critical feature, and then built a moat around it a lightyear wide through ancillary features and services. That deep gravity well of products and services inexorably tugs at every business in the solar system, gradually pulling them into orbit no matter where they started. We aim to do the same: to establish a dominant position in business expense management, and then surround it with a wide array of social, consumer, and prosumer functionality that tips everyone's trajectory towards our sun, a little more every day.

Given this broad feature set packed into a single, simple app, we call ourselves a "payments superapp" with the tagline: "One app, all free." But if you can keep a secret, the real long term vision is so much bigger. We are building the first "financial social network", devoted to people who are doing the real work of saving this world, every day.

Save the world.

The last 10 years have been wild. The next 10 years are shaping up to be more of the same. And the next 100 will make today seem quaint. We have a tremendous amount of incredibly important work to do, not just in the office, but in our homes, in our community, and on our streets. The next 100 years won't be defined by technology: they will be defined by people, and all the good and bad things those people choose to do.

We built Expensify from the very start to be the platform for the world to unite, coordinate, combine resources, and execute on all the myriad tasks that society depends upon to literally survive this difficult inflection point in the human experiment. This is a massive undertaking, and as such every aspect of Expensify is designed to support this long term vision. We have been extremely deliberate about who we hire, what we prioritize, when we push, where we market, and how we govern.

We believe social technology should help us achieve our dreams, not distract us from pursuing them. Enough time has been wasted retweeting cat pictures, spreading misinformation, salivating over food porn, salivating over actual porn, or watching people who are old enough to know better tumble off of terrifyingly tall stacks of milk crates.

It's time for us to put aside our silly distractions, come together, and get some serious shit done—and for anyone who answers that call, Expensify will be there.

It's been a long road, and there's so much more to do. I cannot adequately express how proud I am of the team that got us here, how thankful I am for the investors who took a chance on us when nobody else

would, and most of all how appreciative I am for our members and customers who made it all possible. I would be honored for you to join us on this journey.



David Barrett
Founder and CEO of Expensify

Business

Overview

Expensify is a cloud-based expense management software platform that helps the smallest to the largest businesses simplify the way they manage money. Every day, people from all walks of life in organizations around the world use Expensify to scan and reimburse receipts from flights, hotels, coffee shops, office supplies and ride shares. Since our founding in 2008, we have added over 10 million members to our community, and processed and automated over 1.1 billion expense transactions on our platform, freeing people to spend less time managing expenses and more time doing the things they love. For the quarter ended June 30, 2021, an average of 639,000 paid members across 53,000 companies and over 200 countries and territories used Expensify to make money easy.

Small and medium businesses (“SMBs”) are the cornerstone of the global economy, making up over 99% of businesses and approximately 70% of employment in OECD countries. Despite their significance, the vast majority of SMBs still rely on manual, inefficient processes to manage the critical back office functions that power their businesses every day. Expense management, which refers to the collection, processing, auditing and reimbursement of employee expenses, is one of the last great holdouts of paper-based back office processes, with employees stuffing actual physical receipts into an envelope and handing it to their accountant. As SMBs seek to modernize back office functions like expense management to better compete in today’s digital economy, we believe they will look for comprehensive technologies that are easy to discover, implement, purchase, manage and use. At the same time, individual employees are becoming a powerful source of change as they increasingly expect to bring their own choice of technology into the workplace.

Since the beginning of Expensify, our North Star has been improving the experience of the actual end users of expense management software: everyday employees. We designed Expensify to be easy to set up, integrate, configure and use from any device, which has enabled us to serve employees of all types and organizations of all sizes, industries and geographies. Our first breakthrough was revolutionizing receipt tracking with our patented scanning technology, SmartScan, which allows anyone to simply take a photo of any receipt – no matter the currency or quality of handwriting – for fast, automatic and accurate transcription of a receipt with just one tap. After removing the need for people to keep a pocket full of crumbled receipts and spend hours manually tracking expenses, we moved on to automating the entire expense journey, from the initial receipt scan all the way through to categorization, expense approval, reconciliation and next-day reimbursement. Since then, we have expanded our platform to include features that help businesses manage corporate credit cards, generate and send invoices, pay bills and book travel, all from our single, easy-to-use mobile application. We intend to continue adding complementary features to retain and add value to existing customers and attract new members.

Our intense focus on improving the everyday experience of regular employees with an easy-to-use but powerful platform has enabled a viral, “bottom-up” business model that is capital efficient and extremely scalable. By allowing people to spend less time managing receipts and more time pursuing their real goals, our members have adopted, championed and spread Expensify to their colleagues, managers and friends. We believe our happy members are the best form of marketing, and our self-service, bottom-up approach takes advantage of strong, organic word-of-mouth adoption. Underlying our platform is a secure, scalable and defensible technology and user-centric legal foundation that supports and fuels our viral growth. The combination of these factors has allowed us to avoid the costly pitfalls of traditional, top-down enterprise sales and marketing methods that focus solely on decision makers, and invest our time and resources on making features our members love. This has created a massive, untapped and growing market opportunity for us that we believe we are in prime position to capture.

Behind our platform is a company with passionate people and a unique culture that guides everything we do. Our company operates with a flat, generalist organizational structure united by a robust set of common values that foster the long-term happiness and retention of our employees. The efficiency of our

business model allows us to prioritize attracting, retaining and inspiring talented, ambitious and humble people committed to a long-term vision. We are a team that likes to solve real problems, and though expense reports are problematic for most people, there are other pressing problems facing our world that we want to also help solve. In 2020, we launched Expensify.org, which is now a 501(c)(3) non-profit, to increase transparency in the donation process while connecting donors, volunteers and people in need across five relevant issues facing our communities today: housing equity, youth advocacy, food security, reentry services and climate justice. The Expensify platform and our expertise in expense management enables us to connect donors and volunteers directly through our platform and cut out the administrative expenses that take away from typical donations. We believe that our unique culture, our commitment to all of our stakeholders, and our long-term vision are critical components to the success of our company. We are committed to transparent and robust environmental, social and governance practices and disclosures. Our core stakeholders include employees, members, customers, shareholders and communities we impact. We engage with stakeholders to inform product development and company operations, and aim to align with all stakeholders towards long-term sustainable growth.

We believe that our unique approach has created a highly scalable and efficient business model. We have experienced rapid growth in recent periods. Our revenue was $80.5 million and $88.1 million in the years ended December 31, 2019 and 2020, respectively. Our net income (loss) was $1.2 million and $(1.7) million in the years ended December 31, 2019 and 2020, respectively. Our adjusted EBITDA was $7.6 million and $26.8 million in the years ended December 31, 2019 and 2020, respectively. For the six months ended June 30, 2020 and 2021, our revenue was $40.6 million and $65.0 million, respectively. Our net income was $3.5 million and $14.7 million in the six months ended June 30, 2020 and 2021, respectively. Our adjusted EBITDA was $9.2 million and $22.9 million in the six months ended June 30, 2020 and 2021, respectively. See the section titled “Management’s discussion and analysis of financial condition and results of operations” for additional information on our non-GAAP metrics.

Our industry

SMBs are the bedrock of the global economy and have distinctive technology requirements

Small and medium businesses are the foundation of the global economy. According to the Organization for Economic Cooperation and Development (OECD), SMBs, defined as firms with fewer than 250 employees, make up over 99% of all businesses and approximately 70% of all employment across the 36 OECD countries. We believe that SMBs will continue to be the most critical component of global economic development and will increasingly seek to adopt emerging technologies that can enhance productivity, improve customer experiences, drive employee engagement and enable resource-efficient growth. While COVID-19 disproportionately impacted SMBs, it also accelerated technology adoption, as SMBs responded to new challenges such as facilitating remote work and finding new ways to interact with customers.

Given their size, SMBs typically have one person overseeing the discovery and implementation of new systems, a responsibility that is often in addition to their core job function. As a result, SMBs have specific requirements when adopting new technologies:

- ***Easy to discover.*** With job responsibilities spanning multiple functions, SMBs do not have the bandwidth and expertise to discover, meet with and evaluate several technology vendors. As such, SMBs increasingly rely on online channels for finding new technologies and heavily consider recommendations from experts, friends and colleagues.
- ***Easy to implement.*** IT departments within SMBs are often one person or the business owner themselves, and are incapable of taking time away from their business to support cumbersome implementation, maintenance and training requirements. As a result, SMBs prefer solutions that are easy to implement, onboard and integrate and that require little ongoing maintenance.

- ***Easy to purchase.*** With no procurement department and limited resources, the individuals making the purchasing decision at SMBs often prefer vendors with transparent, self-service monthly subscription plans that can be paid by credit card.
- ***Easy to manage.*** Unlike large enterprises, which often require multiple, customized point solutions for specialized business processes, SMBs prefer a single, comprehensive platform from one provider that can solve multiple pain points.
- ***Easy to use.*** Many SMBs prioritize ease of use and convenience over cost and seek solutions with elegant, intuitive user experiences that require no training or expertise to operate.

In short, SMBs look for “easy money” management.

Back office processes are critical to every SMB, but remain antiquated and inefficient

Back office functions, such as HR, accounting and expense management, are ubiquitous and fundamental activities for businesses of every size and industry. Expense management is a business's very first accounting function: long before a business generates revenue, it will have already generated expenses; well before a business hires an accountant or sets up an accounting system, they will have developed some method to keep track of expenses. Despite the mission criticality of these activities, the vast majority of SMBs rely on manual, inefficient processes to manage and execute most back office functions. Expense management is the last great holdout of paper-based processes: stuffing actual physical receipts into an envelope and handing them to accountants. Even "digital" solutions are generally just digitized forms of batch paper processes (for example, attaching a photo of a receipt to an email rather than handing it in physically, or filling out an Excel template or web form rather than a paper form), and not truly real-time, mobile-first, "digital-first" processes. To compete in today’s increasingly digital economy, SMBs require modern solutions that can automate and streamline manual, time-consuming back-office functions to reduce costs and allow managers to focus on higher value, strategic activities such as engaging with employees, developing new products and interacting with customers.

Every business manages expenses, most do it manually

While the accounting function has seen some improvements in efficiency with the advent of cloud-based accounting platforms, the critical data-gathering processes that precede the accounting workflow (“preaccounting”) have largely remained unchanged since the last century. Expense management, which refers to the collection, processing, auditing and reimbursement of employee expenses, is one of these preaccounting processes, and is among the most complicated. For most SMBs, the standard procedure for expense management remains manual and laborious, with employees filing expense claims by physically tracking down and handing in receipts, or scanning and attaching receipts to emails for approval. While accounting and payroll have well-defined managers that are accountable for successful execution of these functions, expense management has multiple managers involved but no owners. Yet, the majority of employees in nearly every type of organization need to file expenses at times. Furthermore, unlike payroll or accounting software, the expense management process requires close integration with nearly every internal system, such as enterprise resource planning (ERP), human resources (HR) and finance software, recruiting, payroll, customer relationship management (CRM), as well as multiple external consumer applications like Uber. As a result, employees, accountants and managers across every business unit are bogged down by time-consuming, manual tasks related to expense management, reducing their productivity and job satisfaction.

The modern day employee is increasingly empowered to drive technology change

Traditionally, business software solutions have been sold to key decision makers, deployed by centralized IT departments, and forced onto employees with little regard to end user experiences and their unique workflows. In recent years, the consumerization of enterprise technology has completely transformed this framework. The increasing prevalence of smartphones and app stores has democratized access to easy-to-use mobile tools equipped with enterprise-grade functionality. At the same time, today’s workforce is increasingly distributed, mobile and deciding to freelance -- long-growing trends that have been massively

accelerated by COVID-19. Additionally, employees are also heavily influenced by word-of-mouth recommendations from friends and colleagues: a study conducted by Nielsen found that 83% of respondents trust recommendations from friends or family. As a result, employees increasingly expect to adopt technology solutions on their own, choosing versatile functionality that best suits their unique requirements from any device or location. In the SMB segment, employees are even more influential in driving company-wide adoption: with infrequent technology evaluation and less employees per company than enterprises, SMBs require a smaller critical mass for technological change.

Limitations of traditional approaches

We believe both existing solutions and their underlying business models have fundamental shortcomings that limit their ability to solve the inefficiencies of expense management and other back-office functions for SMBs.

Existing solutions

We believe the vast majority of SMBs still rely on manual, cumbersome methods to manage expenses, with employees physically filing expense claims via paper and pen or spreadsheets and managers chasing employees across the organization for receipts, confirming expenses one-by-one and performing repetitive data entry on multiple platforms to synchronize information. A small subset of SMBs use more modern form-based software tools, but these solutions typically optimize the experience for decision makers and ignore the needs and preferences of regular, everyday employees. All of these solutions possess one or more of the following limitations that fail to address the back-office challenges faced by SMBs:

- ***Not designed for the employee.*** Nearly every software provider designs its products around the needs of the buyer, and because existing solutions are purchased in a "top-down" fashion by managers and decision makers, they prioritize esoteric, complex functionality over an elegant, intuitive and user-friendly interface that can enable widespread adoption within any organization by regular employees and managers alike;
- ***Multiple, disparate product lines for different features.*** When adding new products or expanding functionality, traditional software vendors with hierarchical management styles typically deploy different product teams using different codebases and different databases. This disconnects the new features from their original, core products and often results in fragmented, disjointed experiences across applications and functions that ultimately cause users to revert to manual processes to complete basic tasks;
- ***Inaccurate receipt scanning.*** Existing solutions offer simple, digital-only receipt scanning that, while accurate some of the time, is still inaccurate often enough that it requires employees to manually check every receipt to ensure correctness. The time it takes to scan a receipt, cross-check the results and occasionally make corrections is on par with just entering the receipt manually. As a result, many users of traditional solutions do not use receipt scanning features and simply revert to doing expenses by hand;
- ***Lack purposeful automation.*** Existing solutions view automation as simply digitizing the same steps of the conventional paper process -- an equally manual approach that requires the same resources -- rather than creating a truly digital process that makes the process more efficient, continuously improves itself with artificial intelligence (AI) and requires substantially less manpower;
- ***Lack integration with key systems and applications.*** Existing solutions are not designed to be easily interoperable with a broad array of back-office systems and consumer applications, such as accounting and HR systems and personal and corporate credit cards, which makes them difficult to implement and configure. As a result, administrators are forced to manually port data back and forth between applications when managing expenses, which can often lead to insecure and unsynchronized data, noncompliance with company policies and slow and error-prone employee reimbursement; and

- ***Partitioned database design.*** Existing solutions leverage the traditional database design for storing their customer's data, in which the data is partitioned between hundreds or even thousands of different databases, with all of the employees in each company in the same database. While often easier to implement, scale and operate, this simplified architecture dramatically complicates viral adoption across SMBs: the data of individual users is strictly contained within the databases of their employers, and any feature that requires combining data between employees at different companies, such as consumer chat between employees of different companies, or paying invoices between accounting departments, is extremely cumbersome and inefficient.

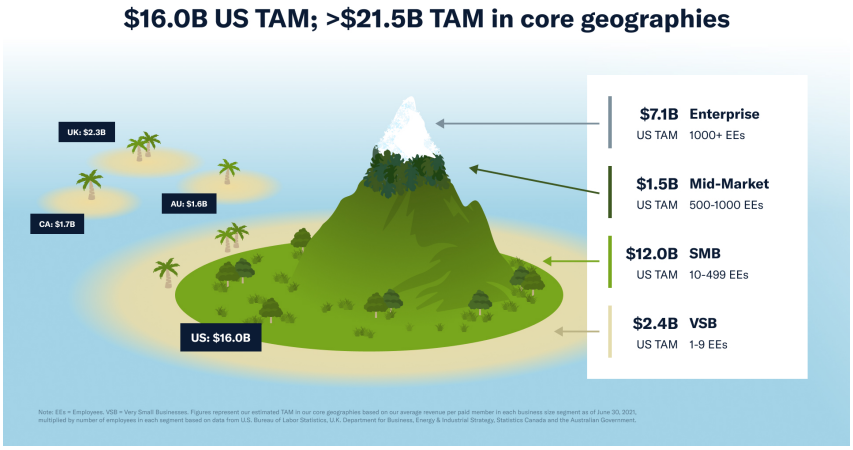
Traditional approaches

The traditional approach for software sales has historically been "top-down," whereby software providers deploy costly, targeted ads and a legion of sales representatives focused on selling large, multi-year deals with vague product specifications to decision makers and business owners. These solutions are specified, deployed and configured by siloed IT departments with little-to-no input from the main consumers of business software: everyday employees. This type of approach poses key challenges for traditional software providers, including:

- ***High cost of sale.*** The traditional top-down approach relies on an army of salespeople to sell, retain and upsell decision makers, requiring an ever-increasing pipeline of sales talent. This makes finding, recruiting and retaining sales talent a significant bottleneck for growth and results in a very high cost of sale -- and more importantly, limits growth to the small corner of the market that can sustain that high cost of sale.
- ***SMB decision makers are hard to identify and talk to.*** Relative to the massive number of SMBs across the world, there is a smaller, more manageable number of large enterprises, at which there is generally a person or team tasked with evaluating and procuring business software for the business. The task of identifying a potential enterprise that would benefit from a software solution, identifying the person within the organization to connect with and getting them to engage is relatively achievable for an enterprise sales team. However, the same is not true for SMBs, where it may be the business owner themselves, the office manager, or another employee making procurement decisions. Discovering and buying software is typically not their core job function and is often a distraction from everything else they are juggling on a day-to-day basis. Additionally, they might not be the person experiencing the strongest pain point and thus not actively clicking ads or accepting calls for expense management solutions. As a result, software providers leveraging a top-down approach struggle to identify, engage with and sell to key decision makers at SMBs.
- ***Contracts and sales processes tailored to enterprises.*** Traditional enterprise sales models are designed to address long procurement processes, which emphasize pricing and control features over the user experience. However, most SMBs prioritize ease of use and simple implementations over discounted pricing and advanced features. Software providers historically experience Clayton Christensen's "Innovator's Dilemma" and tend to move upmarket in hopes of finding larger and longer contracts, eventually abandoning SMBs and leaving the opportunity untapped.
- ***Company-owned data and legal terms.*** Traditional approaches have a legal structure where all employee data is owned by the company. This approach makes sense under a top-down approach, where the decision maker is sold software, creates a company account and adds employees to the company account. However, this limits developers and ultimately the users of these solutions, as they may want to seamlessly interact with other users outside of their company expense account for various use cases, such as intercompany chat and bill payment, as well as uses for personal chats or payments that have nothing to do with the business and in fact require strong privacy protections against the company itself. This company-centric legal approach acts as an impediment to viral employee adoption within and across organizations.

We believe that the SMB market requires solutions that emphasize the needs of everyday employees and avoid these pitfalls created by the traditional top-down software sales approach.

Our market opportunity



We believe we address a massive market opportunity today that is significantly underpenetrated by modern solutions. We estimate our total addressable market ("TAM") was approximately $16.0 billion in the United States and $21.5 billion in our core geographies in 2020, which consisted of the United States, United Kingdom, Canada and Australia. To estimate our TAM in the United States, we identified the number of employees at SMBs with less than 1,000 employees based on data from the U.S. Bureau of Labor Statistics and segmented these companies into three cohorts based on number of employees: (1) companies with 1-9 employees, (2) companies with 10-499 employees, and (3) companies with 500-999 employees. We then multiplied the total number of employees in each cohort by our average revenue per paid member in each such cohort as of June 30, 2021. Given our focus on SMBs, this excludes the U.S. market opportunity for companies with greater than 1,000 employees, which we estimate to be $7.1 billion using the same methodology described above.

To estimate our TAM in our core geographies outside of the United States, in the United Kingdom, Canada, and Australia, we identified the number of employees in SMBs in these geographies based on data from the United Kingdom Department for Business, Energy & Industrial Strategy, Statistics Canada and the Australian Government. We then multiplied the total number of employees at SMBs in these geographies by our average revenue per paid member for customers with less than 1,000 paid members as of June 30, 2021. SMBs are defined as businesses with fewer than 1,000 employees in the United States, businesses with fewer than 250 employees in the United Kingdom, businesses with fewer than 500 employees in Canada and businesses with fewer than 200 employees in Australia. We believe there is considerable runway for long-term growth given the majority of our market opportunity is untapped; we estimate that the majority of SMBs within our core geographies have not adopted end-to-end software solutions and are using manual processes for expense management today.

We believe we are able to monetize approximately three times the amount of average revenue per user ("ARPU") in our target market of SMBs compared to some of our enterprise competitors' list prices. In addition to being able to monetize SMBs at a higher ARPU in comparison to enterprise competitors, SMBs by nature tend to grow at a faster rate than enterprises.

We believe there are multiple sources of upside to our TAM in the near-term future:

- ***Monetizing transactions on our platform.*** We launched the Expensify Card for early access to a limited number of customers in late 2019 and then launched fully in early 2020. This has allowed us to begin monetizing transactions that flow through our platform. Monetizing the transactional spend by our current customer base alone will dramatically increase our TAM. We estimate that the current TAM for our Expensify Card will be approximately $17 billion by 2022. We arrived at our TAM by multiplying an industry standard take rate by the estimated small business credit card spend in the United States in 2022 according to a study by the Mercator Advisory Group. We believe that over time, we will be a prominent corporate card solution for SMBs in our core markets.
- ***Platform expansion***. We plan to introduce features that will increase our TAM. Our core features center around expense management, which typically only a fraction of company employees use each month, primarily due to the fact that only certain job functions consistently generate expense activity. In other words, while expense management tends to touch the majority of company employees at least once or twice in a given year, a smaller population are consistently paid members of expense management. We plan to increase our TAM by launching features that will be relevant to all of our customers' employees every month, resulting in more paid members and more revenue per customer even at the same paid member price.
- ***Continued international expansion.*** We believe there is a large, untapped opportunity outside of our core geographies, currently the United States, United Kingdom, Canada and Australia. While the majority of employees in the United States work for SMBs, the proportion of employees working for SMBs is even more pronounced in international markets. We believe our platform, technology and business model can be easily applied to address the pain points of many international customers.

We believe our platform and business model have us well-positioned to continue to address our core market and capture the multiple sources of TAM upside.

Our approach

Since our founding, we have taken a unique approach to expense management built on key, complementary elements:

- ***Platform strategy hyper-focused on the employee.*** We designed Expensify to be easily configured and used by every single employee within an organization, not just decision makers or managers. Expensify is a highly integrated mobile platform with many features designed to make our members' lives easier, simple enough for freelancers and small businesses, and powerful enough for large enterprises with tens of thousands of employees. Our product development is compounding and driven by member feedback, with every new feature making every past feature a little bit better, as well as methodically laying a strategic foundation for features yet to come.
- ***Viral, bottom-up business model driven by the employee.*** Our employee-focused platform strategy enables a viral, "bottom-up" adoption cycle that starts with an individual employee. After signing up for free on the website or downloading our free app to submit expenses and realizing the benefits of using Expensify, our enthusiastic members champion our platform internally, spreading it via word-of-mouth to other employees and convincing decision makers to adopt Expensify company-wide. This enables us to focus our time and resources on making our features better for our members, and avoid the reliance on a costly, traditional top-down sales and marketing approach to attract and retain customers.
- ***Word-of-mouth adoption supported by a market consensus approach.*** We believe that our happy members are the best form of marketing. We strive to build a superior platform that makes the lives of employees and admins easier so that they become our champions and promote us to other individuals and organizations. We deploy large scale brand advertising to build on this platform superiority and help create market consensus that Expensify is the category leader for expense management software. We believe this enables us to focus on creating great features for our

members rather than rely on the expensive and ineffective activities of traditional sales and marketing to drive customer acquisition.

- ***Unique company culture and long-term vision.*** Our platform strategy and business model are complemented by our unique company culture and intense focus on the long-term happiness of our employees. Our organization is flat, generalist, transparent and inclusive, and we value ideas from every corner of our company, no matter who or where it comes from. We believe our special culture and the long-term commitment from our employees are key drivers to our success.

We believe that these elements of our approach are hard to replicate, self-reinforcing and work together to drive a powerful competitive advantage.

Our platform strategy

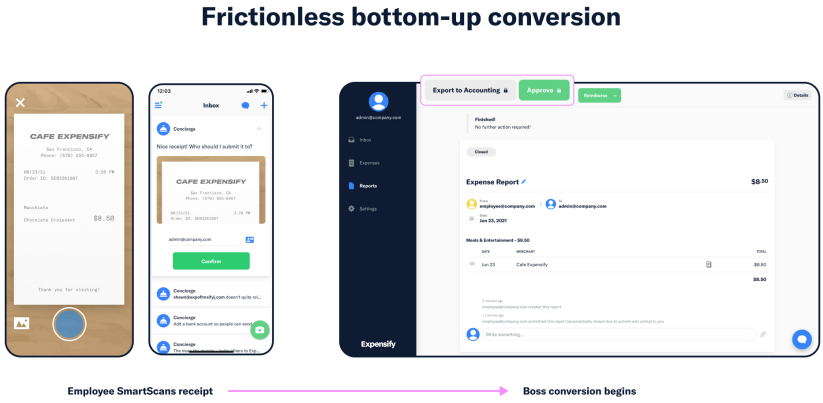
Expensify is a leading cloud-based expense management platform that allows any business to simplify how it manages expenses. Since our founding in 2008, we have processed over 1.1 billion expense transactions on the Expensify platform. We built our platform to be intuitive and easy to deploy, with powerful features that increase our network effect inside and between companies. This helps us reach more potential members and expand our value by solving more pain points for our customers. While our core features enable businesses to easily manage expenses, our platform includes features for managing corporate cards, paying bills, generating invoices, collecting payments and booking travel. Our platform strategy centers around the following key concepts:

- ***Built for everyone.*** We designed our platform to be used by everyone in an organization, from employees to managers to the finance department. We offer an intuitive, elegant user interface that everyday employees can easily understand and operate from any device. We deliver guided workflows for administrators to accurately and quickly approve expenses in accordance with their unique company policies. Our platform is simple enough for SMBs, but powerful features can be enabled for use across enterprises with tens of thousands of employees. We believe that the more intuitive and simple Expensify is, the more employees and administrators will want to use it.
- ***Easy to set up.*** We designed our platform to be easily implemented and configured without the need to speak with a sales person. Any employee can download our free application from mobile app stores or sign up on the website, create an account and start submitting expenses within minutes. When an expense report is submitted, the manager who receives it also automatically becomes a member. Concierge, our AI-powered customer support engine, helps new members set up an account, connect teammates, assign company policies and immediately sync Expensify with existing accounting, HR and travel systems. We believe that by making our platform easily accessible, simple to set up and easily configurable attracts more members to download and try Expensify.
- ***Designed to improve experiences for all members.*** We designed our platform to leverage leading technology, such as our patented SmartScan and our proprietary AI-powered customer support engine, Concierge, to automate and reduce errors from the cumbersome, manual tasks associated with managing expenses. By doing so, we give employees, contractors and administrators in businesses of all shapes and sizes more time to spend on things they care about, leading to improved costs, enhanced productivity and higher job satisfaction. We believe that always having the pain points of our members at the center of every technology decision and feature we develop enables us to consistently deliver an improved experience for every employee in an organization.
- ***One platform, many features.*** Expensify is one platform, with one price that unlocks access to every feature on the platform, from expense management to bill payment. Our features are just different configurations of the same underlying tool, and are not different products in some kind of combined suite. We develop our features in a compounding manner, which means that everything we build improves everything we've already built, and lays a foundation for what we will build next. This enables increasingly rapid deployment of new features that solve other problems for our members and allows us to extend the network effect of our platform.

- ***Highly integrated.*** We designed our platform to easily integrate with other business and consumer applications. We offer over 40 pre-built integrations, allowing Expensify to seamlessly connect with HR, payroll and accounting systems, travel management software, business and employee bank accounts and credit cards. These integrations enable our members to synchronize data in real-time across their technology ecosystem and automate expense management with the applications and tools they use every day.

We believe that elements of our platform strategy are a critical driver of the viral, widespread adoption of Expensify across and between any type of organization.

Our business model



Our platform strategy enables a viral “bottom-up” business model that is capital efficient and extremely scalable. Anyone can easily download our mobile application or go to our website to sign up for free on their own, and later upgrade to a paid subscription for advanced features. The adoption of Expensify within an organization often starts with the individual employee, who downloads our mobile application or signs up on our website for free and uses it to easily submit expenses to their manager with a few taps. After the employee realizes the benefits of our platform, they become a champion of Expensify and often spread it internally to other employees. With multiple employees using Expensify and valuable features simplifying the manager’s job, the decision maker purchases a subscription to Expensify and becomes a paying customer with a few members. Our usage within an organization expands further as the company adds members and adopts new features such as the Expensify Card or Bill Pay. As of June 30, 2021, 60% of our revenue can be attributed to an instance where an employee used our application first and recommended it to their manager.

We offer simple, transparent and flexible subscription plans for both individuals and businesses that are completely self-service and payable by credit card. In the quarter ended June 30, 2021, 95% of our revenue came from recurring, automated monthly payments made via credit cards. Rather than the traditional software sales model of complex pricing, user thresholds and inconsistent fees, we designed our pricing plans to facilitate the easy adoption of our platform by the smallest mom-and-pop stores to the largest and most complex organizations. Purchasers can select a transparent plan with features that best

suit their specific needs, all without interacting with a sales representative or paying hidden costs for implementation, maintenance, or support.

Our individual subscriptions include our *Track* and *Submit* plans, which include an optional paid monthly upgrade for anyone wishing to SmartScan more than 25 receipts in a given month:

- **Free Plans** (Optional upgrade for unlimited SmartScan)
    - ***Track.*** Our free Track plan comes with our SmartScan receipt scanning functionality and is used primarily by individuals and sole proprietors to streamline their receipt and mileage tracking.
    - ***Submit.*** Our free Submit plan includes the same functionality in Track, and also adds the ability to automatically submit expense reports to anyone for reimbursement.

Our business subscriptions can be used by teams, organizations, and companies for free or upgraded to one of our paid plans, which include our *Collect* and *Control* plans, following a free trial. We bill customers on *Collect* and *Control* plans at the start of each month based on the number of policy members who were active in the previous month. Each customer has either a "pay per use" plan in which they are billed a flat rate or each active member, or an "annual" plan where they commit to a minimum number of monthly seats in exchange for a discount. *Collect* and *Control* customers can access additional discounts if they spend on the Expensify Card:

- **Free Plans**
    - ***Free.*** Our Free plan, introduced in September 2021, enables our members to roll out a corporate card program with the Expensify Card, reimburse cash expenses for employees, send invoices to clients and set up bill payment for their team.
- **Paid Plans**
    - ***Collect.*** Our *Collect* plan enables our members to integrate with popular small business accounting systems, configure simple expense report approval workflows, as well as pay employees, contractors and volunteers via Direct Deposit ACH.
    - ***Control.*** Our *Control* plan, which is by far our most popular plan, includes everything in *Collect* and adds the ability to configure rules-based approval workflows and integrate with financial, travel, HR, as well as other internal systems commonly used by mid-market and enterprise companies.

We believe that our happy members are the best form of marketing, and our self-service, bottom-up approach takes advantage of strong, organic word-of-mouth adoption. By making our members' lives better with easy-to-use but powerful software, they organically recommend and encourage colleagues and friends to use Expensify both within and outside their organization. This is evidenced by consistently high reviews by our customers, including a 4.7/5 rating on the Apple App Store and leading scores across G2, Capterra, TrustRadius and GetApp review sites. We support this powerful word-of-mouth marketing with large-scale brand advertising to build market consensus that Expensify is the software of choice for expense management. This includes active participation in industry conferences, partnerships with industry influencers, partner marketing and hosting our own conference, ExpensiCon. We believe that these activities to drive awareness are crucial given our focus on individual employees and the fact that expense management touches every employee and spans every layer of an organization. Additionally, our platform and customer support have been consistently recognized with multiple awards from industry publications and partners, including the CPA Practice Advisor Readers Choice for Expense & Travel Management Solution in 2021, the TrustRadius Choice for Customer Support in 2021 and one of three PC Magazine Editors' Choice for Expense Tracking in 2020.

We also leverage partnerships with accounting and bookkeeping firms, who provide validation of our platform and refer customers to us. We partner with strategic accounting software partners such as Intuit,

NetSuite, Xero and Intacct to integrate our software in their clients' back offices, and recognize us as a top expense tool when their clients are browsing and selecting integrated solutions. Additionally, our *ExpensifyApproved!* Partner Program trains and supports accountants to use our platform and encourages their customers to use Expensify. We work hard to maintain top expense partner status with all partners to support our market consensus strategy. The strength of our alliances is highlighted by frequent distinction by our partners, including being named NetSuite's Innovation Partner of the Year, Xero's App Partner of the Year and one of the most reviewed "Popular Apps" on the Intuit Quickbooks platform.

We believe that our frictionless, viral and bottom-up business model and word-of-mouth adoption allows us to not rely on traditional outbound marketing efforts that are costly and often ineffective. As a result, we can dedicate our energy and resources on strengthening our brand, improving our features and making it easier for more people to adopt Expensify.

Our culture

At Expensify, our culture is deeply embedded in everything we do. We strive to create a diverse, inclusive and collaborative workplace that prioritizes and fosters the long-term happiness of our employees. We operate with a flat, generalist organizational structure, where everybody is encouraged to participate in every discussion and contribute to every decision they choose to. Our culture is centered on the belief that a life well lived is one that enables you to achieve the following three goals, which we all work towards with a long-term mindset:

- ***Live Rich.*** This means we want to have ample means, and the time to enjoy it. We want to participate in a diverse, equitable, inclusive and fundamentally just society -- both inside and outside our own walls. We want to have a "comfortable baseline," where on a dull, ordinary day we wake up refreshed and excited to take on the day's challenges, and go to bed each night fully satisfied in life well lived and a job well done.
- ***Have Fun.*** Sometimes, we want to do stuff that is awesome just for the sake of awesomeness. Not too often, but often enough to remind ourselves that we are living life to its fullest, and enabling others to do the same. For example, every year, we bring the whole company, plus families and kids, to a warm and sunny international location for a month-long "working vacation" to enable our employees to collaborate in person from a remote beach, build friendships with their colleagues, broaden their perspective and have a great time. These "Offshore" trips are productivity powerhouses that have resulted in some of our most impressive platform developments to date. Most recently, our team built the technology behind the Expensify Card as we hopped from cafe to cafe together in Hanoi, Vietnam.
- ***Save The World.*** We like the phrasing of this goal precisely because it is bombastic. We want to play an active role in unwinding the systemic bias that has prevented so many from living rich. We believe that even a small team with limited resources, given enough time and focus, can move the world. This is why we started Expensify.org, to "create a just and generous world", and we are all totally committed to its mission.

We believe that there are three common qualities critical to achieving these three goals and the success of our company:

- ***Talent.*** Each of us can learn without being taught, and can teach whatever we've learned.
- ***Ambition.*** Each of us has a genuine desire to accomplish something meaningful to us individually, to create more than we consume in this world.
- ***Humility.*** Each of us genuinely values the opinions and perspectives of others, and seeks above all to find the right solution to any given problem, no matter who came up with it.

Finally, our long-term commitment to our three life goals is guided by two simple rules:

- ***Get Shit Done.*** We have little-to-no internal hierarchy; nobody reports to anyone else. Everyone is responsible for their own time and empowered to spend it in the way they feel will best advance their own goals, and the goals of the company.
- ***Don't Ruin It for Everyone Else.*** Whenever there is some complicated scenario with an unclear resolution, we always brainstorm the fairest possible solution -- and then put in the hard work to make that ideal solution our actual solution. Fairness rarely comes easy, and is typically far, far from the norm.

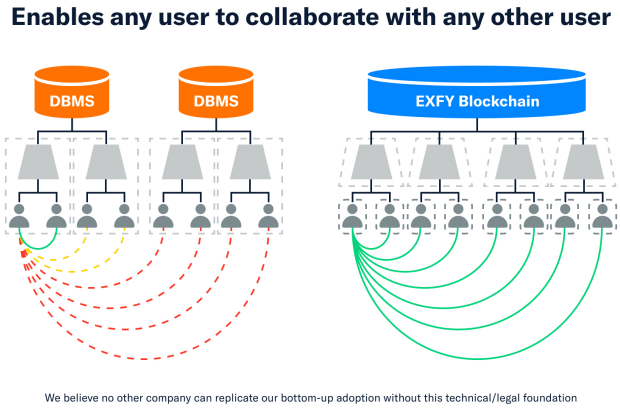
We believe that our unique culture and our employees' happiness and long-term commitment to Expensify is a critical component of our success. As of June 30, 2021, 64% of our 140 employees have a tenure of over 4 years, and our 10-person leadership team has an average tenure of 8.6 years. We dedicate significant time and resources to monitor and improve the happiness of our employees, including a monthly survey to measure our employees' happiness. In 2020, this survey produced an average employee happiness score of 8.93 out of 10. Additionally, as of June 30, 2021 we had a rating of 4.9 out of 5 on Glassdoor. While we are extremely proud of our employee happiness, we remain relentlessly committed to reevaluating ourselves and continuing to foster a workplace environment that prioritizes the well-being of each and every Expensify employee.

Our competitive strengths

We believe our platform strategy, business model and culture provide us with competitive strengths that will allow us to maintain our position as a category leader for expense management and extend our leadership to improving other back-office functions.

- ***Hyper-focus on an improved experience for our members.*** Since our inception, our principal goal has been to offer a single, intuitive and powerful platform with features designed for the actual end users of expense management software: everyday employees. Our platform is reliable and easy to set up, integrate, configure and use, which has enabled us to serve members of all types and organizations of all sizes and industries. We leverage our AI-powered customer support engine, Concierge, to inject customer feedback directly into our product development, and continuously innovate features to address additional use cases for our members. While many software companies focus on the needs of the decision maker, we believe our relentless focus on making the actual end user happier has enabled us to become the market leader for expense management software and primed us to become a leading provider for other back-office software.
- ***Viral, bottom-up business model.*** We leverage an efficient, self-service business model driven by the viral, bottom-up adoption of our platform by employees. After the initial use of Expensify by employees, they realize time savings and improved productivity and recommend our platform to other colleagues and departments within their organization. Unlike the costly traditional enterprise sales method that focuses on a smaller set of decision makers, our intense focus on the employee enables zero marginal costs for new leads, provides hundreds of entry points into every customer, and allows us to profitably sell to large portions of the market, from one-person businesses to the largest organizations in the world.
- ***Recognized market consensus and efficient word-of-mouth.*** Our members drive the adoption and expansion of Expensify within organizations, and our platform and business model are intensely focused on improving their everyday experience. This creates positive and powerful word-of-mouth that drives incredibly efficient and scalable organic customer acquisition and marketing. Every employee in every company in the world is a legitimate prospect to us, and since employees greatly outnumber managers in every business, we do not have to laser target our marketing to narrowly qualified decision makers. This means that we have access to exponentially more advertising inventory than traditional top-down sales models and a massive opportunity to create awareness.

- ***Employee-centric legal structure and database design***. Our platform is built on Bedrock, a proprietary and private distributed database that we built ourselves. Bedrock enables us to consolidate all members into a single database and maintain a direct legal relationship with each of them, where they own all their underlying data and control their account status. This non-partitioned, employee-owned account design underpins our success with bottom-up adoption: regardless of how the member was acquired and what their original use case was, we are able to effectively and uniformly distribute our entire suite of features to them. We also enable any member to collaborate with any other member, no matter where they are or what company employs them. We believe no other company can replicate our bottom-up adoption model without this defensible technical and legal foundation.



- ***Nimble and extremely loyal team with a shared, long-term vision.*** Our efficient business model allows us to prioritize our resources to attract, retain and inspire a vastly more talent-dense team than our competition, whose top-down, expensive business models prevent them from making the kind of serious compensation and lifestyle commitments to their employees that we can. This unmatched talent density enables a flat generalist structure that achieves a level of creativity, agility and boldness that our large, low-paid, hierarchically-managed competition cannot duplicate. Our superior value alignment of internal decision makers and rank-and-file employees achieves impressive levels of retention, which provides the necessary corporate patience and ambition to execute a truly massive, long-term vision. We prioritize diversity, equity and inclusion, recognizing diverse perspectives lead to better outcomes. Attracting and retaining a diverse and global workforce, with employees of different races, ethnicities, nationalities, religions, ages, gender identities, sexual orientations and more, is central to our ability to innovate and create value over the long term.

We believe that these strengths set us apart from our competition and put us in a powerful position to maintain and expand our market leadership as we add new features and our industry grows.

Our growth strategies

We intend to drive the growth of our business by executing on the following strategies:

- ***Build new features that create additional value for existing members.*** Our word-of-mouth model works well because people genuinely enjoy using Expensify. We intend to continue to invest in

building features that increase the value our software delivers to our existing members. Our flat, generalist and democratic structure cultivates a diversity of ideas from every single one of our employees, which enables an efficient, scalable and rigorous product development process. In the month of June 2021, 70% of our team was involved in material aspects of research and development. By efficiently investing in new features that prioritize the needs of our members, we can continue to retain existing members and attract new members via word-of-mouth;

- ***Build new features that attract new members beyond employees who submit expenses.*** We have and will continue to invest in developing features complementary and adjacent to expense management. At most companies, not every employee generates expenses that would be submitted via an expense report. As we add additional features that can be used by all employees rather than just those that submit expense reports, we have the potential to monetize the segment of our customers' employees that are not submitting expense reports on a monthly basis, and increase revenue without adding more customers or raising prices. These features will enable easy financial collaboration within communities and between friends and family;
- ***Build viral loops into our member experience that increase adoption by new customers.*** We design our expense management platform and every new feature with the aim of frictionless adoption. For the six months ended June 30, 2021, approximately 60% of our revenue was driven by bottom-up adoption: individual employees download the Expensify mobile app or sign up on our website, for free, and use it to submit their expenses to their bosses – turning every expense report into a highly targeted marketing message, straight to a decision maker. Outside of expense management, we have expanded our platform and built invoicing and bill payment features with the goal of replicating the frictionless adoption of our expense management feature. By sending an invoice using Expensify, accounts receivable departments naturally promote Expensify to their clients. A company that adopts Expensify bill payment tacitly promotes Expensify to all of their vendors: any one vendor that sends a manual invoice receives an email notifying them that their invoice was converted into an Expensify invoice, and they should sign in to collect payment online. We will continue to focus on the maintaining and extending the virality of our features to support our viral, bottom-up business model;
- ***Expand and monetize transaction volume from existing and new customers.*** We fully launched the Expensify Card in 2020 and, despite pullback in corporate expenses with the COVID-19 pandemic, customers have begun to adopt the card. We expect its adoption to continue to grow, especially as business travel is expected to return from the challenges caused by the COVID-19 pandemic. Going forward, we intend to increase the promotion of the Expensify Card to both new and existing customers to drive growth in adoption;
- ***Promote Expensify's culture and values***. We believe that consumers are more likely to both use and recommend products from brands they admire. According to a proprietary research study conducted by Havas Group in 2019, 77% of consumers prefer to buy from companies who share their values. By consistently acting on and vocally promoting our values, we have the ability to both drive positive change and create brand awareness that can add to the virality of our platform. Our culture and values, including our adherence to Environmental, Social, and Governance (ESG) principles, will be shared in our company code of ethics and conduct and in future sustainability reporting;
- ***Continue to strengthen our market consensus.*** We have worked hard to establish and maintain Expensify as the dominant expense management platform for SMBs. We leverage a variety of targeted marketing strategies that involve industry conferences, industry influencers, partner marketing, our own conference and more to achieve market consensus that Expensify is the premier, industry standard expense management platform. This is essential to our viral and word-of-mouth business model. We plan to reinforce the market consensus surrounding our platform, as well as expand on these strategies across new feature verticals and markets;
- ***Expand integrations and strengthen partnerships.*** Expense management touches many functions across a company. To provide a seamless experience for our customers, we integrate with the accounting, ERP and travel software used by SMBs and their employees every day. We also have

frictionless integrations with many of the technology providers that generate the most receipts for our members, such as Uber and Lyft. Through our *ExpensifyApproved!* Partner Program, we train and support accountants who then encourage their customers to use Expensify. We intend to continue to invest in both integrations and partnerships as they are critical to delivering best-in-class user experiences and ensuring that Expensify is deeply embedded within our customer base; and

- ***Expand internationally.*** For the year ended December 31, 2020 and six months ended June 30, 2021, we derived 10% and 11% of our revenue, respectively, from customers outside the United States, and we see significant opportunity to acquire new customers internationally. Because word-of-mouth drives significant adoption, we have experienced member growth outside of our core geographies without investment in marketing or regional sales forces. We have the opportunity to accelerate international growth by investing in marketing, developing a localized platform experience and expanding international partnership and integrations.

We believe that the combination of the strength of our platform, our scalable business model and our special company culture has us well-positioned to achieve these growth strategies.

Expensify.org

We started Expensify.org to “create a just and generous world” with the belief that doing good is good for business. If nothing else, it's good for employee retention and morale, by framing our work in a more powerful context than it might otherwise seem. Everyone here knows that we cannot succeed as a business without also giving back and making the world a better place than we found it.

Though Expensify.org launched in January 2020 and is now a 501(c)(3) non-profit, the concept was set into motion before Expensify was founded when David Barrett, Expensify's founder and CEO, had an idea of how to help feed unhoused neighbors he passed every day walking through San Francisco. He developed a platform to load gift cards on-demand from his personal credit card to offer funds immediately for individuals in his neighborhood to purchase food. While this idea didn’t take off, David held onto the concept for more than a decade until it became a reality with the launch of Expensify.org and its corporate-card-fueled donations called Karma Points.

Through Expensify.org, we seek to empower individuals and communities to eliminate injustice around the world by making giving and volunteering more convenient, accountable, meaningful and collaborative. The foundation of Expensify.org was built on applying our expertise in expense management to increase the transparency of how funds are used, the convenience of how donations are gathered and — most importantly — the emotional connection between donors, volunteers and recipients. Donations route to one of our five funds related to tackling the biggest social injustices of our time: Housing Equity, Youth Advocacy, Food Security, Reentry Services and Climate Justice.

We aim to integrate the Expensify.org mission into everything we do. In the first year of Expensify.org, our Food Security fund helped feed over 4,500 families in need. When we introduced the Expensify Card, in addition to making it easy for individuals and customers using the card to donate, we committed to donate 10% of our interchange amount from the card to Expensify.org. Beginning in 2021, we made an additional commitment to donate 25 cents for every dollar we pay to white, male Expensify employees to Expensify.org to fund social justice and equity efforts.

In February 2021, Expensify.org launched the Community Justice Grant Challenge in order to find the most scalable and impactful community-based campaigns for each of its five funds. Over 1,000 groups from across the globe applied. 62 groups were selected as semi-finalists and are receiving up to $5,000 in funding from Expensify.org. Ten of the 62 groups were selected as finalists via public vote and are receiving up to $25,000 in total funding. A final round of donor-voting will be held for the finalists in which five of the finalists will receive up to $100,000 in total funding.

In May 2021, Expensify.org also launched its SNAP&VAX campaign. This campaign allows those receiving SNAP benefits (also known as food stamps) to receive $50 in grocery reimbursement as well as providing a $50 incentive to get the COVID-19 vaccine.

In these challenging times, we believe that businesses cannot turn a blind eye to the effects of their decisions, or sit on the sidelines for the most important social issues of this generation. There can be no sustainable, profitable growth without a market that is fair, inclusive and universal. Defending, improving and expanding this market is a core responsibility of any business that intends to last as long as we do.

Our platform

Expensify makes money easy for SMBs by enabling them to collaborate and complete financial tasks more efficiently. Our AI-driven, mobile-first, cloud-based platform offers a best-in-class experience for companies looking to modernize their financial processes away from paper and excel spreadsheets for the first time.

We define preaccounting as the systemized set of processes through which employees, or non-accountants, gather, code, aggregate and normalize financial data. While other financial processes have seen vast efficiency improvements with the widespread adoption of cloud-based ecosystems, company-focused preaccounting tasks such as expense management have largely remained unchanged, and therefore are still overwhelmingly inefficient, unscalable and time-consuming. Our comprehensive financial platform offers a wide range of easy-to-use but powerful features that automate the preaccounting processes for businesses of all sizes – including managing expenses, capturing and managing spend via the Expensify Card and more recently, paying bills and sending invoices, all included in the Expensify platform.

Expense management

Expenses are among the most complicated preaccounting workflow, no matter the size of a company. Expenses touch every employee, span every layer of the organization and require interaction with a host of internal and external business systems. While the expense management process is incredibly complex, it largely occurs in three distinct, sequential phases: Capture > Approve > Pay.



Capture

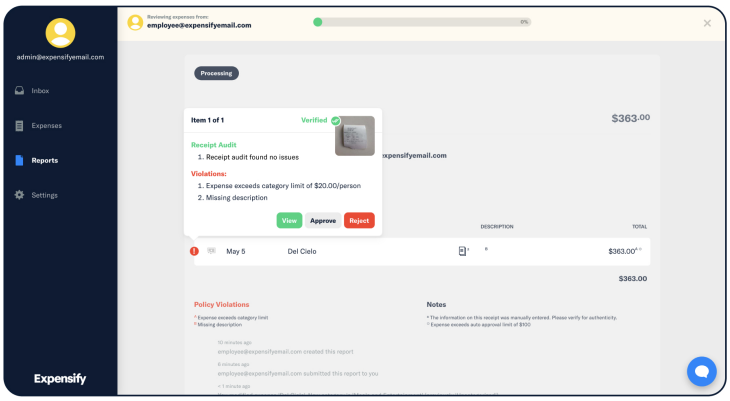
Most of today's financial data still exists on paper. Expensify streamlines the capture and normalization of disparate financial data in the following ways:

- **SmartScan.** Snap a photo of your receipt, forward receipts from email, or upload attachments directly in the application. SmartScan optimizes for high-accuracy data extraction to support our "fire and forget" receipt capture.
- **Credit card matching.** Receipts and emails are automatically matched to incoming credit card transactions in real-time, preventing duplicates and reducing the need to manually reconcile credit card statements at month end.
- **Mobile expense capture.** With mobile apps for Android and iOS, it's possible to capture receipts, mileage expenses and per diems while in the office or anywhere else in the world – online or offline. In addition, members can automatically import receipts from their favorite travel tools, including Uber, Lyft, Grab, Hotel Tonight, among others.

Approve

Once financial transactions are captured, we deliver AI-driven insights into the nature of company spend, as well as adherence to company-specific rules and guidelines. Expensify's robust approval functionality can be scaled up and down in the following ways:

- **Multi-level approval workflows.** Customizable approval workflows help companies of all sizes tailor their approval hierarchies, route specific expenses to budget or project owners and approve expenses through an intuitive "Guided Review" that highlights specific items requiring review.
- **Intelligent auditing.** Process data automatically or configure which types of transactions require review. Expensify detects receipt duplicates by default and automatically verifies that any manually-entered expenses match attached receipts.



- **Powerful integrations.** Connect directly with leading cloud accounting and finance platforms such as QuickBooks, Xero, Oracle NetSuite, Sage Intacct and FinancialForce, among others. A continuous real-time sync means that information is dynamically updated across all connected platforms.

Expensify connects directly with the top banks in the U.S., as well as leading human resource, practice management, tax reclamation, recruiting and travel management systems. A self-service API is available to anyone who wants to integrate Expensify into their technology ecosystem on their own without additional cost.

- **Comprehensive visibility.** Whether companies require visibility into transaction approvals, help with corporate credit card reconciliation and remittance, or insights into travel spend, financial data is visible throughout the platform.

Pay

After capturing and approving relevant company spend, businesses require an easy and fast method for disbursing funds to employees and vendors. Expensify's payments platform streamlines how modern payments are made and reconciled in the following ways:

- **Next day ACH direct deposit.** For companies that enable automatic processing and reimbursement, employees receive expense reimbursements in their bank account the following business day.
- **Centralized travel procurement**. Manage and centrally pay for travel bookings made with any Expensify Card, all while ensuring compliance with company travel policies.
- **Corporate card remittance.** Streamline the process of managing and remitting corporate card payments.

Expensify Card

The Expensify Card is a natural extension of our expense management platform, and is powered by the Visa network. Companies can use the Expensify Card in conjunction with existing expense policies at no additional cost, or independently as a separate corporate card program through our platform.

The Expensify Card leverages our wealth of experience acquired by working directly with finance administrators. The feature is designed to fix the common pain points seen with traditional corporate cards, namely the lack of real-time receipt capture and transaction visibility, enhanced access to credit for small businesses and streamlined setup of corporate card programs.

Key capabilities of the Expensify Card include:

- **Streamlined card application/setup.** Companies receive an automated approval decision in seconds, and card provisioning for an entire organization is possible in a few minutes. Every member receives a virtual card for immediate use.
- **Continuous automatic reconciliation**. Card transactions are synchronized in real-time between Expensify and a company's accounting systems. This removes the need for an arduous once-a-month statement reconciliation.
- **Real-time compliance.** Cardholders receive an immediate push notification when their card is charged, which helps protect against fraud. In addition, eReceipts mean that no receipt capture is required for nearly all purchases, though companies can stipulate their own receipt policy where preferred.
- **Spend control with Smart Limits.** Companies control the maximum exposure they will accept for each employee by stipulating their individual unapproved spend, which is another cash control feature. If a cardholder fails to submit their expenses in a timely fashion, card activity is suspended until historical card spend is approved.
- **Cash back.** Starting in September 2021, companies receive up to 2% cash back with no limits for all spend on their Expensify Cards. Companies receive 1% cash back when they spend over $25,000 summed across all of their Expensify Cards, or 2% cash back when they spend over $250,000 summed across all of their Expensify Cards.

- **Karma Points.** Every time a cardholder makes a purchase, Expensify donates 10% of our interchange amount to Expensify.org for use in one of its five funds – Hunger, Climate, Homes, Youth, Reentry.
- **Daily settlement**. Ensure that employees never overspend what a company is able to pay. Daily settlement also helps smooth cash flows throughout the month, as opposed to one large, uncertain lump sum at month's end.
- **Integrated travel booking**. Offered at no additional cost for all cardholders, administrators can set flight class, hotel ratings and other travel preferences to ensure that bookings comply with company policy. Reporting tools give admins full visibility into trip costs, and currently every booking comes with emergency transportation services in partnership with Global Rescue at no additional cost, as well as health and security assessments applicable for their destination.

We officially launched the card in January of 2020. As of June 30, 2021 we've had 3,957 companies that have signed up for at least one Expensify card. We believe we have growth in many areas in regards to the Expensify card. Our goal is to to continue increasing the amount of companies that have adopted the Expensify card and the number of members that have a card provisioned per company both of which would increase the amount of total spend converted to the Expensify card.

New features

For much of Expensify's existence, we've focused on streamlining the financial pain points that stem from expense and corporate card management. However, as we've worked closely with our customers, we've strengthened our perspective that invoices and bill pay are more similar to expense management than they are distinct from it.

For instance, invoices are similar to expense reports, but with a simpler approval workflow, as a customer merely needs to approve and pay an invoice rather than a boss needing to track down and verify expenses. Similarly, bills are the same as invoicing but from the recipient side, because every invoice is a bill someone else needs to approve and pay, and bills themselves mimic internal expense report approvals.

Accordingly, because bills, invoices and expenses share so many underlying similarities, we are able to leverage our underlying technology to accommodate each of these use cases with the same easy-to-use platform. Even more importantly, accounts receivable and accounts payable teams are most typically one integrated team in small businesses, which reduces the need for SMBs to purchase, learn and maintain a separate set of applications and processes.

Invoicing & bill pay

Key capabilities of our invoicing and bill payment features include:

- **Payments made easy.** With multiple payment options, including credit/debit card, ACH, check, Venmo and PayPal, customers across the globe have access to quick, easy and frictionless payment options.
- **Eliminate manual entry.** Bills sent to a company's @expensify.cash address are automatically SmartScanned, which captures key details for easy review and processing.
- **Real-time communication.** Customers can leave comments or ask questions on the invoice and both parties can chat in real time directly in Expensify, or receive an email instantly.
- **Extensive integrations.** Companies can save time by exporting invoices and bills to QuickBooks, Xero, Sage Intacct, Oracle NetSuite and more. Invoices are automatically linked to the corresponding customer and exported as a receivable in the accounting system. Bills are automatically linked to the corresponding vendor and exported as a payable.

Additional early access features

Before we launch any new feature, we use the feature ourselves internally. This process allows us to experience the pain points ourselves and build better solutions for our customers. We have developed and adopted internal chat functionality to increase collaboration and make money easy for our members in both business and personal use cases. We are designing this chat functionality to offer end to end encryption and underpin our product as we bring chat and payments together for easy financial collaboration. Additionally, we have developed and adopted our own payroll system for US employees. These features are not the focal points of our existing platform and we have no timeline of when they will be launched for early access to the public or fully launched in general. But they are features we have built, have adopted and are excited to one day bring to our members, both existing and new.

We will continue to invest in our platform to constantly enhance existing features and add new solutions that can extend our platform to help additional use cases for our members and their businesses. We believe that by delivering one, highly integrated platform that can solve pain points for and promote collaboration across a wide range of end users, we can continue to make money easy for our customers.

Our technology, infrastructure and operations

Our foundation

Expensify is built on Bedrock - a private Blockchain-based data foundation atop a custom fork of SQLite, which we believe is the fastest, most reliable and most widely distributed database in the world. This fork optimizes SQLite to operate on extremely high core density servers, concurrently executing thousands of page-locked transactions per server, with robust conflict detection and resolution. Bedrock further extends SQLite -- which is a local database with no networking component -- with a WAN-optimized, Paxos-based self-healing clustered replication engine designed to conduct atomic two-phase commits over high-latency / low-reliability internet VPN links, using the world's longest continuously operational Blockchain (since before Bitcoin began). Our design is optimized for global scale, speed and reliability.

We operate out of three fully-replicated geo-redundant data centers, each on separate power grids and operated by separate providers, with highly peered internet uplinks. This means not only can any single component fail inside of a datacenter with no service impact, an entire data center can go down and Expensify will still be live.

We lease all of our underlying hardware and servers, which dramatically reduces our cost of operations. We believe our hardware is also built to scale like no other: Expensify runs on custom-built high density core count servers each having 384 CPUs and 6 TB of RAM, provisioned for many, many multiples of our current load. This means we can significantly increase our customer count many times over without adding developers or incurring additional hardware expense to support them.

An important element of our database design is that we consolidate all members into a single database, and maintain a direct legal relationship with each of them, where they own all their underlying data and control their account status. This is unlike every other enterprise SaaS (software as a service) platform out there where data is logically (or even physically) partitioned, and all member data is owned by the company, not individual employees.

Our unpartitioned, self-owned account design poses a significant competitive advantage for us. It underpins our success with bottom-up adoption and our unique network-effect business model. Regardless of how the member was acquired, and what their original use case was, we are able to effectively and uniformly distribute our entire suite of features to them. This makes Expensify a more valuable service to each of them, and accessible to any member, no matter what company they currently work at. We believe no other company can replicate our bottom-up adoption model without this technical and legal foundation.

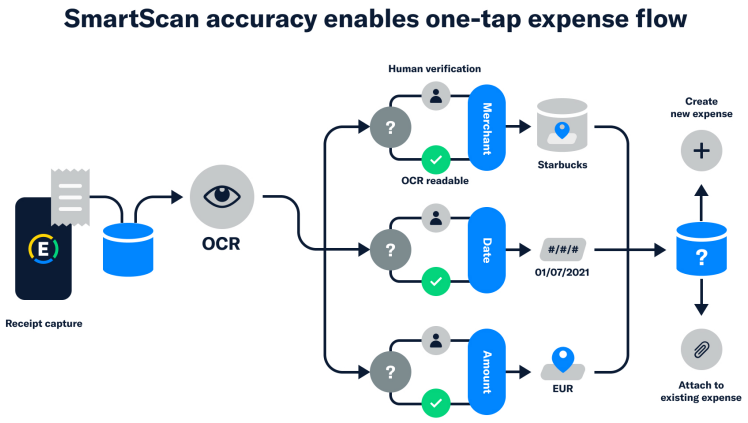
Our operations

We approach the operational challenges of achieving profitable scale in a two pronged approach:

1. Solve problems with automation, not headcount, wherever possible
2. Smart manual intervention with on-demand, flexible, appropriately skilled humans

SmartScan and Concierge are two examples of this approach working in practice.

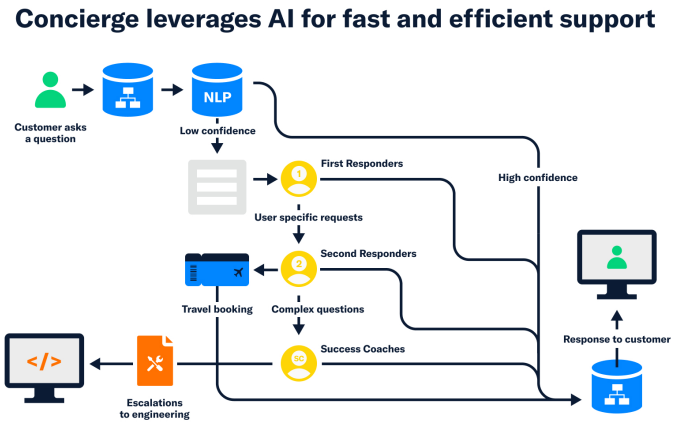
SmartScan. SmartScan is designed for accuracy and optimized for speed and cost. To deliver on the promise of “fire and forget”, we believe that the results of the scan need to be more accurate than the user entering their own receipt by hand.



To accomplish this:

1. We have a host of OCR-based, AI-powered software parsers that read and transcribe every receipt scanned (or forwarded) to them.
2. In cases where a scanned receipt cannot be transcribed with sufficient confidence, we route the receipts to a worldwide team of on-demand workers who transcribe the results, paid on a per-job basis with no minimums. We have over 1,000 trained and vetted agents globally who can be "surged" online as needed, but only pay a fixed price per receipt accurately transcribed.
3. Once a receipt has been processed, it is then matched with imported transaction feeds to validate the expense further.

Concierge. Concierge is our customer support engine. Concierge is designed for speed and accuracy and optimized for cost. Concierge is powered by AI and trained by customer support agents, with different levels of skill and training, spread out across the world.



We respond to most customer queries in less than two minutes. It works like below:

1. Concierge uses natural language processing to break down a question into its component parts, organized into a "conversational hierarchy" that maps out the natural flow of real world conversations.
2. Concierge will analyze this against previously answered questions asked in the same conversational state, to formulate a response.
3. If unable to answer with high confidence, Concierge will show that question to a "First Responder" along with suggested responses.
4. First Responders will pick the correct response from suggested responses provided by Concierge, increasing the accuracy of Concierge for this answer the next time this question is received in this conversational state.
5. First Responders will escalate to a "Second Responder" if none of the suggested responses work.
6. Second Responders will execute the member's request (such as for travel booking), write a new response (training Concierge to answer this question next time), or escalate to a Success Coach if the question is too complex for their understanding.
7. Success Coaches effectively resolve all questions directed to them.

First Responders provide simple support that requires minimal training, with the primary requirement being English proficiency. Second Responders receive more in depth training and answer more complex questions, as well as those that require a deeper understanding of the platform. The costs of maintaining a team of First and Second Responders scales according to support volume, but thanks to Concierge, benefits from extraordinary economies of scale as well as consistency in speed and quality. First and Second Responders are employed and managed by vendors, which helps us efficiently scale up and down based on support volumes.

Success Coaches are full-time employees who manage the bulk of our product management. Whereas Second Responders are more akin to a traditional customer support team, Success Coaches are akin to a traditional product management team, with an AI-twist. Success Coaches are named to reflect that they "coach" the Success organization (including the Concierge AI). Said another way, First and Second Responders are focused on supporting customers (and indirectly training Concierge in the process), and Success Coaches are focused on supporting First and Second Responders by building and training an AI-enhanced tool (Concierge), as well as proposing product enhancements to improve its robust self-service and self-diagnostic capabilities. 77% of support inquiries not automatically handled by Concierge are handled by First and Second Responders. Approximately 75% of Success Coach time is spent on traditional product management activity (i.e., writing product proposals, engaging with the product development team, testing new functionality, updating documentation). The remaining approximately 25% is spent doing "supervised training" of the Concierge AI in response to edge case conversations escalated from Second Responders. We believe that by keeping our product managers involved with the customers we design and develop features that customers like to use - supporting our product-led growth. Concierge has dramatically increased the efficiency of the business. Since its introduction in September 2016 to June 30, 2021, we increased our revenue 547% while only increasing headcount by 31%.

Our underwriting and risk management

For the Expensify Card, we have a proprietary underwriting program, wherein we use a combination of leading ID verification and bank account monitoring tools to authenticate a business and assign them the highest possible transaction limit on our platform. We augment this with our transaction monitoring program, which identifies transactions that look suspicious and flags them for internal review. Our highly trained operations team then looks at all the red flags to identify false positives. Approved transactions are "settled" daily, meaning that funds for each day's purchases are withdrawn from the customer's bank account within one business day — generally before we are required to pay the Visa network — resulting in extremely high collectability of short-term credit often extended for less than a day. Taken together, this multi-layered strategy effectively minimizes fraud on our platform.

Our compliance and data security

We are PCI-DSS and SOC-II compliant, with external parties performing "grey box" testing to simulate nation-state level hacking capability. We are integrated with every major bank in the United States and our system and processes have been stress tested by each of them. We process billions of dollars in expense reimbursements every year and are audited annually by our processing bank. We take privacy and data security seriously and are in compliance with domestic and international data privacy regulations, which sometimes change faster than the wind.

Our data

As of June 30, 2021, we have processed over 1.1 billion expense transactions for our customers. These expenses span across employees from all functions and layers in organizations of all sizes, industries and geographies. To process these expenses, our platform runs on our proprietary distributed and fully replicated technology architecture that is built to process many multiples of our current transaction volume. We also designed our platform to be deeply integrated and connected with a broad suite of back office systems, consumer applications and banking technology infrastructures that our customers use every day. The combination of the scale and diversity of the expenses we process, the breadth and depth of our integrations and the scalability of our infrastructure has enabled us to build a massive data asset that continually enhances the value of our platform.

We derive powerful insights from our data such as the unique buying behavior of our members, the spending trends of the businesses they work for and changes in the technologies businesses use for multiple back-office workflows. These insights provide continuous and real-time input into our product development and enable us to develop features that reflect the behavior and preferences of our members and the organizations they work for. Our data asset also benefits from significant network effects, with

every new member and transaction adding incremental value to our platform. Every receipt we process through our OCR technology makes our SmartScan technology more accurate, every transaction we process and backtest enhances our fraud protection capabilities and every customer inquiry we resolve allows Concierge to answer future questions faster. We believe that our data asset will continue to expand the value of our platform and drive future growth.

Our members and customers

We think of the individuals that use one or all of our features of our platform as members. In the quarter ended June 30, 2021, we served an average of 639,000 paid members per month and our platform was used in more than 200 different countries and territories. We define paid members as the average number of users (employees, contractors, volunteers, team members, etc.) who are billed on *Collect* or *Control* plans during any particular quarter. We are focused on our paid members, and we develop all features of our technology with the member in mind. Loyal, enthusiastic members are the key to our viral word-of-mouth strategy. We also have freemium members that have not been added to a paid policy.

Our paid members are generally part of a company policy owned by the employer. While each member is the primary focus of our development, the overall employers are our customers. We work hard to be the most efficient tools to run an SMB from the employer's point of view as well. As of December 2020, we estimate that businesses with fewer than 1,000 employees accounted for over 95% of our customers by revenue and continue to represent our largest greenfield opportunity. Our customers span virtually all sectors with the largest concentration in business services, technology, banking and financial services, entertainment, healthcare, computer / IT, construction, food / beverage, utilities / energy and education. Our customer base is highly diversified, and in 2019 and 2020, no customer accounted for more than 1% of our revenue.



We had approximately 65,700 customers as of December 31, 2019, and approximately 54,600 as of December 31, 2020. We had approximately 53,000 customers as of June 30, 2021. We believe the decline in 2020, which was the first year in our history where we experienced an overall decline in the number of our customers, was due to the impact of the COVID-19 pandemic. The vast majority of customers lost were businesses with less than five members, a segment of customers responsible for only 5% of our total revenue for the three months ending June 30, 2021.

Brooklyn Nets

The Brooklyn Nets are an American basketball team based in New York City. Their umbrella organization also includes the New York Liberty and Barclays Center. The business side of the organization supports the basketball team and runs events at Barclays Center. The arena hosts home games for the Nets and Liberty, as well as concerts, conventions, and other sporting and entertainment events.



Prior to Expensify, Nets employees taped receipts |to a form that they had to sign and hand in. Then a team of temporary employees coded and manually entered each expense into their accounting system. When a new controller joined the group, he realized this process needed to be improved as it was time-consuming and prone to errors. Finance needed to cross-charge and split expenses between multiple entities, which sometimes led to easy mistakes.

The controller started searching for different solutions and eventually landed on Expensify. Initially, the organization only provided Expensify to those who traveled, but it worked so well that they now give access to everyone who has expenses.

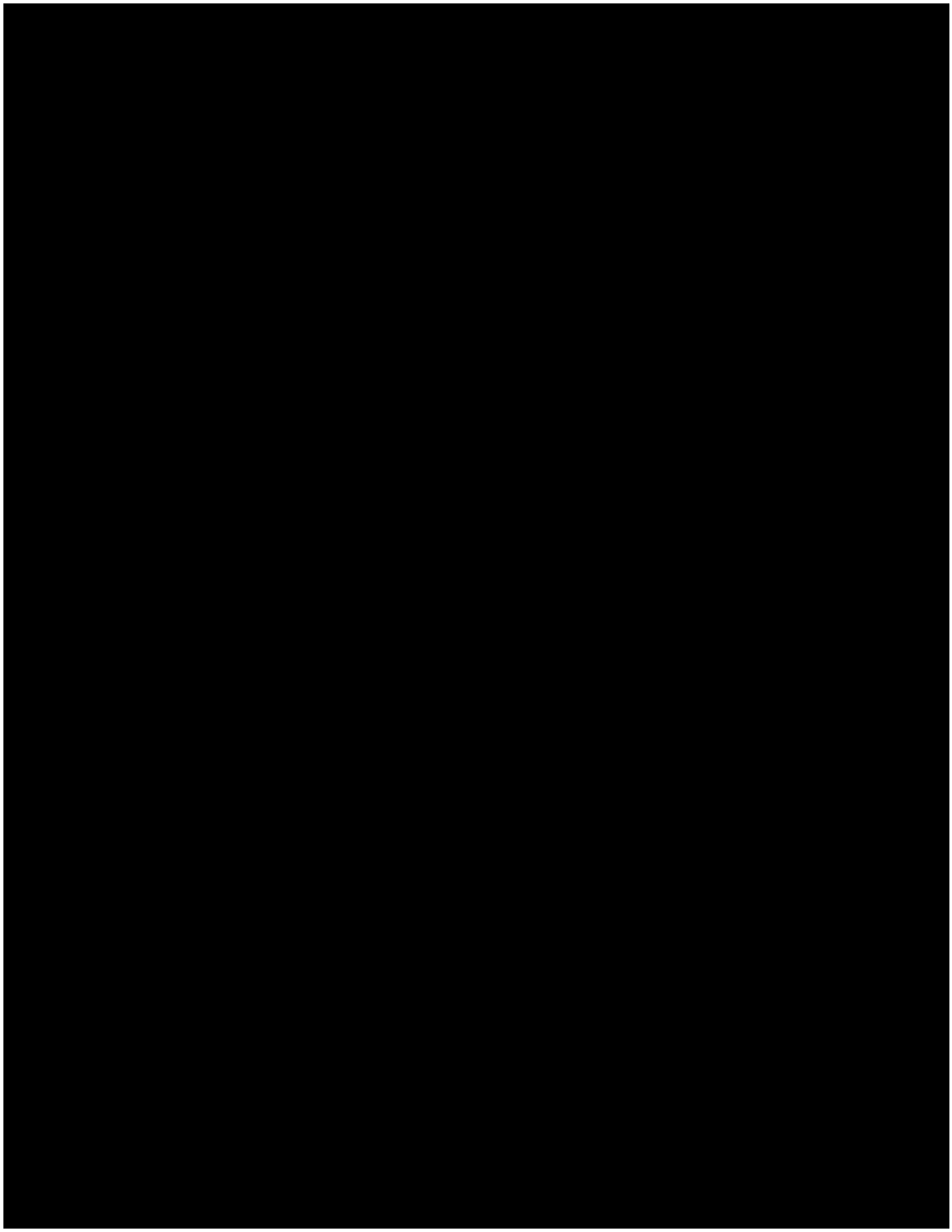
The Nets' finance team loves Expensify's corporate card reconciliation functionality, automated accounting integration, and ease of ACH payments. All they do is click one button and they're done.

The report audit trail also surfaces specific user actions on a timeline, which helps the Nets team discover issues and fix them quickly.

Adopting Expensify has allowed the Nets organization to distribute pre-accounting responsibility across every employee, rather than requiring one member of the finance team to do all the work. Overall, Expensify has saved the Finance department at least 28 hours per week. Managing expenses now only takes on average 12 hours a week.

> **“**
>
> **It's just so easy, you finish a dinner and you just take a photo of the receipt with the app. You're in the subway or a taxi and you code the expense.**
>
> **That's it, you're done.**

Easy money.



Redmond Accounting

Redmond Accounting Inc is a cloud accounting firm founded in 2005 that serves professional services companies, including venture capital firms, law firms, and family offices. They have two main divisions: their Accounting division acts as the accounting department for their clients who want Redmond to do their accounting work for them; their Technology division implements time-saving cloud accounting infrastructures like Expensify for companies that have internal accounting departments and want to do their accounting work themselves.



Redmond discovered Expensify in 2010 at an accounting conference and immediately started using it internally and implementing it for their clients. Since 2011, Redmond has standardized on using Expensify with every client. Prior to Expensify, clients would submit their reimbursable expense reports on paper with receipts stapled to them. These reports were then unstapled, scanned, and manually transcribed into the accounting software by one of Redmond's accountants. If the expenses included foreign currencies, the accountant would manually calculate the exchange rates prior to processing the expense. This process was time-consuming and lent itself to transcription errors. An individual expense report could take an accountant 30 minutes to process and company credit card charges were often coded by the company improperly.

> **Once we understood the improved workflow of Expensify, it was unimaginable to revert to the old method.**

Since implementing Expensify, this entire process has been streamlined and automated. Redmond simply configures Expensify for each client. Corporate card transactions automatically import into Expensify, employees can SmartScan their receipts with the app, and code them with just a few clicks. The expenses are then automatically synced into the accounting software. This streamlining has resulted in a massive reduction in labor cost for Redmond, which they are then able to pass onto their clients. Expensify, along with its ability to integrate with other cloud services, was one of the main drivers that enabled Redmond to switch from hourly-based billing to value-based billing.

In addition to the time saved, Expensify also helps Redmond minimize fraud. Prior to using Expensify, their clients had little oversight of expenses. Expensify increases transparency into how each dollar is spent, which creates a "Hawthorne effect," making it much less likely that employees will misuse company funds.

Expensify has also helped Redmond transition their clients off of antiquated accounting practices. Instead of batching up monthly expense reports, the convenience of the Expensify app means employees can submit expenses as they're incurred. Clients that use the Expensify Card no longer need to think about their monthly statement since card expenses are automatically submitted throughout the month. Expensify acts as a shuttle to the general ledger, which obviates the need to group expenses based on time period.

Bugcrowd

Bugcrowd is a security platform that combines the largest, most experienced triage team with the most trusted hackers around the world to find security vulnerabilities for their customers. Their customers include Atlassian, Twilio, Hewlett Packard, and many other top brands, and they employ approximately 200 people across the United States, United Kingdom, and Australia.



Bugcrowd estimates that Expensify reduced their time spent on expense management by 80%. Before Expensify, it took them almost a full-time employee to handle and track all expenses. Now, it's just one small task for one person on the finance team.

Prior to using Expensify, Bugcrowd was tracking all of their expenses in spreadsheets. Employees had to manually fill out those spreadsheets, scan their receipts, and submit via email to their managers for approval. Managers then had to look at the receipt attachments, approve the report, and forward it to the accounting team, who would manually enter each report into their accounting software. Not only was this process slow and clunky, but it was also hard to spot or control any expenses that were breaking expense policy rules.

As Bugcrowd grew and expanded internationally, the cost of having such an inefficient process also grew. They wanted a cloud-based workflow that was easy to use and manage. In November 2017, Bugcrowd decided to implement Expensify, which seamlessly integrated with their new accounting package. Bugcrowd's team loves the accounting and corporate card integrations, as well as being able to reimburse employees directly through Expensify.

> **"It's all about saving time. We want to get our employees reimbursed quickly and we want it to be as painless as possible because time is money and they could be working on other things. So we appreciate that Expensify helps us streamline our process and helps our employees focus their time on more important things.**

Ulu Ventures

Ulu Ventures is a seed-stage venture capital firm focused primarily on investing in enterprise IT companies. Launched in 2008, Ulu focuses on the market opportunity created by the Stanford and Silicon Valley communities and seeks to generate great financial results using a disciplined, repeatable decision-making process that analyzes risk-reward trade-offs. Diversity is also an important part of Ulu's investment thesis. The team believes that diverse professional backgrounds and life experiences are better at problem-solving and create better business opportunities.

In 2018, after raising their second investment fund, Ulu started using Expensify's basic features at the recommendation of their accounting firm. In 2020, as Ulu started heading toward a third investment fund, their CFO realized that they had to further automate and streamline their processes as much as possible in order to scale effectively. The main question was: What are the systems, people, and processes to put in place to manage more capital? The answer, in part, would be found within Expensify.



In the months that followed, Ulu adopted new Expensify features that allowed them to reduce report processing time by more than 50%. More specifically, they issued Expensify Cards to all employees and enabled real-time reconciliation with their accounting system. They also started using Expensify to reimburse employees for their expenses and set Scheduled Submit to a weekly cadence so expenses could be submitted automatically on a regular basis. Ulu's CFO estimates that their overall expense report processing time is down from 4 hours per week to 1 hour per week.

> **For most of my career, I've been around venture funds and a lot of them just use Excel, but that doesn't work great at scale. Several of the companies that I've been affiliated with have used travel and expense applications and I knew there were several choices out there. The general feeling was that Expensify was a great SMB solution with good integrations to accounting packages, so it wasn't a hard decision on which one to use.**

Ulu Ventures has now raised $138 million for its third fund and is already actively making investments. Considering the new fund is likely to add another 80-90 companies to their portfolio, Ulu plans to use Expensify to automate even more pieces of the pre-accounting process so that employees can spend more time where they're needed most - sourcing great investment opportunities and working with the portfolio

Easy money.

MerchLogix

MerchLogix is a leading retail software provider of space planning and merchandising operations solutions. The MerchLogix team switched to Expensify in May 2020 after having a bad experience with another expense management solution.

Initially, MerchLogix used paper forms for reimbursable expenses and their credit card's built-in receipt feature for card purchases. Employees would often submit their expenses late or not at all, and sometimes forget to attach receipts for reimbursement, leaving the admin scrambling at the last minute every month.



Additionally, all expense data had to be manually uploaded into MerchLogix's accounting system, which was extremely time-consuming and frustrating. This fragmented process took about four hours per week if everything went smoothly, but typically lasted hours longer with the admin chasing down more information from employees across the org. It also impacted the CFO's ability to account for expenses and authorize new purchases, which added extra stress and risked creating cash flow problems.

This mix of problems led MerchLogix to start shopping around for a better solution. They soon found an expense management tool that they thought would work, but then experienced a terrible onboarding process and several issues with connecting their bank cards. After a few difficult months, they restarted their search for a better expense management solution and found Expensify.

> **When I went to implement Expensify some employees were scared and so I had to do a few one on ones to explain the tool. After I went through the process they said, 'Wait, that's it?'**

Today, MerchLogix uses Expensify to manage all credit card information in one place. They've also connected it to their accounting system, which they say has been a "game-changer." GL information syncs to Expensify automatically, the admin selects the relevant expense requirements to surface to employees, and approved expense reports automatically export to accounting. MerchLogix uses expense filters to quickly find past expenses and customize report exports to get any information they need out of Expensify.

They refer to the ACH reimbursement feature as "divine" because it helps reimburse out-of-pocket expenses automatically—as quickly as the next day—without mixing in payroll. In total, Expensify has saved MerchLogix Finance team at least 3 hours per week and reduced the monthly close process, that once took up to 60 days, down to 1 week.

Marketing

Our members are our best marketers. They have adopted, championed and spread Expensify to their colleagues, managers and friends. We have empowered employees to simplify and streamline expense management and in the process we have created champions of our solutions who naturally demonstrate the value of Expensify to decision makers at their broader organizations.

We make our platform available for free trial online, which facilitates rapid and widespread adoption. The superiority of our solution and its user-friendly nature creates advocates of our platform and allows Expensify to spread virally, through word-of-mouth, across teams, departments and organizations. This word-of-mouth marketing increases organically as more individual members and teams discover our platform.

Our marketing efforts are designed to support the bottom-up viral nature of our platform by establishing our brand as the premiere option in preaccounting software. We invest in brand and platform promotion through partners, conference participation, thought leadership, direct marketing and advertising and content development to educate the market about the benefits of our platform and create market consensus.

Creating market consensus requires a major investment to establish and requires ongoing commitment to our product to maintain. For example, in 2019, we went big and became one of the smallest companies to ever advertise nationally at the Super Bowl. Our 7-time Cannes Lion winning Super Bowl ad premiered during Super Bowl LIII. But so long as the market agrees we are the best, it is relatively inexpensive to maintain that perception. This creates an asymmetric advantage against anybody who would seek to challenge our brand. This market consensus strategy ensures we get the lion's share of the best new customers in the market by default, without needing to pay a high marginal cost to acquire each new customer.

Sales

Our viral and word-of-mouth lead generation enables us to employ a self-service and inbound sales model. Potential customers are generally first introduced to Expensify when an employee submits an expense report using Expensify, when they hear of us through their networks, or indirectly through accountants and accounting platforms. Customers then seek out our mobile app and website to try, adopt and use our platform. For the six months ended June 30, 2021, 60% of revenue can be attributed to bottom-up adoption where the first member was not a paying administrator (e.g. Controller, HR Manager) and the bottom-up member ultimately brought the paying administrator to our platform.

Our sales model focuses on enabling customer self-service and low-friction entry points enhanced with AI powered customer service. To facilitate self-serve, we share all relevant information directly with prospective customers, including detailed platform and pricing information. Our customers can access free and fully functional trials. When a member has completed their platform evaluation, purchasing is coordinated online through an automated, easy-to-use web or mobile based process. Any customer can get on the phone with our team during or after the sales process, but due to the segment of the market we serve, the overwhelming majority prefer to complete the sales and onboarding process online.

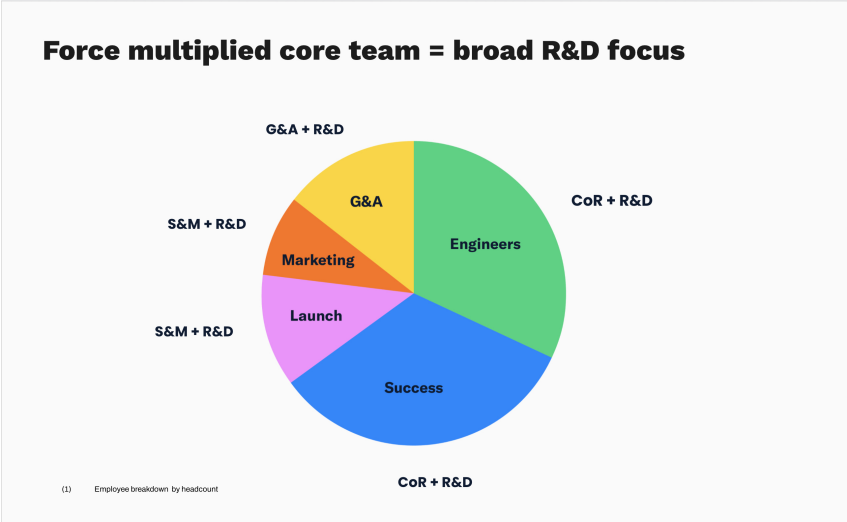
Following initial adoption, we increase the value to customers by enhancing and adding features over time. We design new features with the aim of making them a natural extension of our existing platform and painless for existing customers to adopt.

Research and development

The foundation of our viral growth strategy is the consistent delivery of high-quality features, which our customers use and love. We have a product-led growth strategy, so our ability to scale our platform depends on our ability to innovate and continue to deliver quality and valuable features for members. As such, we prioritize our research and development above all other investments. We build our software with

the end user at the center of every decision, investing substantial time, energy and resources to ensure we have a deep understanding of our members' needs.

Our unique generalist culture makes research and development activities everyone's responsibility. In the quarter ended June 30, 2021, approximately 70% of our team was involved in material aspects of research and development. In the same time period, we had a globally distributed team operating across 13 countries. This enables us to have around the clock development schedule and incorporate a diverse range of approaches to solving problems.



Our goal is not to build many products that are part of a combined suite. Instead, we have focused on building one unified platform with features that are natural extensions of our core expense management technology. With this approach, we enjoy compounding benefits from all our prior work. We are able to innovate quickly and build new features with fewer people in less time.

Our Customer Success team works closely with our customers to identify our members' greatest needs and act as our primary Product Managers to develop features that reflect their feedback. We rapidly design and release new features first to ourselves and then to a group of customers who get early access and provide critical feedback prior to a full launch. Our success depends on people continuing to love our platform – we don't push to increase adoption until we have a feature we know will add value to members.

Our competition

Our primary competition remains the antiquated manual processes that SMBs have been relied upon for decades. Other competitors include traditional horizontal platform solutions with basic expense management features, corporate card providers and niche expense management point solutions. Because of the strength, flexibility and interoperability of our offering, many of our customers use Expensify in tandem with some of our competitors' products. We differentiate ourselves from our competition by remaining hyper-focused on our members, continuing to innovate features that add value to our members and maintaining market consensus to facilitate word-of-mouth marketing and support our viral, bottom-up go-to-market motion.

We believe the principal competitive factors that drive leadership in the markets we compete in include the following:

- End user design focus;
- Ease of access, adoption, deployment and use;
- Platform functionality and ability to automate processes;
- Mobile access across devices;
- Ability to purchase without a sales representative;
- Viral, bottom-up business model supported by word-of-mouth adoption;
- High interoperability with internal and third party systems and consumer applications;
- Flexible, employee-centric legal terms regarding data ownership;
- Data security and privacy;
- Speed and scalability of architecture underlying the platform;
- Brand reputation and market consensus around platform superiority; and
- Customer service and support.

We believe we compete favorably with our competitors on the basis of the factors described above. However, many of our competitors have significantly greater financial, sales and marketing, and product development resources than we have, broader distribution or established relationships, or lower labor and research and development costs. Our competitors may devote greater resources and time on developing and testing products and solutions, undertake more extensive marketing campaigns, adopt more aggressive pricing policies or otherwise develop more commercially successful products and solutions than we do. However, we believe our unique approach, business model, and company culture drive significant competitive differentiation. We intend to continue our intense design focus on the employee experience, support our viral bottom-up business model to drive profitable growth, and nurture our one-of-a-kind company structure and culture to maintain this competitive advantage.

Intellectual property

Our intellectual property is an important aspect of our business and helps us maintain our competitive position. To establish and protect our rights in our proprietary intellectual property, we rely upon a combination of patent, copyright, trade secret and trademark laws, and contractual restrictions such as confidentiality agreements, licenses and intellectual property assignment agreements.

As of December 31, 2020, we had 4 trademark registrations in the United States, including EXPENSIFY, SMARTSCAN and CONCIERGE and various other marks had been published, such as KARMA POINTS, CORPORATE KARMA, PERSONAL KARMA, EXPENSIFY THIS, EXPENSIFYTHIS and YOU WEREN'T BORN TO DO EXPENSES. We also had approximately 17 trademark registrations and approximately 21 applications in certain foreign jurisdictions. We will pursue additional trademark registrations to the extent we believe it would be beneficial and cost effective. We also own several domain names, including www.expensify.com, use.expensify.com, www.expensify.org and new.expensify.com.

As of April 12, 2021, we had 14 issued patents and 8 pending patent applications in the United States. Our issued patents expire between August 18, 2028 and September 4, 2032. We have one pending PCT international patent application. We continually review our development efforts to assess the existence and patentability of new intellectual property.

We control access to our intellectual property and confidential information through internal and external controls. We maintain a policy requiring our employees, contractors, consultants and other third parties

involved in the development of intellectual property on our behalf to enter into confidentiality and proprietary rights agreements to control access to our proprietary information. Intellectual property laws and our procedures and restrictions provide only limited protection, and any of our intellectual property rights may be challenged, invalidated, circumvented, infringed, or misappropriated.

For additional information about our intellectual property and associated risks, see the section titled “Risk factors-Risks related to our business.”

Our culture, employees and human capital resources

At Expensify, we consider our culture and employees to be vital to our success. We strive to create a diverse, inclusive and collaborative workplace that prioritizes and fosters the long-term happiness of our employees. Our company operates with a flat, generalist organizational structure, united by a robust set of common values focused on fostering the long-term happiness of our employees. Expensify’s culture is centered on the belief that a life well lived is one that enables you to achieve our three life goals: live rich, have fun and save the world.

We provide our employees with competitive compensation, comprehensive healthcare options and equity ownership across our organization. We encourage a balanced lifestyle by offering our employees the flexibility to work remotely and set their own schedules. We dedicate significant time and resources to monitor and improve the happiness of our employees, and in 2020, our average employee happiness score was 8.93 out of 10.

As of June 30, 2021, we had 140 full-time employees. A majority of our employees have a tenure of over four years, and our 10-person leadership team has an average tenure of 8.6 years. None of our employees are represented by a labor union or covered by collective bargaining agreements. We also engage third-party vendors to supply on-demand workers as needed to support our operations. We have not experienced any work stoppages, and we believe that our employee relations are strong.

Environmental, Social and Governance (ESG)

Our commitment to ESG principles

There can be no sustainable, profitable growth without a market that is fair, inclusive and universal. Defending, improving and expanding this market is a core responsibility of any business that intends to last as long as we do. Environmental, Social, and Governance (ESG) principles are core to our business strategy of achieving sustainable growth. We recognize our responsibility for the impacts of our operations and products on stakeholders including employees, members, customers, stockholders, and communities. We are committed to aligning with all stakeholders towards long-term, sustainable growth. In alignment with our business strategy, our board of directors and senior management team oversee and manage ESG risks and opportunities.

We reference industry standards including the Sustainability Accounting Standards Board (SASB), Global Reporting Initiative (GRI), and Financial Stability Board’s Task Force on Climate-related Financial Disclosures (TCFD) to determine financially material topics and share progress on our efforts. As we aim to build a truly sustainable company, we know we are on a journey that involves continuous self-reflection and improvement. We are committed to continuing to excel in areas we are strongest and grow in areas where we can do better. As we work to continue to align with industry standards and share our efforts with our stakeholders, we aim to publish a sustainability report in 2021, and we may expand disclosures in these areas in the future - consistent with our commitment to developing a long-term sustainable business.

- ***Managing systemic risks from technology disruptions***. Expensify is an always-on, business-critical service, committed to platform reliability. Maintaining operational continuity is a top priority and has a direct impact on our members’ confidence and the sustainability of our business. We maintain a geographically-distributed platform architecture with redundancy against site failure and operational flexibility for managing platform changes. We perform regular testing, actively monitor performance

issues, and conduct pre-scheduled maintenance without service interruptions. From June 30, 2020, to June 30, 2021, our average service uptime was over 99.9%, exceeding our target of three nines.

- ***Ethics and conduct related to financial services products***. At Expensify, we prioritize trust, and the safety and security of our financial services products. Maintaining trust with our members is crucial for our brand reputation. We have robust internal controls to go over and above regulatory compliance and protect stockholder and customer value.
- ***Recruiting & managing a global, diverse & skilled workforce***. Attracting and retaining a diverse and global workforce, with employees of different races, ethnicities, nationalities, religions, ages, gender identities, sexual orientations, and more, is central to our ability to innovate and create value over the long term, and reflects our commitment to diversity, equity and inclusion in our core values. We are committed to eliminating bias in how we hire and compensate our employees, including equity-based hiring strategies and a democratic peer-ranked “blind” compensation system. We aim to empower every employee to create the career of their dreams. Our policies focus on aligning long-term employee and company interests, as well as robust growth and recognition programs.
- ***Data privacy***. Customer privacy and maintaining customer trust is fundamental to Expensify’s success. We prioritize strong data privacy practices, procedures, policies and programs for business success. We evaluate risks and control mechanisms annually with an independent third party, and review privacy considerations as part of product development. Risks and opportunities are identified, evaluated, and managed on a regular basis to maintain compliance with changing global privacy laws and regulations. Customer agreements along with a variety of internal policies and external privacy policies describe how we safeguard customers' data. User data is not used for secondary purposes and we do not knowingly permit government monitoring in any country.
- ***Data security***. Data security is essential to maintaining our members' trust, because we process and store sensitive financial and personally identifiable information. The control environment at Expensify reflects our commitment to data security. Our policies and procedures detail operational requirements that support system specifications, security commitments, and compliance with relevant laws and regulations.
- ***Environmental footprint of hardware infrastructure and emissions***. We recognize the environmental impacts of our business, the impacts to our business of potential risks related to emissions such as carbon taxes and climate change, and the possibility for damage to our reputation and brand if we do not take action related to emissions and other environmental impacts. Expensify has engaged a third party to evaluate and model our Greenhouse Gas (GHG) emissions. For 2021, our estimated GHG emissions will be 4,736 tCO_2e. As of September 2021, we successfully offset our projected annual carbon footprint and became carbon neutral.
- ***Climate risks***. We recognize the risks posed by climate change to our operations and revenue, including risks associated with the transition to a low-carbon economy and the physical impacts of climate change. Our efforts to become carbon neutral are one part of our commitment to addressing climate change. Starting in 2022, we aim to manage and report on climate-related risks and opportunities, and set targets and metrics to evaluate our performance, in accordance with the TCFD recommendations.
- ***Commitment to long term thinking***. We believe that our environment, society, shareholders, and overall company will be best served if we remain focused on the long-term impacts of the decisions we make as a business. We aim to align all stakeholders around long-term thinking. To that aim, we are currently pursuing dual-listing on the Long Term Stock Exchange (LTSE) following this offering. At that time, LTSE would serve as our secondary exchange and provide further support for our long-term business focus.

Legal proceedings

From time to time, we are involved in various legal proceedings arising from the normal course of business activities. We are not presently a party to any litigation the outcome of which, we believe, if determined adversely to us, would individually or taken together have a material adverse effect on our business, operating results, cash flows or financial condition. We have received, and may in the future continue to receive, claims from third parties asserting, among other things, infringement of their intellectual property rights. Defending such proceedings is costly and can impose a significant burden on management and employees, we may receive unfavorable preliminary or interim rulings in the course of litigation, and there can be no assurances that favorable final outcomes will be obtained.

Our facilities

In the United States, our company has offices in Portland, Oregon, San Francisco, California and Ironwood, Michigan. We own our office space in Portland, which consists of approximately 38,500 square feet. Our office space in San Francisco, consisting of approximately 10,500 square feet, is leased through May 31, 2023. Our office space in Ironwood, consisting of approximately 2,700 square feet, is leased through April 30, 2022.

We also lease offices in New York City, New York, Amsterdam, London and Melbourne. We ended our leases with these offices due to COVID-19 but will likely consider renewing them again in the future. We give all employees the ability to rent a coworking space if we do not provide one.

We intend to procure additional space or expand existing facilities in the future as we continue to add employees and expand geographically. We believe our facilities are adequate and suitable for our current needs and that, should it be needed, suitable additional or alternative space on commercially reasonable terms will be available to accommodate our operations.

Government regulation

Our business activities are subject to various federal, state, local and foreign laws, rules and regulations. Compliance with these laws, rules and regulations has not had, and is not expected to have, a material effect on our capital expenditures, results of operations and competitive position as compared to prior periods. Nevertheless, compliance with existing or future governmental regulations, including, but not limited to, those pertaining to global trade, business acquisitions, consumer and data protection and taxes, could have a material impact on our business in subsequent periods. For more information on the potential impacts of government regulations affecting our business, see “Risk factors—Risks related to our business.”

Management

The following table provides information regarding our executive officers, members of our board of directors, and director nominees (ages as of the date of this prospectus):

Name	Age	Position(s)
David Barrett	45	Founder, Chief Executive Officer, Director
Ryan Schaffer	34	Chief Financial Officer, Director
Anu Muralidharan[1]	38	Chief Operating Officer, Director Nominee
Blake Bartlett[2]	36	Director
Robert Lent[2]	67	Director
Jason Mills[1]	40	Director Nominee
Daniel Vidal[1]	33	Director Nominee
Timothy L. Christen[1]	62	Director Nominee
Ying (Vivian) Liu[1]	46	Director Nominee
Ellen Pao[1]	52	Director Nominee

(1) Mr. Christen will be elected to our board of directors contingent upon, and effective upon, the effectiveness of the registration statement on Form S-1 of which this prospectus forms a part. Each of Ms. Muralidharan, Mr. Mills, Mr. Vidal, Ms. Liu and Ms. Pao will be elected to our board of directors contingent upon, and effective immediately prior to, the completion of this offering.
(2) Each of Mr. Bartlett and Mr. Lent will resign from our board of directors contingent upon, and effective immediately prior to, the completion of this offering.

Executive officers and employee directors and employee director nominees

David Barrett founded Expensify and has served as our Chief Executive Officer and as a member of our board of directors since 2009. Prior to Expensify, Mr. Barrett led engineering for Red Swoosh, Inc., a peer-to-peer file sharing company, which was acquired by Akamai Technologies, Inc. in 2007. Mr. Barrett holds a B.S.E. in engineering from the University of Michigan. We believe that Mr. Barrett is qualified to serve as a member of our board of directors due to his strategic vision and leadership in conceptualizing and developing our brand and business, his expertise in technology and the perspective and experience he brings as our founder and Chief Executive Officer.

Ryan Schaffer has served as our Chief Financial Officer and a member of our board of directors since 2017, and he previously served as our Director of Marketing and Strategy from 2013-2017. Mr. Schaffer worked in marketing at various companies prior to joining Expensify. Mr. Schaffer holds a B.S. in business from the University of Dayton. We believe that Mr. Schaffer is qualified to serve as a member of our board of directors due to his perspective and experience as our Chief Financial Officer, his experience leading our board meetings since 2019 and his significant knowledge of and history with our company.

Anu Muralidharan is expected to serve on our board of directors upon the completion of this offering, and has served as our Chief Operating Officer since January 2021. Ms. Muralidharan previously served as our Director of Product Operations from January 2018 to January 2021 and as our Head of Payment Operations from August 2015 to January 2018. Prior to joining Expensify, she held Vice President positions at Citibank and Marqeta Inc., and various engineering roles at Oracle. Ms. Muralidharan holds a B.E. in electrical and electronics engineering from Birla Institute of Technology and Science, Pilani in Pilani, India and an M.B.A from Cornell University. We believe that Ms. Muralidharan is qualified to serve as a member of our board of directors due to her long history and experience in the payments industry, comprehensive knowledge of payments systems, and perspective and experience as our Chief Operating Officer.

Jason Mills is expected to serve on our board of directors upon the completion of this offering. Mr. Mills has served as our Chief Product Officer since May 2021, and he previously served as our Director of Product and Customers from January 2013 to May 2021. Prior to Expensify, Mr. Mills served as an

analyst intern at Zurich Financial from February 2010 to August 2010 and as an analyst intern at Goldman Sachs from June 2009 to August 2009. Mr. Mills holds a B.S. in Business Administration from the University of California, Berkeley, Haas School of Business and a Master of Arts in International Economics from Johns Hopkins University, School of Advanced International Studies. We believe that Mr. Mills is qualified to serve as a member of our board of directors due to his long history of leadership with our company, his perspective and experience as our Chief Product Officer and his comprehensive knowledge of our business.

Daniel Vidal is expected to serve on our board of directors upon the completion of this offering. Mr. Vidal has served as our Chief Strategy Officer since May 2021, and he previously served as our Director of Corporate Development & Strategy from February 2019 to May 2021 and Head of Business Development from August 2013 to February 2019. Mr. Vidal holds a B.S. in Kinesiology from Arizona State University and a Masters in Commerce from the University of Virginia. We believe that Mr. Vidal is qualified to serve as a member of our board of directors due to his long history of employment with our company, his perspective and experience as our Chief Strategy Officer and his leadership developing our Strategic Partnership program and ExpensifyApproved! Accountants program.

Non-employee directors and director nominees

Blake Bartlett has served as a member of our board of directors since January 2015. Mr. Bartlett has served as Partner of Openview Venture Partners, a venture capital firm, since November 2013. Prior to OpenView, Mr. Bartlett served as Vice President and an Associate at Battery Ventures, a venture capital firm, from July 2009 to October 2013 and an Associate at Kayne Anderson Capital Advisors, LP, a private equity investments firm, from June 2007 to June 2009. Mr. Bartlett holds a B.S. in business administration from the University of Southern California. We believe that Mr. Bartlett is qualified to serve as a member of our board of directors due to his extensive experience as a board member of various high-growth technology companies and his knowledge of our industry. Mr. Bartlett will resign from our board of directors contingent upon, and effective immediately prior to, the completion of this offering.

Robert Lent has served as a member of our board of directors since February 2018, and was previously on our board of directors from 2012 to 2015. Mr. Lent has served as Managing Partner at Hillsven Capital, a seed venture firm focused on internet, cloud, e-commerce and mobile, since 2006. Prior to Hillsven Capital, Mr. Lent co-founded and served as Vice President of Corporate Development for Ariba, Inc., a procurement and supply chain solution for businesses, which was bought by SAP AG. Mr. Lent holds a B.S. in business from the University of California, Berkeley and an M.B.A. from Harvard Business School. We believe that Mr. Lent is qualified to serve as a member of our board of directors due to his extensive experience as a board member of various high-growth software companies, his success as a founder and his knowledge of our industry. Mr. Lent will resign from our board of directors contingent upon, and effective immediately prior to, the completion of this offering.

Timothy L. Christen is expected to serve on our board of directors contingent upon, and effective upon, the effectiveness of the registration statement on Form S-1 of which this prospectus is a part. Mr. Christen has served as a director of Mayville Engineering Company, a publicly traded value added manufacturer, since June 2016 and serves as the Chairman of the Audit Committee. Mr. Christen served as Chairman and Chief Executive Officer of Baker Tilly US, LLP, a national public accounting firm, from June 1999 to May 2016. Mr. Christen also served as the non-executive Chairman of Baker Tilly International Ltd. from October 2017 to October 2021 and as a director of CPA.com, a CPA firm solutions and strategies provider, since February 2018. Mr. Christen also served as director of the American Institute of CPAs from 2014 to 2017, serving as Chairman from 2015 to 2016, and since January 2021 serves as a trustee of the Financial Accounting Foundation. Mr. Christen holds a B.S. in accounting from the University of Wisconsin-Platteville and is a licensed certified public accountant. We believe that Mr. Christen is qualified to serve as a member of our board of directors due to his over 38 years of accounting expertise and substantial strategy, risk and management experience over his 16 years as the Chief Executive Officer of a national public accounting firm and membership on the board of a publicly traded company.

Ying (Vivian) Liu is expected to serve on our board of directors upon the completion of this offering. Ms. Liu will serve as Chief Financial Officer of ContextLogic Inc. (d/b/a Wish), a mobile ecommerce platform, beginning November 2021. Prior to Wish, Ms. Liu served as Chief Financial Officer of Shutterfly, Inc., a retailer and manufacturing platform for personalized products, from April 2020 to November 2021. Prior to Shutterfly, Inc. Ms. Liu served as the Chief Financial Officer and Senior Vice President of Lexmark Inc., a printing solutions company, from July 2017 to April 2020. Prior to Lexmark Inc., Ms. Lui served as VP, Finance of Huawei Technology, an enterprise networking solutions company, from October 2016 until July 2017. Prior to Huawei, Ms. Liu spent eight years at Cisco in multiple finance leadership positions. Earlier in her career, Ms. Liu worked at Deloitte & Touche, Goldman Sachs and China Merchants Bank. Ms. Liu holds a B.A. in international finance from Shanghai University of Finance and Economics, an M.B.A from the University of Washington and is a licensed chartered financial analyst and certified public accountant. We believe that Ms. Liu is qualified to serve as a member of our board of directors due to her extensive finance and leadership experience.

Ellen Pao is expected to serve on our board of directors upon the completion of this offering. Ms. Pao cofounded and has lead Project Include, a nonprofit advocating for diversity, equity and inclusion in technology companies, since December 2015. Ms. Pao has served as Chief Executive Officer and board member of Project Include since January 2017. Prior to Project Include, Ms. Pao served as Interim Chief Executive Officer and Executive Vice President of Buisness Development of Reddit, a social media platform, from April 2012 until July 2015. Prior to Reddit, Ms. Pao served as Chief Diversity and Inclusion Officer at Kapor Center and Venture Partner at Kapor Capital from January 2017 until March 2018. Ms. Pao holds a B.S.E in electrical engineering from Princeton University, a J.D. from Harvard Law School and an M.B.A from Harvard Business School. We believe that Ms. Pao is qualified to serve as a member of our board of directors due to her focus on diversity and inclusion and her experience as a board observer, board member, investor and advisor to technology startups since 2012.

Family relationships

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

Composition of our board of directors

Our board of directors currently consists of four directors. However, Messrs. Bartlett and Lent will resign from our board of directors contingent upon, and effective immediately prior to, the completion of this offering. In addition, Mr. Christen will be elected to our board of directors contingent upon, and effective upon, the effectiveness of the registration statement of which this prospectus forms a part, and Messrs. Mills and Vidal and Mses. Muralidharan, Liu and Pao will be elected to our board of directors upon the completion of this offering. Accordingly, upon the completion of this offering, our board of directors will consist of eight members. We will not have a classified board of directors. Each of our directors will have a term expiring at the first annual meeting of stockholders following this offering. Commencing with that first annual meeting of stockholders, each of our directors will be elected by our stockholders to serve until the next annual meeting of our stockholders and until his or her successor is duly elected and qualified.

When considering whether directors have the experience, qualifications, attributes or skills, taken as a whole, to enable our board of directors to satisfy its oversight responsibilities effectively in light of our business and structure, the board of directors focuses primarily on each person's background and experience as reflected in the information discussed in each of the directors' individual biographies set forth above. We believe that our directors provide an appropriate mix of experience and skills relevant to the size and nature of our business.

Director independence

Prior to the completion of this offering, our board of directors undertook a review of the independence of our directors and considered whether any director has a material relationship with us that could compromise that director's ability to exercise independent judgment in carrying out that director's

responsibilities. Our board of directors has affirmatively determined that Mr. Christen, Ms. Liu and Ms. Pao are each an “independent director,” as defined under the Exchange Act and the rules of Nasdaq.

Committees of our board of directors

Our board of directors directs the management of our business and affairs, as provided by Delaware law, and conducts its business through meetings and actions by unanimous written consent of the board of directors and duly authorized committees of the board of directors. For as long as the Voting Trust controls a majority of the voting power of our outstanding common stock, we will have a standing executive committee and audit committee. As a “controlled company” under the Exchange’s rules and corporate governance standards, we are not required to have a Compensation or Nominating and Corporate Governance Committee. In addition, from time to time, other committees may be established by the board of directors when necessary.

Executive Committee

Our amended and restated certificate of incorporation will provide that for as long as the Voting Trust holds securities representing at least 50% of the voting power of our outstanding capital stock, the Executive Committee will be authorized to exercise all of the powers and authority of the board of directors in the management of our business and affairs, except for (i) matters that must be approved by the Audit Committee of the board, (ii) matters that must be approved by a committee qualified to grant equity to persons subject to Section 16 of the Exchange Act for purposes of exempting transactions pursuant to Section 16b-3 thereunder, (iii) matters required under Delaware law to be approved by the full board of directors, or (iv) as otherwise required by SEC rules and the rules of Nasdaq. Upon the completion of this offering, our Executive Committee will consist of Messrs. Barrett, Schaffer, Mills and Vidal and Ms. Muralidharan.

Audit Committee

Our Audit Committee will be responsible for, among other things:

- appointing, compensating, retaining, evaluating, terminating and overseeing our independent registered public accounting firm;
- discussing with our independent registered public accounting firm its independence from management;
- reviewing with our independent registered public accounting firm the scope and results of their audit;
- approving all audit and permissible non-audit services to be performed by our independent registered public accounting firm;
- overseeing the financial reporting process and discussing with management and our independent registered public accounting firm the interim and annual financial statements that we file with the SEC;
- reviewing and monitoring our accounting principles, accounting policies, financial and accounting controls and compliance with legal and regulatory requirements;
- reviewing our policies on risk assessment and risk management;
- reviewing related party transactions; and
- establishing procedures for the confidential anonymous submission of concerns regarding questionable accounting, internal controls or auditing matters.

Upon the completion of this offering, our Audit Committee will consist of Mr. Christen, Ms. Liu and Ms. Pao, with Mr. Christen serving as chair. Rule 10A-3 of the Exchange Act and Nasdaq rules require that our audit committee have at least one independent member upon the listing of our common stock, have a

majority of independent members within 90 days of the date of this prospectus and be composed entirely of independent members within one year of the date of this prospectus. Our board of directors has affirmatively determined that Mr. Christen, Ms. Liu and Ms. Pao each meet the definition of "independent director" for purposes of serving on the audit committee under Rule 10A-3 and Nasdaq rules. Each member of our audit committee meets the financial literacy requirements of Nasdaq listing standards. In addition, our board of directors has determined that Mr. Christen will qualify as an "audit committee financial expert," as such term is defined in Item 407(d)(5) of Regulation S-K. Our board of directors will adopt a new written charter for the audit committee, which will be available on our principal corporate website at use.expensify.com substantially concurrently with the completion of this offering. The information on or accessed through our website is deemed not to be incorporated in this prospectus or to be part of this prospectus.

Risk oversight

Our board of directors is responsible for overseeing our risk management process. Our board of directors focuses on our general risk management strategy, the most significant risks facing us, our material ESG risks and oversees the implementation of risk mitigation strategies by management. Our board of directors is also apprised of particular risk management matters in connection with its general oversight and approval of corporate matters and significant transactions.

Code of ethics and conduct

Prior to the completion of this offering, we will adopt a written code of ethics and conduct that applies to our directors, officers and employees, including our principal executive officer, principal financial officer, principal accounting officer or controller, or persons performing similar functions. A copy of the code will be posted on our website, use.expensify.com. In addition, we intend to post on our website voluntary disclosures related to material ESG issues and all disclosures that are required by law or the listing standards concerning any amendments to, or waivers from, any provision of the code. The information on or accessed through our website is deemed not to be incorporated in this prospectus or to be part of this prospectus.

Limitations on liability and indemnification of and advancement of expenses to officers and directors

Our amended and restated bylaws provide indemnification for our directors and officers to the fullest extent permitted by the DGCL, along with the right to have expenses incurred in defending proceedings paid in advance of their final disposition. Prior to the completion of this offering, we intend to enter into indemnification agreements with each of our directors and executive officers that may, in some cases, be broader than the specific indemnification and advancement provisions contained under our amended and restated bylaws and provided under Delaware law. In addition, as permitted by Delaware law, our amended and restated certificate of incorporation includes provisions that eliminate the personal liability of our directors for monetary damages resulting from breaches of certain fiduciary duties as a director to the extent permitted by Delaware law. The effect of this provision is to restrict our rights and the rights of our stockholders to recover monetary damages against a director for breach of fiduciary duties as a director.

These provisions may be held not to be enforceable for violations of the federal securities laws of the United States.

Executive compensation

The following is a discussion and analysis of compensation arrangements of our named executive officers, or NEOs. 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 section and have elected to comply with the scaled disclosure requirements applicable to emerging growth companies.

Our NEOs for fiscal year 2020 were as follows:

- David Barrett, our Chief Executive Officer;
- Ryan Schaffer, our Chief Financial Officer; and
- Anuradha Muralidharan, our Chief Operating Officer.

2020 summary compensation table

The following table sets forth total compensation paid to our named executive officers for the fiscal year ending on December 31, 2020.

Name and principal position	Year	Salary ($)	Bonus ($)[1]	Option awards ($)[2]	All other compensation ($)[3]	Total ($)
David Barrett *Chief Executive Officer*	2020	933,072	—	126,851	—	1,059,923
Ryan Schaffer *Chief Financial Officer*	2020	677,006	109,751	35,930	37,461	860,148
Anuradha Muralidharan *Chief Operating Officer*	2020	166,275	8,400	214,465	18,778	407,918

(1) $70,871 of the amount reported for Mr. Schaffer and all of the amount reported for Ms. Muralidharan constitutes a bonus paid to facilitate the exercise of stock options. The remaining $38,880 reported for Mr. Schaffer constitutes a bonus paid pursuant to our graduate perk program that rewarded employees who met certain eligibility criteria by paying a one-time bonus equal to the exercise price of 10% of the employees' vested stock options as of February 1, 2020.

(2) Amounts reported represent the grant date fair value of options granted during fiscal year 2020 and the incremental fair value of options repriced during fiscal year 2020, in each case, as calculated in accordance with ASC Topic 718. See Note 9 of the audited consolidated financial statements included in this registration statement for the assumptions used in calculating this amount.

(3) Amounts reported constitute gross ups for taxes incurred on the bonuses paid to Mr. Schaffer and Ms. Muralidharan to facilitate the exercise of stock options and, in the case of Ms. Muralidharan, taxes paid in connection with the exercise of stock options.

Narrative to summary compensation table

Total compensation and base salaries

In setting the base salary and stock option eligibility of our NEOs, our board of directors first establishes a target total compensation amount for each NEO based on its assessment of the executive's skill set, experience, role and responsibilities. Our board of directors then takes input from each NEO on his or her preference as to which portion of his or her total compensation he or she would like to receive in the form of cash and in the form of stock options. In the first half of 2020, our board of directors established total compensation targets of $4,461,099, $1,110,136 and $668,851 for Mr. Barrett, Mr. Schaffer and Ms. Muralidharan, respectively. In accordance with the stated preference of each NEO, our board of directors then set the portion of total compensation to be delivered in the form of base salary as approximately 21%, 61% and 25% for Mr. Barrett, Mr. Schaffer and Ms. Muralidharan, respectively. The amount of base salary paid to each NEO during 2020 is set forth above in the Summary Compensation Table.

In March 2021, our board of directors increased the total compensation target of Mr. Schaffer and Ms. Muralidharan to $1,221,150 and $836,064, respectively. Following the completion of this offering, we expect to increase Mr. Barrett's total compensation target to $5,011,503.

Our board of directors and executive committee may adjust base salaries from time to time in their discretion.

Bonuses

During 2020, Mr. Schaffer was eligible for a bonus under our graduate perk program that rewarded employees who met certain eligibility criteria by paying a one-time bonus. The bonus earned by Mr. Schaffer equaled the exercise price of 10% of Mr. Schaffer's vested stock options as of February 1, 2020.

Also during 2020, we paid Ms. Muralidharan a discretionary bonus that was intended to make her whole for exercise prices she paid in excess of the $1.60 fair market value for our common stock determined by our board of directors in June 2020. We also grossed up the bonus, as well as other taxes Ms. Muralidharan paid in connection with the exercise of her stock options.

In December 2020, we paid Mr. Schaffer a bonus equal to the aggregate exercise price paid by him to exercise stock options. We also provided gross up to Mr. Schaffer in connection with the bonus.

The amount of each bonus is set forth in the Summary Compensation Table above.

In June 2021, our board of directors awarded each of our NEOs a discretionary bonus having a value equal to the estimated amount it would cost the NEO to exercise 45% of the NEO's options, including estimated tax obligations in connection with such exercise and the bonus, limited by the available number of options to exercise. While the purpose of the bonus was to encourage each NEO to exercise his or her options, none of the NEOs was required to exercise his or her options in order to be paid the bonus. Mr. Barrett, Mr. Schaffer and Ms. Muralidharan were paid $0, $566,516 and $634,414, respectively, of his or her bonus in June 2021 and are entitled to receive an estimated additional $0, $3,001,331 and $568,148, respectively, in late 2021 or such other date determined appropriate by our board of directors.

Our board of directors and executive committee may provide additional discretionary bonuses to our NEOs whenever it determines it is necessary or appropriate to incentivize them or reward them for past performance.

Equity-based compensation

In February 2020, we granted Mr. Schaffer and Ms. Muralidharan an option to purchase 3,820 and 12,750 shares of our common stock, respectively. Each option had an exercise price equal to $3.29 per share, which our board of directors determined equaled fair market value on the date of grant, and vests and becomes exercisable as to 1/48th of the shares on each monthly anniversary of September 1, 2019 over a four-year period, subject to the applicable NEO's continued service through the applicable vesting date. The exercise price of each of the options granted in February 2020 was repriced to $1.60 per share as described below.

In June 2020, we granted each of Messrs. Barrett and Schaffer and Ms. Muralidharan an option to purchase 41,550, 4,540 and 18,750 shares of our common stock, respectively, in each case, in accordance with the stated preference the NEO expressed for the portion of his or her total compensation to be taken in the form of stock options and determined using a formula determined appropriate by our board of directors. Each option had an exercise price equal to $1.60 per share, which our board of directors determined equaled fair market value on the date of grant, and vests and becomes exercisable as to 1/48th of the shares on each monthly anniversary of March 1, 2020 over a four-year period, subject to the applicable NEO's continued service through the applicable vesting date.

Also in June 2020, we repriced the exercise prices of options to purchase an aggregate of 3,820 and 40,120 shares of our common stock held by Mr. Schaffer and Ms. Muralidharan, respectively, to $1.60 per

share, which our board of directors determined equaled fair market value on the date of the repricing. Each repriced option retained its original vesting schedule.

In September 2021, our board of directors granted awards of 925,640, 251,040 and 202,780 restricted stock units to Mr. Barrett, Mr. Schaffer and Ms. Muralidharan, respectively, such grants effective immediately prior to the effectiveness of the registration statement on Form S-1, of which this prospectus is a part. Each restricted stock unit entitles the holder to receive half a share of our LT50 common stock and half a share of our Class A common stock. Each award vests as to 12.5% of the restricted stock units subject to the award on the first anniversary of the date of grant and in equal quarterly installments thereafter through the eighth anniversary of the date of grant, in each case, subject to continued employment with us.

In connection with this offering, we intend to adopt a 2021 Incentive Award Plan, referred to below as the 2021 Plan, in order to facilitate the grant of cash and equity incentives to directors, employees (including our named executive officers) and consultants of our company and certain of its affiliates and to enable us to obtain and retain services of these individuals, which is essential to our long-term success. We expect that the 2021 Plan will be effective on the day prior to the first public trading date of our Class A common stock, subject to approval of such plan by our stockholders. For additional information about the 2021 Plan, please see the section titled “Equity Incentive Plans” below.

Other elements of compensation

Retirement savings and health and welfare benefits

The Company currently maintains a 401(k) retirement savings plan for our employees, including our named executive officers, who satisfy certain eligibility requirements. Our named executive officers are eligible to participate in the 401(k) plan on the same terms as other full-time employees.

All of our full-time employees, including our named executive officers, are eligible to participate in our health and welfare plans, including medical, dental and vision benefits; medical and dependent care flexible spending accounts; short-term and long-term disability insurance; and life and AD&D insurance.

Perquisites and other personal benefits

We provide our NEOs perquisites and other personal benefits when we determine that the perquisites or personal benefits will act to incentivize our NEOs. As described above under "Bonuses," during fiscal year 2020, we provided a gross up on the taxes incurred by Mr. Schaffer and Ms. Muralidharan in connection with the payment of bonuses and the exercise of stock options, and, during fiscal year 2021, we provided a gross up on the taxes incurred by each of our NEOs in connection with bonuses we paid to the NEO.

Our executive committee from time to time may provide additional perquisites and personal benefits to our NEOs when it determines that it is necessary or advisable to fairly compensate or incentivize our NEOs.

Outstanding equity awards at 2020 fiscal year end

The following table lists all outstanding equity awards held by our NEOs as of December 31, 2020.

		Option awards			
Name	Vesting commencement date [1]	Number of securities underlying unexercised options exercisable (#)	Number of securities underlying unexercised options unexercisable (#)	Option exercise price ($)	Option expiration date
David Barrett	10/30/2014	1,585,640	—	0.21	11/24/2024
	4/12/2019 [2]	1,302,720	—	1.07	4/12/2025
	3/1/2020 [3]	41,550	—	1.60	6/21/2030
Ryan Schaffer	7/1/2014	32,360	—	0.19	10/28/2024
	10/30/2014	293,070	—	0.19	11/24/2024
	2/1/2015	53,200	—	0.54	5/30/2025
	7/1/2015	32,600	—	0.54	8/11/2025
	1/1/2016	12,930	—	0.53	3/31/2026
	1/1/2017 [3]	3,510	—	0.55	3/22/2027
	10/30/2018 [3]	29,120	—	0.97	1/10/2029
	2/1/2019 [3]	6,990	—	0.97	4/12/2029
	3/1/2019 [3]	15,910	—	0.97	4/12/2029
	4/12/2019 [2]	421,050	—	0.97	4/12/2029
	9/1/2019 [3]	3,820	—	1.60	6/21/2030
	3/1/2020 [3]	4,540	—	1.60	6/21/2030
Anuradha Muralidharan	7/1/2016	20	—	0.53	9/12/2026
	1/1/2017 [3]	1,850	—	0.55	3/21/2027
	1/1/2018 [3]	3,500	—	0.55	1/11/2028
	7/1/2018 [3]	13,080	—	0.97	7/29/2028
	3/1/2019 [3]	10,840	—	0.97	4/12/2029
	4/12/2019 [2]	64,390	—	0.97	4/12/2029
	4/16/2019 [3]	7,990	—	0.97	4/12/2029
	6/10/2019 [3]	27,370	—	1.60	6/21/2030
	9/1/2019 [3]	12,750	—	1.60	6/21/2030
	3/1/2020 [3]	18,750	—	1.60	6/21/2030

(1) Except as otherwise noted, each option is exercisable immediately upon grant and vests as to 25% of the shares on the first anniversary of the vesting commencement date and as to 1/48th of the shares monthly thereafter, subject to the holder continuing to provide services to the Company through such vesting date. Any shares acquired prior to vesting may be repurchased by us for the original exercise price upon any termination of employment. The repurchase right lapses in accordance with the option's vesting schedule.

(2) The option is exercisable immediately upon grant and vests as to 1/72nd of the shares on each monthly anniversary of the vesting commencement date, subject to the holder continuing to provide services to the Company through such vesting date. Any shares acquired prior to vesting may be repurchased by us for the original exercise price upon any termination of employment. The repurchase right lapses in accordance with the option's vesting schedule.

(3) The option is exercisable immediately upon grant and vests as to 1/48th of the shares on each monthly anniversary of the vesting commencement date, subject to the holder continuing to provide services to the Company through such vesting date. Any shares acquired prior to vesting may be repurchased by us for the original exercise price upon any termination of employment. The repurchase right lapses in accordance with the option's vesting schedule.

Executive compensation arrangements

We have entered into employment agreements with each of our NEOs that set forth the terms of their at-will employment with us. Under the employment agreements, the NEOs are not entitled to any payments or benefits upon an involuntary termination of employment. Each of our NEOs have also entered into standard confidential information and invention assignment agreements with us. In connection with this

offering, we intend to enter into new employment agreements with our NEOs that are effective at the closing of the offering.

Equity compensation plans

The following summarizes the material terms of our 2021 Plan, in which our named executive officers will be eligible to participate following the consummation of this offering, and our 2019 Stock Plan (the “2019 Plan”) and 2009 Stock Plan (the “2009 Plan”), under which we have previously made periodic grants of equity and equity-based awards to our NEOs and other key employees.

2021 incentive award plan

We intend to adopt the 2021 Plan, which will be effective on the day prior to the first public trading date of our Class A common stock. The principal purpose of the 2021 Plan is to attract, retain and motivate selected employees, consultants and directors through the granting of stock-based compensation awards and cash-based performance bonus awards. The material terms of the 2021 Plan, as it is currently contemplated, are summarized below.

Share reserve. The 2021 Plan and the 2021 Stock Purchase and Matching Plan (the "2021 Purchase and Matching Plan" and, together with the 2021 Plan, the "2021 Incentive Plans") use a combined share reserve. Under the 2021 Incentive Plans, 11,676,932 shares of our Class A common stock will be initially reserved for issuance pursuant to a variety of stock-based compensation awards, including stock options, stock appreciation rights, or SARs, restricted stock awards, restricted stock unit awards and other stock-based awards under the 2021 Plan and purchase rights and matching awards under the 2021 Purchase and Matching Plan. The number of shares initially reserved for issuance or transfer pursuant to awards under the 2021 Incentive Plans will be increased by (i) the number of shares represented by awards outstanding under our 2012 Plan, or Prior Plan Awards, that become available for issuance under the counting provisions described below following the effective date and (ii) an annual increase on the first day of each fiscal year beginning in 2022 and ending in 2031, equal to the lesser of (A) 6% of the shares of our Class A common stock outstanding (on an as converted basis) on the last day of the immediately preceding fiscal year and (B) such smaller number of shares of stock as determined by our board of directors; provided, however, that no more than 87,576,990 shares of stock may be issued upon the exercise of incentive stock options.

The following counting provisions will be in effect for the share reserve under the 2021 Incentive Plans:

- the number of shares reserved for issuance under the 2021 Incentive Plans will be reduced by each share of Class A common stock issued or underlying an award granted under either 2021 Incentive Plan;
- to the extent that an award (including a Prior Plan Award) terminates, expires or lapses for any reason or an award is settled in cash without the delivery of shares, any shares subject to the award at such time will be available for future grants under the 2021 Incentive Plans;
- to the extent shares are tendered or withheld to satisfy the grant, exercise price or tax withholding obligation with respect to any award under the 2021 Incentive Plans or Prior Plan Award, such tendered or withheld shares will be available for future grants under the 2021 Incentive Plans;
- to the extent shares subject to stock appreciation rights are not issued in connection with the stock settlement of stock appreciation rights on exercise thereof, such shares will be available for future grants under the 2021 Incentive Plans;
- to the extent that shares of our common stock are repurchased by us prior to vesting so that shares are returned to us, such shares will be available for future grants under the 2021 Incentive Plans;
- the payment of dividend equivalents in cash in conjunction with any outstanding awards or Prior Plan Awards will not be counted against the shares available for issuance under the 2021 Incentive Plan; and

- to the extent permitted by applicable law or any exchange rule, shares issued in assumption of, or in substitution for, any outstanding awards of any entity acquired in any form of combination by us or any of our subsidiaries will not be counted against the shares available for issuance under the 2021 Incentive Plans.

In addition, the sum of the grant date fair value of all equity-based awards and the maximum that may become payable pursuant to all cash-based awards to any individual for services as a non-employee director during any calendar year may not exceed $1,000,000 for such individual's first year of service as a non-employee director and $750,000 for each year thereafter.

Administration. Our board of directors is expected to administer the 2021 Plan. The 2021 Plan provides that the board may delegate its authority to grant awards to employees other than executive officers and certain senior executives of the company to a committee consisting of one or more members of our board of directors or one or more of our officers, other than awards made to our non-employee directors, which must be approved by our full board of directors.

Subject to the terms and conditions of the 2021 Plan, the administrator has the authority to select the persons to whom awards are to be made, to determine the number of shares to be subject to awards and the terms and conditions of awards, and to make all other determinations and to take all other actions necessary or advisable for the administration of the 2021 Plan. The administrator is also authorized to adopt, amend or rescind rules relating to administration of the 2021 Plan.

Eligibility. Options, SARs, restricted stock and all other stock-based and cash-based awards under the 2021 Plan may be granted to individuals who are then our officers, employees or consultants or are the officers, employees or consultants of certain of our subsidiaries. Such awards also may be granted to our directors. Only employees of our company or certain of our subsidiaries may be granted incentive stock options, or ISOs.

Awards. The 2021 Plan provides that the administrator may grant or issue stock options, SARs, restricted stock, restricted stock units, other stock- or cash-based awards and dividend equivalents, or any combination thereof. Each award will be set forth in a separate agreement with the person receiving the award and will indicate the type, terms and conditions of the award.

- *Nonstatutory stock options*, or NSOs, will provide for the right to purchase shares of our Class A common stock at a specified price which may not be less than fair market value on the date of grant, and usually will become exercisable (at the discretion of the administrator) in one or more installments after the grant date, subject to the participant's continued employment or service with us and/or subject to the satisfaction of corporate performance targets and individual performance targets established by the administrator. NSOs may be granted for any term specified by the administrator that does not exceed ten years.
- *Incentive stock options*, or ISOs, will be designed in a manner intended to comply with the provisions of Section 422 of the Internal Revenue Code of 1986, as amended, or the Code, and will be subject to specified restrictions contained in the Code. Among such restrictions, ISOs must have an exercise price of not less than the fair market value of a share of Class A common stock on the date of grant, may only be granted to employees, and must not be exercisable after a period of ten years measured from the date of grant. In the case of an ISO granted to an individual who owns (or is deemed to own) at least 10% of the total combined voting power of all classes of our capital stock, the 2021 Plan provides that the exercise price must be at least 110% of the fair market value of a share of Class A common stock on the date of grant and the ISO must not be exercisable after a period of five years measured from the date of grant.
- *Restricted stock* may be granted to any eligible individual and made subject to such restrictions as may be determined by the administrator. Restricted stock, typically, may be forfeited for no consideration or repurchased by us at the original purchase price if the conditions or restrictions on vesting are not met. In general, restricted stock may not be sold or otherwise transferred until

restrictions are removed or expire. Purchasers of restricted stock, unlike recipients of options, will have voting rights and will have the right to receive dividends, if any, prior to the time when the restrictions lapse, however, extraordinary dividends will generally be placed in escrow, and will not be released until restrictions are removed or expire.

- *Restricted stock units* may be awarded to any eligible individual, typically without payment of consideration, but subject to vesting conditions based on continued employment or service or on performance criteria established by the administrator. Like restricted stock, restricted stock units may not be sold, or otherwise transferred or hypothecated, until vesting conditions are removed or expire. Unlike restricted stock, stock underlying restricted stock units will not be issued until the restricted stock units have vested, and recipients of restricted stock units generally will have no voting or dividend rights prior to the time when vesting conditions are satisfied.
- *Stock appreciation rights*, or SARs, may be granted in connection with stock options or other awards, or separately. SARs granted in connection with stock options or other awards typically will provide for payments to the holder based upon increases in the price of our Class A common stock over a set exercise price. The exercise price of any SAR granted under the 2021 Plan must be at least 100% of the fair market value of a share of our Class A common stock on the date of grant. SARs under the 2021 Plan will be settled in cash or shares of our Class A common stock, or in a combination of both, at the election of the administrator.
- *Other stock or cash based awards* are awards of cash, fully vested shares of our Class A common stock and other awards valued wholly or partially by referring to, or otherwise based on, shares of our Class A common stock. Other stock or cash based awards may be granted to participants and may also be available as a payment form in the settlement of other awards, as standalone payments and as payment in lieu of base salary, bonus, fees or other cash compensation otherwise payable to any individual who is eligible to receive awards. The plan administrator will determine the terms and conditions of other stock or cash based awards, which may include vesting conditions based on continued service, performance and/or other conditions.
- *Dividend equivalents* represent the right to receive the equivalent value of dividends paid on shares of our Class A common stock and may be granted alone or in tandem with awards other than stock options or SARs. Dividend equivalents are credited as of dividend payments dates during the period between a specified date and the date such award terminates or expires, as determined by the plan administrator. In addition, dividend equivalents with respect to shares covered by a performance award will only be paid to the participant at the same time or times and to the same extent that the vesting conditions, if any, are subsequently satisfied and the performance award vests with respect to such shares.

Any award may be granted as a performance award, meaning that the award will be subject to vesting and/or payment based on the attainment of specified performance goals.

Change in control. In the event of a change in control, unless the plan administrator elects to terminate an award in exchange for cash, rights or other property, or cause an award to accelerate in full prior to the change in control, such award will continue in effect or be assumed or substituted by the acquirer, provided that any performance-based portion of the award will be subject to the terms and conditions of the applicable award agreement. In the event the acquirer refuses to assume or replace awards granted, prior to the consummation of such transaction, awards issued under the 2021 Plan will be subject to accelerated vesting such that 100% of such awards will become vested and exercisable or payable, as applicable. The administrator may also make appropriate adjustments to awards under the 2021 Plan and is authorized to provide for the acceleration, cash-out, termination, assumption, substitution or conversion of such awards in the event of a change in control or certain other unusual or nonrecurring events or transactions.

Adjustments of awards. In the event of any stock dividend or other distribution, stock split, reverse stock split, reorganization, combination or exchange of shares, merger, consolidation, split-up, spin-off,

recapitalization, repurchase or any other corporate event affecting the number of outstanding shares of our common stock or the share price of our common stock that would require adjustments to the 2021 Plan or any awards under the 2021 Plan in order to prevent the dilution or enlargement of the potential benefits intended to be made available thereunder, the administrator will make appropriate, proportionate adjustments to: (i) the aggregate number and type of shares subject to the 2021 Incentive Plans; (ii) the number and kind of shares subject to outstanding awards and terms and conditions of outstanding awards (including, without limitation, any applicable performance targets or criteria with respect to such awards); and (iii) the grant or exercise price per share of any outstanding awards under the 2021 Plan.

Amendment and termination. The administrator may terminate, amend or modify the 2021 Plan at any time and from time to time. However, we must generally obtain stockholder approval to the extent required by applicable law, rule or regulation (including any applicable stock exchange rule). Notwithstanding the foregoing, an option may be amended to reduce the per share exercise price below the per share exercise price of such option on the grant date and options may be granted in exchange for, or in connection with, the cancellation or surrender of options having a higher per share exercise price without receiving additional stockholder approval.

No incentive stock options may be granted pursuant to the 2021 Plan after the tenth anniversary of the effective date of the 2021 Plan, and no additional annual share increases to the 2021 Plan's aggregate share limit will occur from and after such anniversary. Any award that is outstanding on the termination date of the 2021 Plan will remain in force according to the terms of the 2021 Plan and the applicable award agreement.

2021 stock purchase and matching plan

We intend to adopt and ask our stockholders to approve the 2021 Purchase and Matching Plan, which will be effective upon the day prior to the effectiveness of the registration statement to which this prospectus relates. The 2021 Purchase and Matching Plan is designed to allow our eligible employees, consultants and directors to purchase shares of our Class A common stock for fair market value at regular intervals, which we refer to as purchase periods, using accumulated deductions from compensation and to receive matching shares of our Class A common stock for purchased and retained shares, which we refer to as matching shares. Participants may also purchase shares with cash, up to 100% of their gross compensation for a purchase period, and we may also issue shares under the 2021 Purchase and Matching Plan without requiring the payment of a purchase price. The material terms of the 2021 Purchase and Matching Plan, as it is currently contemplated, are summarized below.

Administration. Subject to the terms and conditions of the 2021 Purchase and Matching Plan, our compensation committee will administer the 2021 Purchase and Matching Plan. Our compensation committee can delegate administrative tasks under the 2021 Purchase and Matching Plan to the services of an agent and/or employees to assist in the administration of the 2021 Purchase and Matching Plan. The administrator will have the discretionary authority to administer and interpret the 2021 Purchase and Matching Plan. Interpretations and constructions of the administrator of any provision of the 2021 Purchase and Matching Plan or of any rights thereunder will be conclusive and binding on all persons. We will bear all expenses and liabilities incurred by the 2021 Purchase and Matching Plan administrator.

Share reserve. The 2021 Purchase and Matching Plan and 2021 Plan use a combined share reserve as described above under "Equity compensation plans – 2021 incentive award plan – share reserve."

Eligibility. Employees, consultants and directors eligible to participate in the 2021 Purchase and Matching Plan for a given purchase period generally include employees, consultants and directors who are employed or engaged by us or one of our subsidiaries on the first day of the purchase period.

Participation. Participants will enroll under the 2021 Purchase and Matching Plan by completing a compensation deduction form prior to the commencement of a particular purchase period that permits deductions from their compensation that are accumulated to purchase shares of our Class A common stock. Participants will also be permitted to purchase shares using cash, but the combined compensation

deductions and cash paid by a participant may not exceed the participant's gross compensation for the purchase period. In addition, we may issue shares to participants without requiring the participants to pay a purchase price.

Matching shares. At the end of each purchase period, we will match a fractional share of our Class A common stock for each share of our Class A common stock purchased, issued or previously acquired under the 2021 Purchase and Matching Plan that is retained through the end of the applicable purchase period. Initially, we intend to match 1/10th of a share of Class A common stock for each share of Class A common stock purchased, issued or retained at the end of a purchase period; however, we may limit the aggregate number of matching shares we award at the end of any purchase period.

Transfer restrictions. A participant may not assign, transfer, pledge or otherwise dispose of (other than by will or the laws of descent and distribution) compensation deductions credited to a participant's account or any rights to purchase or otherwise receive shares of our Class A common stock under the 2021 Purchase and Matching Plan, and during a participant's lifetime, purchase rights under the 2021 Purchase and Matching Plan are only exercisable only by such participant. Any such attempt at assignment, transfer, pledge or other disposition will not be given effect.

Adjustments upon changes in recapitalization, dissolution, liquidation, merger or asset sale. In the event of any increase or decrease in the number of issued shares of our Class A common stock resulting from a stock split, reverse stock split, stock dividend, combination or reclassification of our common stock, or any other increase or decrease in the number of shares of common stock effected without receipt of consideration by us, we will proportionately adjust the aggregate number of shares of our Class A common stock offered under the 2021 Incentive Plans and the number and price of shares which any participant has elected to purchase under the 2021 Purchase and Matching Plan. If there is a proposal to dissolve or liquidate us, then the 2021 Purchase and Matching Plan will terminate immediately prior to the consummation of such proposed dissolution or liquidation, and any matching period and purchase period then in progress will be shortened by setting a new purchase date to take place before the date of our dissolution or liquidation. We will notify each participant of such change in writing at least ten business days prior to the new exercise date. If we undergo a merger with or into another corporation or sell all or substantially all of our assets, each outstanding purchase right will be assumed or an equivalent purchase right substituted by the successor corporation or the parent or subsidiary of the successor corporation. If the successor corporation refuses to assume the outstanding purchase rights or substitute equivalent purchase rights, then any purchase period then in progress will be shortened by setting a new purchase date to take place before the date of our proposed sale or merger, and the vesting of all matching shares will be accelerated for participants who continue to provide services through the date of our proposed sale or merger. We will notify each participant of such change in writing at least ten business days prior to the new exercise date.

Amendment and termination. Our board of directors may amend, suspend or terminate the 2021 Purchase and Matching Plan at any time. However, the board of directors may not amend the 2021 Purchase and Matching Plan without obtaining stockholder approval within 12 months before or after such amendment to the extent required by applicable laws.

2019 stock plan

We currently maintain the 2019 Plan, which became effective on April 12, 2019. We have previously granted stock options to our NEOs and other employees under the 2019 Plan. The principal purpose of the 2019 Plan is to enhance our ability to attract and retain the best available personnel for position of substantial responsibility, to provide additional incentive to our service providers and promote the success of our business.

Following the completion of this offering, we will not make any further grants under the 2019 Plan. However, the 2019 Plan will continue to govern the terms and conditions of the outstanding awards granted under the 2019 Plan.

Types of awards. The 2019 Plan provides for the grant of non-qualified options, restricted stock and restricted stock units to employees, non-employee members of the board of directors and consultants. The 2019 Plan provides for the grant of ISOs to employees.

Share reserve. We have reserved an aggregate of 16,856,770 shares of our LT50 and Class A common stock for issuance under the 2019 Plan, plus any shares subject to outstanding awards under the 2009 Stock Plan that ceased to be subject to such awards following the date of the effectiveness of the 2019 Plan other than by reason of exercise or settlement of the awards to the extent they are exercised for or settled in vested and nonforfeitable shares). As of June 30, 2021, the aggregate number of shares of our LT50 and Class A common stock reserved for issuance under the 2019 Plan is 6,888,320. As of June 30, 2021, options to purchase a total of 5,902,760 shares of our Class A common stock were outstanding, and 985,560 shares remained available for future grants. Subsequent to June 30, 2021, an aggregate of 8,679,380 restricted stock units covering shares of our LT50 and Class A common stock were approved to be granted immediately prior to the effectiveness of the registration statement on Form S-1 of which this prospectus is a part, and following such grant, 776,600 shares will remain available for future grants.

Administration. Our board of directors or a committee appointed by our board of directors administers the 2019 Plan. The administrator has the authority to select the service providers to whom options, restricted stock or restricted stock units will be granted under the 2019 Plan, the number of shares to be subject to those awards under the 2019 Plan and to determine the terms and conditions of the awards granted. In addition, the administrator has the authority to construe and interpret the 2019 Plan, to amend any outstanding award and to implement an option exchange program, provided that no amendment or option exchange program materially and adversely affects the rights of any participant.

Payment. The exercise price of options or purchase price of restricted stock granted under the 2019 Plan may be paid in such form as determined by the administrator, including, without limitation, cash, check, promissory notice, cancellation of indebtedness, other shares of the Company that have a fair market value on the date of surrender equal to the aggregate exercise price or purchase price of the shares as to which such award relates, consideration received by the Company under a cashless exercise program implemented by the Company, or any combination of the foregoing methods of payment.

Transfer. The 2019 Plan does not allow for the transfer of awards other than by will or the laws of descent and distribution. The administrator may grant non-qualified options that may be transferred by instrument to an inter vivos or testamentary trust in which the non-qualified options are to be passed to beneficiaries upon the death of the trustor or by gift to qualified family members.

Certain events. In the event of a stock split, reverse stock split, stock dividend, combination, consolidation, recapitalization (including a recapitalization through a large nonrecurring cash dividend) or reclassification of the shares, subdivision of the shares, a rights offering, a reorganization, merger, spin-off, split-up, change in corporate structure or other similar occurrence, the administrator may make appropriate adjustments to the number of shares available reserved for issuance under the 2019 Plan, the number of shares covered by each outstanding award agreement, and/or the exercise price or repurchase price under each outstanding award agreement. In the event that we are a party to a merger or change in control, outstanding awards may be assumed or substituted by the surviving corporation or its parent. In the event the successor corporation refuses to assume or substitute outstanding awards, outstanding awards will be forfeited, except that any forfeited restricted stock will be repurchased at a price per share equal to the original per share price.

Amendment; termination. Our board of directors may amend or terminate the 2019 Plan or any portion thereof at any time; an amendment of the 2019 Plan shall be subject to the approval of our stockholders only to the extent required by applicable laws. No awards may be granted under our 2019 Plan after it is terminated.

2009 stock plan

We currently maintain the 2009 Stock Plan (the "2009 Plan"), which became effective on May 26, 2009, and was last amended and on January 12, 2018. We have previously granted stock options to our NEOs and other employees under the 2009 Plan. The principal purpose of the 2009 Plan is to enhance our ability to attract and retain the best available personnel for position of substantial responsibility, to provide additional incentive to our service providers and promote the success of our business.

Following the completion of this offering, we will not make any further grants under the 2009 Plan. However, the 2009 Plan will continue to govern the terms and conditions of the outstanding awards granted under the 2009 Plan.

Types of awards. The 2009 Plan provides for the grant of non-qualified options and restricted stock to employees, non-employee members of the board of directors and consultants. The 2009 Plan provides for the grant of ISOs to employees.

Share reserve. As of June 30, 2021, an aggregate of 2,662,560 shares of our Class A common stock were reserved for issuance under the 2009 Plan. As of June 30, 2021, options to purchase a total of 2,662,560 shares of our Class A common stock were outstanding and no shares remained available for future grants.

Administration. Our board of directors or a committee appointed by our board of directors administers the 2009 Plan. The administrator has the authority to select the service providers to whom options, restricted stock or restricted stock units will be granted under the 2009 Plan, the number of shares to be subject to those awards under the 2009 Plan and to determine the terms and conditions of the awards granted. In addition, the administrator has the authority to construe and interpret the 2009 Plan, to amend any outstanding award and to implement an option exchange program, provided that no amendment or option exchange program materially and adversely affects the rights of any participant.

Payment. The exercise price of options or purchase price of restricted stock granted under the 2009 Plan may be paid in such form as determined by the administrator, including, without limitation, cash, check, promissory notice, cancellation of indebtedness, other shares of the Company that have a fair market value on the date of surrender equal to the aggregate exercise price or purchase price of the shares as to which such award relates, consideration received by the Company under a cashless exercise program implemented by the Company, or any combination of the foregoing methods of payment.

Transfer. The 2009 Plan does not allow for the transfer of awards other than by will or the laws of descent and distribution. The administrator may grant non-qualified options that may be transferred by instrument to an inter vivos or testamentary trust in which the non-qualified options are to be passed to beneficiaries of the trustor or by gift to qualified family members.

Certain events. In the event of a stock split, reverse stock split, stock dividend, combination, consolidation, recapitalization (including a recapitalization through a large nonrecurring cash dividend) or reclassification of the shares, subdivision of the shares, a rights offering, a reorganization, merger, spin-off, split-up, change in corporate structure or other similar occurrence, the administrator may make appropriate adjustments to the number of shares available reserved for issuance under the 2009 Plan, the number of shares covered by each outstanding award agreement, and/or the exercise price or repurchase price under each outstanding award agreement. In the event that we are a party to a merger or change in control, outstanding options may be assumed or substituted by the surviving corporation or its parent. In the event the successor corporation refuses to assume or substitute options, outstanding options will be terminated.

Amendment; termination. Our board of directors may amend or terminate the 2009 Plan or any portion thereof at any time; an amendment of the 2009 Plan shall be subject to the approval of our stockholders only to the extent required by applicable laws. No awards may be granted under our 2009 Plan after it is terminated.

Non-Employee Director Compensation Program

We have adopted a non-employee director compensation program (the “Director Compensation Program”) to become effective on the completion of this offering pursuant to which our non-employee directors will be eligible to receive cash compensation and equity awards for service on our board of directors and the audit committee of our board of directors.

Under the Director Compensation Program, our non-employee directors will be eligible to receive cash compensation as follows:

- Each non-employee director receives an annual cash retainer in the amount of $30,000 per year.
- The chair of the audit committee receives additional annual cash compensation in the amount of $20,000 per year for service on the audit committee.
- Each non-chair member of the audit committee receives additional annual cash compensation in the amount of $10,000 per year for service on the audit committee.

Each non-employee director may elect to receive all of his or her annual cash retainers in the form of restricted stock units ("RSUs") under our 2021 Plan. Elections to convert all of the annual cash retainers into RSUs must generally be made on or prior to December 31 of the year prior to the year in which the annual cash retainers are scheduled to be paid, or such earlier deadline as established by our board of directors or compensation committee. Each individual who first becomes a non-employee director is permitted to elect to convert the annual cash retainer payments scheduled to be paid in the same calendar year into RSUs, provided that the election is made prior to the date the individual becomes a non-employee director. RSUs granted in lieu of the annual cash retainers are fully vested on the grant date, which corresponds to the date the cash retainers would otherwise be paid, and cover a number of shares of Class A common stock calculated by dividing the amount of the cash retainers that would otherwise be paid by the average closing trading price of a share of Class A common stock over the 30 days preceding the grant date. In addition, the Director Compensation Program provides that non-employee directors may elect to defer the settlement of RSUs granted to them.

Under the Director Compensation Program, as currently contemplated, in connection with the initial appointment or election of a non-employee director, the director will automatically be granted an award of RSUs with respect to a number of shares of Class A common stock calculated by dividing (i) $250,000 by (ii) the average closing trading price of a share of Class A common stock over the 30 days preceding the grant date or, solely with respect to non-employee directors who commence service on the board of directors in connection with this offering, including, Timothy Christen, Vivian Liu and Ellen Pao, the initial public offering price set forth on the cover of the prospectus related to this offering, that vests in equal quarterly installments over three years. Additionally, on the date of each annual stockholders meeting, each non-employee director automatically will be granted an award of RSUs with respect to a number of shares of Class A common stock calculated by dividing (a) $125,000 by (b) the average closing trading price of a share of Class A common stock over the 30 days preceding the grant date that vests in equal quarterly installments through the date of the next annual stockholders meeting.

Each initial award and annual award of RSUs, along with any other equity-based awards held by any non-employee director, will vest upon a Change in Control (as defined in the 2021 Plan).

We will also reimburse our directors for reasonable out-of-pocket expenses in connection with the performance of his or her duties as a director.

Director compensation

Historically, we have not had a formalized non-employee director compensation program, and we did not provide any compensation to our non-employee directors during the year ended December 31, 2020. We reimburse our non-employee directors for travel and other necessary business expenses incurred in the performance of their services for us.

We intend to approve and implement a compensation policy for our non-employee directors to be effective on the consummation of this offering.

Certain relationships and related party transactions

The following includes a summary of transactions since January 1, 2018 and any currently proposed transactions to which we were or are expected to be a participant in which (i) the amount involved exceeded or will exceed $120,000, and (ii) any of our directors, executive officers, or holders of more than 5% of our capital stock, or any affiliate or member of the immediate family of the foregoing persons, had or will have a direct or indirect material interest, other than compensation and other arrangements that are described under the section titled “Executive compensation.”

Stock redemption agreement

In March 2018, we entered into a Stock Redemption Agreement with Redpoint Associates IV, LLC and Redpoint Ventures IV, L.P. (together, “Redpoint”) pursuant to which we repurchased 1,616,947 shares of our Series B Preferred Stock, 46,952 shares of our Series B-1 Preferred Stock and 118,251 shares of our Series C Preferred Stock from Redpoint for an aggregate purchase price of $43,605,464. As a result of the repurchase, Redpoint no longer beneficially owned more than 5% of our capital stock or had the right to designate a member of our board of directors.

2018 convertible note financing

In April 2018, we issued and sold convertible promissory notes in the aggregate principal amount of $20,000,072 to certain investors. The convertible promissory notes accrued interest at 13% annually and were paid off in November 2018 with funds from our non-amortizing term loan from CIBC. OpenView Venture Partners IV, L.P. and OpenView Affiliates Fund IV, L.P. (together, “OpenView”), a beneficial owner of more than 5% of our capital stock, purchased convertible promissory notes in the aggregate principal amount of $10,000,000 in the financing. Mr. Bartlett, a member of our board of directors, is an affiliate of OpenView. Point Judith Venture Fund IV, L.P. and PJC-DV II, LLC purchased convertible promissory notes in the aggregate principal amount of $1,700,673 in the financing. Point Judith Venture Fund IV, L.P., PJC-DV II, LLC and affiliated entities (together, "Point Judith") beneficially own more than 5% of our capital stock.

Director loan

In September 2018, we loaned $600,000 to Mr. Barrett, our founder, Chief Executive Officer and a member of our board of directors. The loan was made pursuant to a secured promissory note with interest at a rate of 6% per annum. Unless the loan is accelerated in accordance with its terms, the loan matures upon the earliest to occur of (i) September 18, 2023, (ii) immediately prior to a Change of Control (as defined in the secured promissory note), (iii) upon receipt by Mr. Barrett (or his family trust or other controlled entities) of at least an aggregate of $2,000,000 pursuant to one or more sales or redemptions of our stock and (iv) immediately prior to the completion of this offering. During 2020, as part of the sale of common stock from certain employees, including Mr. Barrett, to new investors, Mr. Barrett received more than $2,000,000 as a result of the transaction. As a result, the loan amount became due immediately during 2020. Our board of directors unanimously consented to provide a waiver of the accelerated term clause in relation to the 2020 sale of stock on April 22, 2021.

In connection with the secured promissory note, Mr. Barrett and entities affiliated with Mr. Barrett pledged and assigned to us a security interest in all shares of our common stock held by him or such affiliated entities.

Mr. Barrett repaid the loan in full on June 24, 2021.

2019 tender offer

In October 2019, we conducted a tender offer in which we repurchased from certain then-current employees an aggregate of 56,920 shares of our common stock at $32.54 per share, for an aggregate purchase price of $1,852,234.

The table below sets forth the number of shares of common stock repurchased from beneficial owners of more than 5% of our capital stock, our directors, officers or their respective affiliates:

	Shares of common stock repurchased	Total repurchase price
Entities affiliated with David Barrett	4,600	$149,689
Ryan Schaffer	4,600	$149,689
Daniel Vidal	4,600	$149,689

Mr. Schaffer is our chief financial officer and a member of our board of directors.

Mr. Vidal will be elected to our board of directors contingent upon, and effective immediately prior to, the completion of this offering.

2020 tender offer

In September 2020, entities affiliated with Mr. Barrett sold 1,783,610 shares of our common stock at a price of $11.213266 per share to EXP 2020 SPV LP, for an aggregate purchase price of $20,000,093. In a related transaction in November 2020, certain then-current employees sold an aggregate of 1,048,630 shares of our common stock to EXP 2020 SPV, LP via a tender offer, at a price per share of $11.213266, for an aggregate purchase price of $11,758,567. EXP 2020 SPV, LP purchased 219,990 shares of our common stock from Mr. Schaffer for an aggregate purchase price of $2,466,806; 183,500 shares of our common stock from Jason Mills, who will be elected to our board of directors contingent upon, and effective immediately prior to, the completion of this offering, for an aggregate purchase price of $2,057,634; 35,710 shares of our common stock from William Barrett, the brother of Mr. Barrett, for an aggregate purchase price of $400,426, and 30,000 shares of our common stock from Mr. Vidal for an aggregate purchase price of $336,398. As part of that transaction, we paid an aggregate of $706,186 in cash bonuses to certain employees who tendered shares that they obtained by exercising options in connection with the transaction, including a cash bonus of $108,322 to Mr. Schaffer, $3,987 to William Barrett, the brother of Mr. Barrett, $267,185 to Mr. Mills and $3,466 to Mr. Vidal.

Voting agreement

We are party to an Amended and Restated Voting Agreement, dated as of January 22, 2015, as amended on February 25, 2019 (the “Investor Voting Agreement”), under which certain holders of our capital stock, including Mr. Barrett, OpenView, Point Judith, RedPoint and Hillsven LLC agreed to vote their shares on certain matters, including with respect to the election of directors. Point Judith, OpenView and Hillsven LLC are beneficial owners of more than 5% of our capital stock. Mr. Bartlett, a member of our board of directors, is an affiliate of OpenView. Mr. Lent, a member of our board of directors, is an affiliate of Hillsven LLC. Redpoint is a former beneficial owner of more than 5% of our capital stock. The Investor Voting Agreement is expected to be terminated immediately prior to the effectiveness of the registration statement on Form S-1 of which this prospectus forms a part. For more information on the voting rights of our common stock following the completion of this offering, see “Description of capital stock—Common stock—Voting.”

Right of first refusal and co-sale agreement

We are party to an Amended and Restated Right of First Refusal and Co-Sale Agreement, dated as of January 22, 2015, as amended on February 25, 2019 (the “Right of First Refusal and Co-Sale Agreement”), with certain holders of our capital stock, including Mr. Barrett, Redpoint, Point Judith,

OpenView and Hillsven LLC. Point Judith, OpenView and Hillsven LLC are beneficial owners of more than 5% of our capital stock. Mr. Bartlett, a member of our board of directors, is an affiliate of OpenView. Mr. Lent, a member of our board of directors, is an affiliate of Hillsven LLC. Redpoint is a former beneficial owner of more than 5% of our capital stock. This agreement provides for rights of first refusal and co-sale relating to the shares of our common stock held by certain parties to the agreement. The Right of First Refusal and Co-Sale Agreement will terminate upon the completion of this offering.

Investors' rights agreement

We are party to an Amended and Restated Investors' Rights Agreement, dated as of January 22, 2015 (the "Investors' Rights Agreement"), with certain holders of our capital stock, including Redpoint, Point Judith and OpenView. Point Judith and OpenView are beneficial owners of more than 5% of our capital stock. Mr. Bartlett, a member of our board of directors, is an affiliate of OpenView. Redpoint is a former beneficial owner of more than 5% of our capital stock. This agreement provides, among other things, that certain holders of our capital stock have the right to request that we file a registration statement, and/or request that their shares be covered by a registration statement that we are otherwise filing, subject to certain exceptions. Certain provisions of this agreement will terminate upon the completion of this offering, though the registration rights will continue. For more information, see the section titled "Description of capital stock—Registration rights."

Indemnification agreements

We have entered into indemnification agreements with certain of our current directors and officers and intend to enter into new indemnification agreements with each of our current directors and officers upon the completion of this offering. Our amended and restated certificate of incorporation and our bylaws provide that we will indemnify our directors and officers to the fullest extent permitted by applicable law. For more information, see the section titled "Management— Limitations on liability and indemnification of and advancement of expenses to officers and directors."

Management and transfer rights

In connection with preferred stock financings in June 2010, May 2014 and January 2015, we entered into management rights agreements with each of Redpoint, Point Judith and OpenView pursuant to which we agreed to provide certain information and other rights. In April 2018, in connection with Point Judith's purchase of certain shares of our capital stock from Redpoint, we entered into a letter agreement with Point Judith pursuant to which we agreed to provide certain support to Point Judith in the event of Point Judith's future transfer of such shares. Redpoint is a former beneficial owner of more than 5% of our capital stock. Point Judith and OpenView are beneficial owners of more than 5% of our capital stock. Mr. Bartlett, a member of our board of directors, is an affiliate of OpenView. These management and transfer rights agreements will terminate upon the completion of this offering.

Expensify.org

In November 2019, Expensify.org was formed as a 501(c)(3) non-profit public benefit corporation to empower individuals and communities to eliminate injustice around the world by making giving and volunteering more convenient, meaningful and collaborative. We have the right to designate the members and terms of office of Expensify.org's board of directors, and we have designated Messrs. Barrett and Schaffer as members of the board. We support Expensify.org through our charitable commitments and initiatives, including the donation of a portion of our interchange amount from our Expensify Card.

Employment arrangement

From January 1, 2018 through October 1, 2021, William Barrett, the brother of Mr. Barrett, has received an aggregate of $540,546 cash compensation and $379,075 stock based compensation in connection with his employment with us as a Success Coach. William Barrett's compensation is commensurate with

other employees with his title and tenure. Mr. Barrett plays no personal role in determining his brother's compensation or reviewing his brother's performance.

From January 1, 2018 through October 1, 2021, Mr. Mills has received an aggregate of $8,808,087 cash compensation and $1,400,583 stock based compensation in connection with his employment with us as Chief Product Officer.

From January 1, 2018 through October 1, 2021, Mr. Vidal has received an aggregate of $1,517,820 cash compensation and $441,710 stock based compensation in connection with his employment with us as a Chief Strategy Officer.

Exchange offer and voting trust

Immediately prior to the effectiveness of the registration statement on Form S-1, of which this prospectus is a part, we completed the Exchange Offer, pursuant to which each current employee and other service provider holding our common stock, including Messrs. Barrett, Schaffer, Mills and Vidal and Ms. Muralidharan, was offered the opportunity to exchange shares of common stock owned by such employee or service provider for newly issued shares of LT10 and/or LT50 common stock on a one-for-one basis, subject to certain limitations. All shares of our LT10 and LT50 common stock issued in the Exchange Offer were required to be deposited in the Voting Trust formed pursuant to the Voting Agreement. Messrs. Barrett, Schaffer, Mills and Vidal and Ms. Muralidharan have made irrevocable elections to exchange shares of common stock for shares of LT10 and/or LT50 common stock, on a one-for-one basis, in the Exchange Offer as follows:

	LT10	LT50
Mr. Barrett	3,588,640	3,588,630
Mr. Schaffer	498,090	0
Ms. Muralidharan	102,140	89,850
Mr. Mills	576,720	519,640
Mr. Vidal	112,650	112,640

Messrs. Barrett, Schaffer and Mills will also be the three initial Trustees of the Voting Trust.

We will enter into the Voting Trust Agreement with the Trustees and the Trust Beneficiaries upon the completion of the Exchange Offer. Pursuant to the Voting Trust Agreement, the Trustees will have the right to vote the shares of our common stock deposited by the Trust Beneficiaries, together with any future voting securities received in respect of such common stock by way of a stock dividend, distribution, conversion or exchange, in their sole and absolute discretion on any manner, with no responsibility under the Voting Trust Agreement as stockholder, trustee or otherwise, except for his or her own individual malfeasance. For more information, see "Risk factors—Risks relating to the multiple class structure of our common stock and the Voting Trust Agreement" and "Description of capital stock."

Policies and procedures for related party transactions

Prior to the completion of this offering, we intend to adopt a policy that our executive officers, directors, nominees for election as a director, beneficial owners of more than 5% of any class of our common stock and any members of the immediate family of any of the foregoing persons are not permitted to enter into a related person transaction with us without the approval or ratification of our board of directors or our audit committee. Any request for us to enter into a transaction with an executive officer, director, nominee for election as a director, beneficial owner of more than 5% of any class of our common stock or any member of the immediate family of any of the foregoing persons, in which the amount involved exceeds $120,000 and such person would have a direct or indirect interest, must be presented to our board of directors or our audit committee for review, consideration and approval. In approving or rejecting any such proposal, our board of directors or our audit committee is to consider the material facts of the transaction, including whether the transaction is on terms no less favorable than terms generally available to an

unaffiliated third party under the same or similar circumstances and the extent of the related person's interest in the transaction.

Principal and selling stockholders

The following table sets forth information with respect to the beneficial ownership of our common stock as of October 25, 2021 (i) reflecting (a) the exercise of options pursuant to the Option Exercise, (b) the reclassification of all outstanding shares of our common stock into shares of Class A common stock followed by the completion of the Exchange Offer immediately prior to the effectiveness of the registration statement on Form S-1, of which this prospectus is a part, and (c) the conversion of all outstanding shares of our preferred stock into shares of Class A common stock immediately prior to the completion of this offering, and (ii) as adjusted to give effect to this offering, for:

- each of our named executive officers;
- each of our directors;
- all of our executive officers and directors as a group
- each person known by us to be the beneficial owner of more than five percent of any class of our voting securities; and
- each of the selling stockholders.

We have determined beneficial ownership in accordance with the rules of the SEC, and thus it represents sole or shared voting or investment power with respect to our securities. Unless otherwise indicated below, to our knowledge, the persons and entities named in the table have sole voting and sole investment power with respect to all shares that they beneficially owned as of October 25, 2021, subject to community property laws where applicable. We have deemed shares of our common stock subject to stock options that are currently exercisable or will be exercisable within 60 days of October 25, 2021 or net issuable pursuant to RSUs which are subject to vesting and settlement conditions expected to occur within 60 days of October 25, 2021 to be outstanding and to be beneficially owned by the person holding the stock option or RSU for the purpose of computing the percentage ownership of that person. However, other than the shares of our Class A, LT10 or LT50 common stock net issued upon the vesting and settlement of RSUs as described below, we did not deem these shares subject to stock options or RSUs outstanding for the purpose of computing the percentage ownership of any other person or entity.

The percentage ownership of our common stock after this offering also assumes the foregoing and the issuance and sale of 2,608,696 shares by us in this offering, the sale of 7,122,080 shares by the selling stockholders and no exercise of the underwriters' option to purchase from the selling stockholders 1,459,616 additional shares of our Class A common stock.

Unless otherwise indicated, the address of each beneficial owner listed in the table below is c/o Expensify, Inc., 401 SW 5th Ave, Portland, Oregon 97204.

Each of the stockholders listed has sole voting and investment power with respect to the shares beneficially owned by the stockholder unless noted otherwise, subject to community property laws where applicable.

	Shares beneficially owned prior to this offering								Shares beneficially owned after this offering						
	Class A		LT10		LT50				Class A		LT10		LT50		
Name of Beneficial Owner	Shares	%	Shares	%	Shares	%	% of voting power before this offering	Number of shares of Class A being offered	Shares	%	Shares	%	Shares	%	% of voting power after this offering
Named Executive Officers, Directors and Director Nominees:															
David Barrett[1]	6,518,550	9.6 %	3,588,640	48.9 %	3,588,630	57.7 %	49.4 %	—	6,518,550	9.3 %	3,588,640	48.9 %	3,588,630	57.7 %	47.7 %
Ryan Schaffer[2]	615,670	*	489,090	6.8 %	—	—	1.3 %	119,996	495,674	*	489,090	6.8 %	—	—	1.2 %
Anu Muralidharan[3]	115,050	*	102,140	1.4 %	89,850	1.4 %	1.3 %	—	115,050	*	102,140	1.4 %	89,850	1.4 %	1.2 %
Blake Bartlett	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—
Robert Lent	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—
Jason Mills[4]	633,020	*	576,720	7.9 %	519,640	8.4 %	7.2 %	—	633,020	*	576,720	7.9%	519,640	8.4 %	7.0 %
Daniel Vidal[5]	284,070	*	112,650	1.5 %	112,640	1.8 %	1.6 %	—	284,070	*	112,650	1.5%	112,640	1.8 %	1.5 %
Timothy L. Christen	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—
Ying (Vivian) Liu	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—
Ellen Pao	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—
All current executive officers, directors and director nominees as a group (10 persons)[6]	8,166,360	11.9 %	4,878,240	66.5 %	4,310,760	69.3 %	60.7 %	119,996	8,046,364	11.3 %	4,878,240	66.5 %	4,310,760	69.3 %	58.5 %
5% Stockholders:															
Expensify Voting Trust[7]	—	—	7,332,640	100.0 %	6,224,160	100.0 %	85.6 %	—	—	—	7,332,640	100.0 %	6,224,160	100 %	82.6 %
Hillsven LLC[8]	11,148,320	17.2 %	—	—	—	—	2.5 %	1,660,986	9,487,334	14.1 %	—	—	—	—	2.0 %
Entities affiliated with OpenView Venture Partners[9]	12,920,990	20.0 %	—	—	—	—	2.9 %	2,365,404	10,555,586	15.7 %	—	—	—	—	2.3 %
Entities affiliated with PJC[10]	9,186,730	14.2 %	—	—	—	—	2.0 %	1,678,949	7,507,781	11.2 %	—	—	—	—	1.6 %
Octopus Head Inc.[11]	6,516,640	10.1 %	—	—	—	—	1.5 %	—	6,516,640	9.7 %	—	—	—	—	1.4 %
Laurel Trust Company, as trustee of the BHR 2021 NG Trusts [12]	3,361,590	5.2 %	—	—	—	—	*	886,968	2,474,622	3.7 %	—	—	—	—	*
Other Selling Stockholders:															
Matthew McNamara	756,920	1.2 %	—	—	—	—	*	150,000	606,920	*	—	—	—	—	*
Jean Kovacs[13]	139,350	*	—	—	—	—	*	133,835	5,515	*	—	—	—	—	*
Thomas Jacobs	1,252,910	2.0 %	—	—	—	—	*	100,000	1,152,910	1.7 %	—	—	—	—	*
Morpheus Partners[14]	126,210	*	—	—	—	—	*	25,942	100,268	*	—	—	—	—	*

* Represents less than 1%.

(1) Consists of (i) 2,929,910 shares of Class A common stock that may be acquired pursuant to the exercise of stock options within 60 days of October 25, 2021, (ii) 3,588,640 shares of Class A common stock, 3,588,640 shares of LT10 common stock and 3,588,640 shares of LT50 common stock held directly by David Barrett Trust LLC. David Barrett Trust LLC is a manager-managed limited liability company. The investment and voting decisions of David Barrett Trust LLC are made by its manager, Mr. Barrett, and its controlling member is the Barrett Family Trust, for which Mr. Barrett serves as trustee. In such capacities, Mr. Barrett may be deemed to beneficially own such shares beneficially owned by David Barrett Trust LLC.

(2) Includes 435,640 shares of Class A common stock that may be acquired pursuant to the exercise of stock options within 60 days of October 25, 2021.

(3) Includes 38,250 shares of Class A common stock that may be acquired pursuant to the exercise of stock options within 60 days of October 25, 2021.

(4) Includes 10,130 shares of Class A common stock that may be acquired pursuant to the exercise of stock options within 60 days of October 25, 2021.

(5) Includes 222,480 shares of Class A common stock that may be acquired pursuant to the exercise of stock options within 60 days of October 25, 2021.

(6) Includes 3,636,410 shares of Class A common stock that may be acquired pursuant to the exercise of stock options within 60 days of October 25, 2021.
(7) Consists of shares of LT10 and LT50 common stock held indirectly by the Trust Beneficiaries through a voting trust of which David Barrett, Ryan Schaffer and Jason Mills are the trustees. All decisions with respect to the voting of the shares of LT10 and LT50 common stock, as well as any other shares of any class of common stock held in the Voting Trust from time to time, will be made by the trustees of the Voting Trust in their sole and absolute discretion, with no responsibility under the Voting Trust Agreement as stockholder, trustee or otherwise, except for his or her own individual malfeasance.
(8) Consists of 11,148,320 shares of Class A common stock held directly by Hillsven LLC. FBHR Associates, LLC is the manager of Hillsven, LLC, and in such capacity may be deemed to share voting and investment power over such shares. Jim DeMartini, as trustee of Unameit Trust, is the manager of FBHR Associates, LLC, and in such capacity may be deemed to share voting and investment power over such shares. The address of each of these entities is Three Lagoon Dr., Suite 400, Redwood City, CA 94065. If the underwriters exercise in full their option to purchase additional shares of Class A common stock, an additional 441,184 shares of Class A common stock will be sold.
(9) Consists of (i) 12,511,960 shares of Class A common stock held by OpenView Venture Partners IV, L.P. and (ii) 409,030 shares of Class A common stock held by OpenView Affiliates Fund IV, L.P. OpenView General Partner IV, L.P. is the general partner of each of OpenView Venture Partners IV, L.P. and OpenView Affiliates Fund IV, L.P. and in such capacity may be deemed to share voting and investment power over the shares held by these entities. Blake Bartlett, Scott Maxwell, Daniel Demmer, John (Mackey) Craven, Richard Pelletier, Sanjiv Kalevar, Brian Carthas, Daniel Heck, Tom Holahan and Tim Keebler are members of the investment committee of OpenView Advisors, LLC, and in such capacity may be deemed to share voting and investment power over the shares held by these entities. The address of each of these entities is 303 Congress Street, 6th Floor, Boston, MA 02210. If the underwriters exercise in full their option to purchase additional shares of Class A common stock, an additional 511,336 shares of Class A common stock will be sold.
(10) Consists of (i) 3,065,230 shares of Class A common stock held by PJC-DV LLC, (ii) 230,190 shares of Class A common stock held by PJC-DV II LLC, (iii) 333,640 shares of Class A common stock held by Point Judith Venture Fund III, L.P., (iv) 4,289,510 shares of Class A common stock held by Point Judith Venture Fund III (QP), L.P., (v) 1,123,920 shares of Class A common stock held by Point Judith Venture Fund IV, L.P., and (v) 144,240 shares of Class A common stock held by MKC Holdings Group LLC. Point Judith Capital Partners III LLC is the general partner of each of Point Judith Venture Fund III, L.P. and Point Judith Venture Fund III (QP), L.P. Point Judith Capital Partners IV LLC is the general partner of Point Judith Venture Fund IV, L.P. DMM SPV Management LLC is the manager of PJC-DV LLC. David Martirano is the Manager of PJC-DVII LLC, Point Judith Capital Partners III LLC, Point Judith Capital Partners IV LLC, DMM SPV Management LLC and MKC Holdings Group, LLC, and in such capacity may be deemed to beneficially own all such shares. The address for each of these entities and for Mr. Martirano is 15 Humboldt Ave, Providence, RI 02906. If the underwriters exercise in full their option to purchase additional shares of Class A common stock, an additional 362,941 shares of Class A common stock will be sold.
(11) Consists of 6,516,640 shares of Class A common stock held directly by Octopus Head, Inc. ("Octopus Head"). 415 Foundation is the sole stockholder of Octopus Head and in such capacity may be deemed to share voting and investment power over such shares. Witold Stankiewicz is the sole director of Octopus Head and the controlling person of 415 Foundation, and in such capacity may be deemed to share voting and investment power over such shares. The address for Octopus Head, 415 Foundation and Mr. Stankiewicz is 275 New N Rd, Ste 3082, London, N1 7AA, United Kingdom.
(12) Consists of 3,361,591 shares of Class A common stock held by Laurel Trust Company, as trustee of the BHR 2021 NG Trusts. Laurel Trust Company is managed by a board of directors. It sole stockholder is Hall Capital Partners LLC, which may be deemed to share voting and investment power over such shares. The address for these entities is P.O. Box 40100, Reno, NV 89504. If the underwriters exercise in full their option to purchase additional shares of Class A common stock, an additional 133,032 shares of Class A common stock will be sold.
(13) If the underwriters exercise in full their option to purchase additional shares of Class A common stock, an additional 5,515 shares of Class A common stock will be sold.
(14) If the underwriters exercise in full their option to purchase additional shares of Class A common stock, an additional 5,608 shares of Class A common stock will be sold.

Description of capital stock

The following summary describes our capital stock and the material provisions of our amended and restated certificate of incorporation and our amended and restated bylaws, each of which will become effective immediately prior to the completion of this offering, and the Delaware General Corporation Law ("DGCL"). Because the following is only a summary, it does not contain all of the information that may be important to you and is qualified in its entirety by our amended and restated certificate of incorporation and amended and restated bylaws, copies of which will be filed as exhibits to the registration statement of which this prospectus is a part.

General

Upon the filing of our amended and restated certificate of incorporation and the completion of this offering, the total number of shares of all classes of stock we are authorized to issue will be 1,060,000,000, consisting of:

- 1,000,000,000 shares of Class A common stock, par value $0.0001 per share;
- 25,000,000 shares of LT10 common stock, par value $0.0001 per share;
- 25,000,000 shares of LT50 common stock, par value $0.0001 per share; and
- 10,000,000 shares of preferred stock, par value $0.0001 per share.

We are selling 2,608,696 shares of Class A common stock in this offering. All shares of our common stock outstanding upon completion of this offering will be fully paid and non-assessable.

The following summary describes the material provisions of our capital stock. We urge you to read our amended and restated certificate of incorporation and our amended and restated bylaws, which are included as exhibits to the registration statement of which this prospectus forms a part.

Certain provisions of our amended and restated certificate of incorporation and our amended and restated bylaws summarized below may be deemed to have an anti-takeover effect and may delay or prevent a tender offer or takeover attempt that a stockholder might consider in its best interest, including those attempts that might result in a premium over the market price for the shares of Class A common stock.

Common stock

We have three classes of authorized common stock: Class A common stock, LT10 common stock and LT50 common stock. The rights of the holders of Class A common stock, LT10 common stock and LT50 common stock are identical, except with respect to voting, conversion and transfer rights.

Voting

Each holder of our Class A common stock is entitled to one vote per share, each holder of our LT10 common stock is entitled to 10 votes per share and each holder of our LT50 common stock is entitled to 50 votes per share on all matters submitted to a vote of the stockholders. The holders of our common stock will generally vote together as a single class on all matters submitted to a vote of our stockholders, unless otherwise required by Delaware law or our amended and restated certificate of incorporation. Delaware law could require holders of our Class A, LT10 or LT50 common stock to vote separately as a single class in the following circumstances:

- if we were to seek to amend our amended and restated certificate of incorporation to increase or decrease the par value of a class of our capital stock, then that class would be required to vote separately to approve the proposed amendment; and

- if we were to seek to amend our amended and restated certificate of incorporation in a manner that alters or changes the powers, preferences or special rights of a class of our capital stock so as to affect them adversely, the holders of that class would be required to vote separately to approve the proposed amendment; provided that if the amendment adversely affects one or more series of the class but does not adversely affect all of the series of the class, then the only holders of the series that are adversely affected, voting together as a class, would be required to separately approve the amendment.

Our amended and restated certificate of incorporation will not provide for cumulative voting for the election of directors.

Upon the completion of this offering, we expect that the Voting Trust will control approximately 82.6% of the combined voting power of our common stock as a result of the shares of LT10 and LT50 common stock that will be contributed to it prior to the completion of this offering. Accordingly, the Voting Trust will, for the foreseeable future, have significant influence over our corporate management and affairs, and will be able to control virtually all matters requiring stockholder approval. The Voting Trust will be able to, subject to applicable law, elect all of the members of our board of directors and control actions to be taken by us and our board of directors, including amendments to our certificate of incorporation and bylaws, compensation matters and approval of significant corporate transactions, including mergers and sales of substantially all of our assets. The directors so elected will have the authority, subject to the terms of our indebtedness and applicable laws, rules and regulations, to issue additional stock, implement stock repurchase programs, declare dividends and make other decisions. This concentrated control will limit the ability of holders of our Class A common stock to influence corporate matters for the foreseeable future. For more information about the Voting Trust see "—The Voting Trust" below.

Dividend rights

The holders of our Class A, LT10 and LT50 common stock are entitled to receive dividends if, as and when declared from time to time by our board of directors out of legally available funds. Subject to applicable law and the rights, if any, of the holders of any outstanding series of our preferred stock or any class or series having a preference over or the right to participate with the Class A, LT10 or LT50 common stock with respect to the payment of dividends in cash, our property or our shares of capital stock, dividends may be declared and paid on the shares of Class A, LT10 or LT50 common stock out of any assets of ours legally available therefore at such time and in such amounts as our board of directors shall determine; provided that if a dividend or distribution is paid in the form of Class A common stock, LT10 common stock or LT50 common stock, respectively (or in rights to acquire, or securities convertible into or exchangeable for, such shares), then holders of Class A common stock shall be entitled to receive shares of Class A common stock (or rights to acquire, or securities convertible into or exchangeable for, such shares), holders of LT10 common stock shall be entitled to receive shares of LT10 common stock (or rights to acquire, or securities convertible into or exchangeable for, such shares), and holders of Lt50 common stock shall be entitled to receive shares of LT50 common stock (or rights to acquire, or securities convertible into or exchangeable for, such shares), with holders of shares of Class A, LT10 and LT50 common stock receiving, on a per share basis, an identical number of shares of Class A, LT10 or LT50 common stock (or rights to acquire, or securities convertible into or exchangeable for, such shares, as the case may be), as applicable. Notwithstanding the foregoing, our board of directors may declare and we may pay a disparate dividend per share of Class A, LT10 or LT50 common stock (whether the disparity shall be in the amount of such dividend payable per share, the form in which such dividend is payable (whether it shall be payable in cash, shares of our capital stock, other of our securities or any combination of the foregoing), the timing of the payment or otherwise).

See the section titled "Dividend policy" for additional information.

Conversion and transfer

Shares of our Class A common stock are not convertible. Each share of Class A common stock will be freely transferable, subject to compliance with any applicable lock-up, vesting requirements under our equity plans, laws, rules and regulations, and our post-IPO insider trading policy.

Each share of our LT10 and LT50 common stock is convertible into one share of our Class A common stock at the option of the holder solely upon the satisfaction of and subject to certain requirements described in our amended and restated certificate of incorporation. Shares of LT10 and LT50 common stock may be sold or transferred only upon satisfaction of and subject to certain requirements described in our amended and restated certificate of incorporation. Each share of LT10 or LT50 common stock will automatically convert into one share of Class A common stock upon the occurrence of a transfer in accordance with such requirements unless such transfer is a "Non-Converting Transfer." A "Non-Converting Transfer" means a transfer (i) to the Voting Trust, (ii) in an LT Exchange (as defined below) or (iii) approved by the affirmative vote of a majority of the members of our board of directors. Our amended and restated certificate of incorporation will also permit a majority of the members of our board of directors to waive other requirements applicable to transfer or conversion of LT10 and LT50 common stock, including the notice period described below. Additionally, our amended and restated certificate of incorporation will provide that upon the death of a holder of LT10 and/or LT50 common stock, the transfer of the decedent's shares of LT10 and/or LT50 common stock to the decedent's estate will not be deemed a "transfer," and so will not be subject to the transfer requirements described in our amended and restated certificate of incorporation, and such shares will remain shares of LT10 and/or LT50 common stock. Any transfer of shares of LT10 or LT50 common stock not made in accordance with the requirements set forth in our amended and restated certificate of incorporation, unless such requirements are waived by the board of directors, will be void, and we will not treat the transferee in such a transaction as a holder of such shares for any purpose.

If a holder proposes to convert or transfer any shares of LT10 or LT50 common stock, the holder (or the beneficial holder if such shares are held in the Voting Trust) must first provide written notice to us and a copy of such notice to the Trustees (the “Notice”). The notice period following delivery and receipt of the Notice for each share of LT10 and LT50 common stock shall be 10 months and 50 months, respectively. During the applicable notice period, the Trustees will attempt to identify a holder of shares of Class A common stock who is currently an employee of or other service provider to our company or one of our subsidiaries (a "Class A Transferor") interested in exchanging shares of Class A common stock held by the Class A Transferor for the shares of LT10, or LT50 common stock subject to the Notice, on a one-for-one basis (each, an “LT Exchange”). If a Class A Transferor is identified, the Trustees will provide written notice to the holder of shares of LT10 and/or LT50 common stock who is seeking to convert or transfer the shares of LT common stock specified in the Notice, the Class A Transferor and us, specifying the participants in the LT Exchange, the date on which the applicable notice period expires (the "notice Expiration Date"), and any applicable instructions to facilitate the LT Exchange. If the Class A Transferor is not a party to the Voting Trust Agreement, the Class A Transferor must become a party to the Voting Trust Agreement and the shares of LT10 and/or LT50 common stock subject to the LT Exchange will remain in the Voting Trust, and will not convert into shares of Class A common stock. The LT Exchange will be deemed effective immediately prior to the close of business on the first business day following the Notice Expiration Date, subject to extension by us of up to five days if necessary to effectuate the Exchange. If the Trustees are unable to identify a Class A Transferor to participate in an LT Exchange prior to the Notice Expiration Date, then the shares of LT10 or LT50 common stock subject to the Notice will be converted into shares of Class A common stock on a one-for-one basis immediately following the Notice Expiration Date, as set forth in the amended and restated certificate of incorporation. In the event of a sale or transfer, such shares of Class A common stock received in an LT Exchange or conversion will be the subject of such sale or transfer.

Our amended and restated certificate of incorporation will provide that, from and after the time that a holder of shares of LT10 or LT50 common stock is no longer an employee of or service provider to Expensify, we will have the right to submit a written notice of conversion on such former employee or

service provider's behalf, such that the shares of LT10 or LT50 common stock held by such former employee or service provider will be the subject of an LT Exchange or will convert into shares of Class A common stock following the applicable notice period.

When all of the then-outstanding shares of LT10 and LT50 common stock represent, in the aggregate, less than 2% of all then-outstanding shares of common stock, each outstanding share of LT10 and LT50 common stock will automatically convert into one share of Class A common stock.

Once converted into Class A common stock, the LT10 or LT50 common stock will not be reissued. Except for the issuance of shares of LT10 or LT50 common stock issuable in respect of any restricted stock unit outstanding immediately prior to the completion of this offering, a dividend payable in shares of LT10 or LT50 common stock as permitted by the amended and restated certificate of incorporation, or a reclassification, subdivision, or combination of such shares, we will not be permitted at any time after the completion of this offering to issue any additional shares of LT10 or LT50 common stock.

Liquidation, dissolution and winding Up

Upon our dissolution or liquidation, after payment in full of all amounts required to be paid to creditors and to the holders of preferred stock having liquidation preferences, if any, the holders of shares of our common stock will be entitled to receive pro rata our remaining assets available for distribution for distribution to stockholders.

No preemptive or similar rights

Holders of shares of our common stock do not have preemptive, subscription or redemption rights. There will be no redemption or sinking fund provisions applicable to our common stock.

Fully paid and non-assessable

All of the outstanding shares of our Class A, LT10 and LT50 common stock are fully paid and non-assessable.

Preferred stock

Upon the completion of this offering and the effectiveness of our amended and restated certificate of incorporation that will become effective immediately prior to the completion of this offering, the total of our authorized shares of preferred stock will be 10,000,000 shares. Upon the completion of this offering, we will have no shares of preferred stock outstanding.

Under the terms of our amended and restated certificate of incorporation that will become effective immediately prior to the completion of this offering, our board of directors is authorized to provide for the issuance of shares of preferred stock in one or more series without stockholder approval, and to fix the rights, powers, preferences, privileges and qualification, limitations and restrictions thereof. These rights, preferences and privileges could include, without limitation, dividend rights, conversion rights, voting rights, terms of redemption, liquidation preferences, sinking fund terms and the number of shares constituting, or the designation of, such series, any or all of which may be greater than the rights of our common stock. The issuance of our preferred stock could adversely affect the voting power of holders of common stock and the likelihood that such holders will receive dividend payments and payments upon our liquidation. In addition, the issuance of preferred stock could have the effect of delaying, deferring, or preventing a change in control of our company or other corporate action. Immediately after the completion of this offering, no shares of preferred stock will be outstanding, and we have no present plan to issue any shares of preferred stock.

Stock options

As of June 30, 2021, without giving effect to the exercise of options pursuant to the Option Exercise, we had outstanding options to purchase an aggregate of 8,565,230 shares of our common stock, with a

weighted-average exercise price of $1.27 per share. For more information regarding the terms of our equity incentive plans, see “Executive and director compensation.”

Restricted stock units

As of June 30, 2021, we had no outstanding RSUs.

Warrants

As of June 30, 2021, we had outstanding warrants to purchase 300,000 shares of our Class A common stock, with an exercise price of $0.07 per share, and 130,080 shares of our Class A common stock, with an exercise price of $0.53 per share, all of which will automatically convert into warrants to purchase an aggregate of 430,080 shares of Class A common stock upon the reclassification of all outstanding shares of our common stock into an equivalent number of shares of our Class A common stock.

The Voting Trust

Immediately prior to the effectiveness of the registration statement on Form S-1, of which this prospectus is a part, we consummated the Exchange Offer, pursuant to which all of our current employees and other service providers were offered the opportunity to exchange any common stock beneficially owned by such employee or service provider for newly issued shares of LT10 and/or LT50 common stock on a one-for-one basis, subject to certain limitations. Any shares not so exchanged remain shares of Class A common stock following this offering. All participants in the Exchange Offer were required to become parties to the Voting Trust Agreement, and all shares of LT10 and LT50 common stock issued in the Exchange Offer were irrevocably deposited in the Voting Trust. The transactions contemplated by the Exchange Offer and the Voting Trust Agreement are intended to maintain a centralized decision-making process centered around our employees, encourage our employees to hold our common stock for the long-term and provide an orderly process for the conversion and transfer of our LT10 and LT50 common stock pursuant to our amended and restated certificate of incorporation. From time to time following the completion of this offering, employees and other service providers may deposit additional voting securities of the company in the Voting Trust, including Class A common stock, and will enter into a joinder agreement to become a party to the Voting Trust Agreement if such employee is not then a party. In the event of an LT Exchange, or other Non-Converting Transfer, the shares of LT10 or LT50 common stock involved in such transfer will remain in the Voting Trust, and a transferee who is not already a party to the Voting Trust Agreement will become a party pursuant to a joinder agreement, unless the requirement to become a party is expressly waived in writing by a majority of the Trustees. A holder may not withdraw shares of LT10 or LT50 common stock from the Voting Trust. A holder who beneficially owns shares of Class A common stock held in the Voting Trust may withdraw some or all of such shares of Class A common stock upon 30 days' prior written notice to the Trustees, provided, however, that (i) any shares of Class A common stock received in connection with an LT Exchange that are held in the Voting Trust at the time of the LT Exchange may be immediately withdrawn from the Voting Trust, and (ii) Class A common stock stock resulting from the conversion of LT10 or LT50 common stock in accordance with our amended and restated certificate of incorporation shall be deemed withdrawn from the Voting Trust automatically at the time of conversion.

The initial Trustees of the Voting Trust will be David Barrett, our CEO, Ryan Schaffer, our CFO, and Jason Mills, our Chief Product Officer. If at any time a Trustee (i) is unable or unwilling to serve as a Trustee by reason of death, incapacity or otherwise, (ii) ceases to be an Expensify employee or other service provider to Expensify, or (iii) is no longer one of the three holders of voting securities with the highest voting power held by the Voting Trust, unless the holder or holders with higher voting power have rejected the opportunity to serve as Trustee or are otherwise unable or unwilling to serve as Trustee, then such Trustee shall resign or be removed. Successor Trustees will be appointed by majority vote of the remaining Trustees, or if there are no remaining Trustees, by our board of directors. The policy of the Trustees with respect to appointment of each successor Trustee shall be to offer the opportunity to serve as such Trustee to the holder of voting securities held by the Voting Trust who is then an employee of or

service provider to Expensify and beneficially owns voting securities with the highest voting power (other than the then-existing Trustees). The policy of the Trustees shall be to first offer the opportunity to serve as successor Trustee to the Expensify employee or service provider holder holding voting securities with the next-highest voting power held by the Voting Trust. If such holder does not accept this offer within ten days, then the Trustees will offer the opportunity to serve as successor Trustee to the Expensify employee or service provider holder holding voting securities with the next-highest voting power, and so on, until a holder accepts the offer to serve as Trustee. When calculating "voting power" in connection with Trustee service, if Notice has been given with respect to any shares held by the current or potential Trustee, then the number of votes attributed to each LT10 or LT50 share held by such individual shall be proportionately reduced by the amount of time that has passed under the applicable notice period (i.e., a one-vote reduction for each one month that has passed since Notice was given).

Under the Voting Trust Agreement, the Trustees will make all decisions with respect to the voting (but not the disposition) of the shares of common stock contributed to the Voting Trust in connection with the Exchange Offer, together with any future voting securities received in respect of such common stock by way of a stock dividend, distribution, conversion or exchange and any shares of common stock that may be contributed from time to time, in their sole and absolute discretion (including in his or her own interest as a holder of Expensify voting securities), and shall incur no responsibility under the Voting Trust Agreement as a stockholder, trustee or otherwise, except for his or her own individual malfeasance. The acting Trustees will have the power to vote all securities held by the Voting Trust in their sole and absolute discretion as determined by a majority of the Trustees. Although the Voting Trust Agreement does not require the Trustees to use specific criteria when determining how to vote the securities held by the Voting Trust, the qualifications required for an individual to serve as a Trustee are intended to provide alignment with the interests of the other beneficial holders. The three Trustees will at all times be employees or other service providers of the company, and will be among the largest holders of our restricted LT10 and LT50 common stock. We believe that these qualifications will result in the Trustees making decisions based on the long-term interests of the company, its employees and service providers. Although it contains certain arbitration provisions, nothing in the Voting Trust Agreement will preclude stockholders' rights to pursue claims under the United States federal securities laws. The Voting Trust is irrevocable and terminates upon the earlier of the written agreement between us and the Trustees and the date on which all shares of LT10 and LT50 common stock automatically convert into shares of Class A common stock in accordance with the terms of our amended and restated certificate of incorporation.

Upon the completion of this offering, approximately 7,332,640 shares of LT10 common stock and 6,224,160 shares of LT50 common stock will be held directly by the Voting Trust, representing approximately 82.6% of the combined voting power and 16.8% of the economic interest in us immediately following the completion of this offering. Employees of ours who are not Trust Beneficiaries upon the completion of this offering may become parties to the Voting Trust Agreement under certain circumstances following the completion of this offering.

Registration rights

We are party to the Investors' Rights Agreement that provides certain holders of our capital stock, including certain holders of at least 5% of our capital stock and entities affiliated with certain of our directors, with certain registration rights. The registration of shares of our common stock by the exercise of registration rights described below would enable the holders to sell these shares without restrictions under the Securities Act when the applicable registration statement is declared effective. We will pay the registration expenses, other than underwriting discounts and commissions, of the shares registered by the demand, piggyback and Form S-3 registrations described below.

Generally in an underwritten offering, the managing underwriter, if any, has the right, subject to specified conditions, to limit the number of shares such holders may include. The demand, piggyback and Form S-3 registration rights described below will expire upon the earliest to occur of: (a) the fifth anniversary of the completion of this offering or (b) with respect to any particular stockholder, such time as (i) such holder can sell all of its shares under Rule 144 of the Securities Act, or (ii) such stockholder holds less

than 1% of our then-outstanding common stock and such stockholder can sell all of its shares under Rule 144 under the Securities Act during any three-month period.

Demand registration rights

The holders of an aggregate of 35,530,382 shares of our Class A common stock as of October 25, 2021 (after giving effect to sales by selling stockholders in this offering, assuming no exercise of the underwriters' option to purchase additional shares from the selling stockholders) will be entitled to certain demand registration rights. At any time beginning 180 days after the effective date of the registration statement, of which this prospectus is a part, such holders are entitled to registration rights under the Investors' Rights Agreement, on not more than two occasions, provided that such request for registration must cover shares with an anticipated aggregate offering price, net of underwriting discounts and commissions, of at least $10 million.

Piggyback registration rights

In connection with this offering, the holders of an aggregate of 35,530,382 shares of our Class A common stock, as of October 25, 2021 were entitled to their rights to notice of this offering and to include their shares of registrable securities in this offering. After this offering, in the event that we propose to register any of our securities under the Securities Act, either for our own account or for the account of other security holders, the holders of these shares will be entitled to certain piggyback registration rights allowing such holders to include their shares in such registration, subject to certain marketing and other limitations. As a result, whenever we propose to file a registration statement under the Securities Act, subject to certain exceptions, the holders of these shares are entitled to notice of the registration and have the right to include their shares in the registration, subject to limitations that the underwriters may impose on the number of shares included in the offering.

Form S-3 registration rights

The holders of an aggregate of 35,530,382 shares of Class A common stock as of October 25, 2021 (after giving effect to sales by selling stockholders in this offering, assuming no exercise of the underwriters' option to purchase additional shares from the selling stockholders) will be entitled to certain Form S-3 registration rights. If we are eligible to file a registration statement on Form S-3, these holders have the right, upon written request from holders of at least 20% of such shares as are then outstanding, to have such shares registered by us if the anticipated aggregate offering price of such shares, net of underwriting discounts and commissions, is at least $3 million, subject to exceptions set forth in the Investors' Rights Agreement.

Forum selection

Our amended and restated certificate of incorporation will provide that: (i) unless we consent in writing to the selection of an alternative forum, the Court of Chancery of the State of Delaware (or, if such court does not have subject matter jurisdiction thereof, the federal district court of the State of Delaware) will, to the fullest extent permitted by law, be the sole and exclusive forum for: (A) any derivative action or proceeding brought on behalf of the company, (B) any action asserting a claim for or based on a breach of a fiduciary duty owed by any of our current or former directors, officers, other employees, agents or stockholders to the company or our stockholders, including without limitation a claim alleging the aiding and abetting of such a breach of fiduciary duty, (C) any action asserting a claim against the company or any of our current or former directors, officers, employees, agents or stockholders arising pursuant to any provision of the Delaware General Corporation Law or our certificate of incorporation or bylaws (as each may be amended from time to time) or as to which the Delaware General Corporation Law confers jurisdiction on the Court of Chancery of the State of Delaware, or (D) any action asserting a claim related to or involving the company that is governed by the internal affairs doctrine; (ii) the federal district courts of the United States will, to the fullest extent permitted by law, be the sole and exclusive forum for the resolution of any complaint asserting a cause of action arising under the Securities Act; and (iii) any person or entity purchasing or otherwise acquiring or holding any interest in shares of capital stock of the

company will be deemed to have notice of and consented to these provisions. Nothing in our current certificate of incorporation or bylaws or our amended and restated certificate of incorporation or amended and restated bylaws precludes stockholders that assert claims under the Exchange Act, from bringing such claims in federal court to the extent that the Exchange Act confers exclusive federal jurisdiction over such claims, subject to applicable law.

Although our amended and restated certificate of incorporation will contain the choice of forum provision described above, it is possible that a court could find that such a provision is inapplicable for a particular claim or action or that such provision is unenforceable. For example, 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. Accordingly, there is uncertainty as to whether a court would enforce such a forum selection provision as written in connection with claims arising under the Securities Act.

Anti-takeover provisions

Our amended and restated certificate of incorporation and amended and restated bylaws, as they will be in effect immediately prior to the completion of this offering, will contain provisions that may delay, defer or discourage another party from acquiring control of us. We expect that these provisions, which are summarized below, will discourage coercive takeover practices or inadequate takeover bids. These provisions are also designed to encourage persons seeking to acquire control of us to first negotiate with our board of directors, which we believe may result in an improvement of the terms of any such acquisition in favor of our stockholders. However, they also give our board of directors the power to discourage acquisitions that some stockholders may favor.

Section 203 of the DGCL

We are governed by the provisions of Section 203 of the Delaware General Corporation Law. In general, Section 203 prohibits a public Delaware corporation from engaging in a “business combination” with an “interested stockholder” for a period of three years after the date of the transaction in which the person became an interested stockholder, unless the business combination is approved in a prescribed manner. A “business combination” includes mergers, asset sales, or other transactions resulting in a financial benefit to the interested stockholder. In general, an “interested stockholder” is a person who, together with affiliates and associates, owns 15% or more of the corporation’s outstanding voting stock. These provisions may have the effect of delaying, deferring, or preventing a change in our control.

Multi-series stock

As described above in the subsection titled “Common Stock—Voting,” our amended and restated certificate of incorporation will provide for a multi-class stock structure, which will provide our executive officers, employees and the Trustees with significant influence over all matters requiring stockholder approval, including the election of directors and significant corporate transactions, such as a merger or other sale of our company or its assets.

Undesignated preferred stock

The ability to authorize undesignated preferred stock will make it possible for our board of directors to issue preferred stock with voting or other rights or preferences that could impede the success of any attempt to effect a change in control of our company. These and other provisions may have the effect of deterring hostile takeovers or delaying changes in control or management of our company.

Stockholder action; special meeting of stockholders.

Our amended and restated certificate of incorporation will provide that from and after the date the Voting Trust holds less than a majority of the voting power of our capital stock, no action may be taken by our stockholders by consent. Our amended and restated certificate of incorporation will also provide that a special meeting of stockholders may only be called by our board of directors, the chairperson of our board

of directors, our chief executive officer or, for so long as the Voting Trust holds at least a majority of the voting power of our capital stock, the holders of a majority of the total voting power of the outstanding shares of our capital stock, thus limiting the ability of a stockholder to call a special meeting.

Advance notice requirements for stockholder proposals and director nominations

Our amended and restated bylaws will establish advance notice procedures with respect to stockholder proposals and the nomination of candidates for election as directors, other than nominations made by or at the direction of the board of directors or a committee of the board of directors.

Election and removal of directors; filling vacancies

Because our stockholders do not have cumulative voting rights, our stockholders holding a majority of the voting power of the then outstanding capital stock will be able to elect all of our directors. Our amended and restated certificate of incorporation will provide for the removal of any of our directors at any time, with or without cause, by a stockholder vote by the holders of a majority of the voting power of the then outstanding capital stock. Furthermore, our board of directors has the exclusive right to set the size of the board of directors, and any vacancy on our board of directors, however occurring, including a vacancy resulting from an increase in the size of the board, may only be filled by a resolution of the board of directors unless the board of directors determines that such vacancies will be filled by the stockholders. This system of electing and removing directors and filling vacancies may discourage a third party from making a tender offer or otherwise attempting to obtain control of us because it generally makes it more difficult for stockholders to replace a majority of the directors.

Amendment of certificate of incorporation or bylaws

The DGCL provides generally that the affirmative vote of the holders of a majority in voting power of the shares entitled to vote is required to amend a corporation's certificate of incorporation, unless a corporation's certificate of incorporation requires a greater percentage. Upon completion of this offering, our bylaws may be amended or repealed by our board of directors or by the affirmative vote of the holders a majority in voting power of the outstanding shares of stock entitled to vote generally in the election of directors.

Limitations on liability and indemnification of and advancement of expenses to officers and directors

For a discussion of the limitation on liability and indemnification, see the section titled "Management— Limitations on liability and indemnification of and advancement of expenses to officers and directors."

Transfer agent and registrar

The transfer agent and registrar for our common stock is Computershare Trust Company, N.A. The transfer agent and registrar's address is 150 Royall Street, Canton, Massachusetts 02021.

Listing

We have applied to list our Class A common stock on Nasdaq under the symbol "EXFY."

Shares eligible for future sale

Prior to this offering, there has been no public market for our Class A common stock, and a liquid trading market for our Class A common stock may not develop or be sustained after this offering. Sales of substantial amounts of our Class A common stock in the public market after this offering, or the perception that such sales could occur, could adversely affect the trading price of our Class A common stock and may make it more difficult for you to sell your Class A common stock at a time and price that you deem appropriate.

Upon the completion of this offering, based on the number of shares of our common stock outstanding as of June 30, 2021, we will have a total of 67,347,706 shares of our Class A common stock, 7,332,640 shares of our LT10 common stock and 6,224,160 shares of our LT50 common stock outstanding, assuming (i) the conversion of all outstanding shares of our preferred stock on a one-for-one basis into 42,031,390 shares of our Class A common stock, (ii) the reclassification of all outstanding shares of our common stock on a one-for-one basis into 34,780,520 shares of our Class A common stock, based on 34,780,520 shares of common stock outstanding as of June 30, 2021, (iii) the issuance of 1,483,900 shares of our Class A common stock in connection with the exercise of 1,483,900 stock options pursuant to the Option Exercise, and (iv) the issuance of 7,332,640 and 6,224,160 shares of our LT10 and LT50 common stock in exchange for 13,556,800 shares of Class A common stock pursuant to the completion of the Exchange Offer. Of these shares, all of the Class A common stock sold in this offering by us or the selling stockholders, plus any shares sold by us or the selling stockholders upon exercise, if any, of the underwriters' option to purchase shares of Class A common stock, will be freely tradeable in the public market without restriction or further registration under the Securities Act, unless these shares are purchased by one of our "affiliates," as that term is defined in Rule 144 under the Securities Act ("Rule 144").

The remaining shares of Class A, LT10 and LT50 common stock will be, and shares of Class A and common stock underlying outstanding RSUs, or subject to stock options will be on issuance, deemed "restricted securities," as defined in Rule 144. 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 ("Rule 701"), which rules are summarized below.

Rule 144

Under Rule 144, as currently in effect, once we have been subject to the public company reporting requirements of the Exchange Act for at least 90 days, and we are current in our Exchange Act reporting at the time of sale, a person (or persons whose shares are required to be aggregated) who is not deemed to have been one of our "affiliates" for purposes of Rule 144 at any time during the 90 days preceding a sale and who has beneficially owned restricted securities within the meaning of Rule 144 for at least six months, including the holding period of any prior owner other than one of our "affiliates," is entitled to sell those shares in the public market without complying with the manner of sale, volume limitations, or notice provisions of Rule 144, but subject to compliance with the public information requirements of Rule 144. If such a person has beneficially owned the shares proposed to be sold for at least one year, including the holding period of any prior owner other than one of our "affiliates," then such person is entitled to sell such shares in the public market without complying with any of the requirements of Rule 144.

In general, under Rule 144, as currently in effect, once we have been subject to the public company reporting requirements of the Exchange Act for at least 90 days, our "affiliates," as defined in Rule 144, who have beneficially owned the shares proposed to be sold for at least six months, are entitled to sell in the public market, within any three-month period, a number of those shares that does not exceed the greater of:

- 1% of the number of shares of our Class A common stock then outstanding, which will equal approximately 673,477 shares immediately after the completion of this offering; or

- the average weekly trading volume of our Class A common stock on the Nasdaq during the four calendar weeks preceding the filing of a notice on Form 144 with respect to such sale.

Such sales under Rule 144 by our “affiliates” or persons selling shares on behalf of our “affiliates” are also subject to certain manner of sale provisions, notice requirements and requirements related to the availability of current public information about us.

Rule 701

In general, under Rule 701 as currently in effect, any of our employees, directors, officers, consultants, or advisors who acquired common stock from us in connection with a written compensatory stock or option plan or other written agreement in compliance with Rule 701 before the effective date of the registration statement of which this prospectus is a part and who are not our “affiliates” as defined in Rule 144 during the immediately preceding 90 days, is entitled to rely on Rule 701 to resell such shares beginning 90 days after the date of this prospectus in reliance on Rule 144, but without complying with the manner of sale, notice requirements, requirements related to the availability of current public information, or volume limitation provisions of Rule 144. The SEC has indicated that Rule 701 applies to typical stock options granted by an issuer before it becomes subject to the reporting requirements of the Exchange Act, and will apply to shares acquired upon exercise of such stock options, including exercises after the date of this prospectus. Persons who are our “affiliates” may resell those shares beginning 90 days after the date of this prospectus without compliance with minimum holding period requirements under Rule 144.

Lock-up agreements and other transfer restrictions

We, our officers and directors and substantially all of our security holders have agreed or will agree that, without the prior written consent of J.P. Morgan Securities LLC, as representative of the underwriters, we and they will not, among other things, subject to certain exceptions, during the period ending 180 days after the date of this prospectus, subject to earlier termination as described below (such period, the "restricted period"):

- offer, pledge, sell, contract to sell, grant any option, right or warrant to purchase, lend, or otherwise transfer or dispose of, directly or indirectly, any shares of our common stock, or any securities convertible into or exercisable or exchangeable for shares of our common stock;
- enter into any hedging, swap or other agreement or transaction that transfers, in whole or in part, any of the economic consequences of ownership of our common stock or any securities convertible into or exercisable or exchangeable for shares of our common stock; or
- publicly disclose the intent to do any of the foregoing,

whether any transaction described above is to be settled by delivery of our common stock or such other securities, in cash or otherwise.

Notwithstanding the foregoing,

- if the holder is a current employee of our company or our subsidiaries (including current contractor, consultant or other service provider but excluding any of our directors, director nominees or officers), 15% of that holder's securities shall not be subject to a lock-up agreement or other transfer restrictions (in the aggregate, this will represent up to approximately 1.67 million shares); and
- if (i) at least 120 days have elapsed since the date of this prospectus, and (ii) the 180-day restricted period is scheduled to end during a broadly applicable period during which trading in our securities would not be permitted under our insider trading policy, or a blackout period, or within five trading days prior to a blackout period, the restricted period shall end ten trading days prior to the commencement of the blackout period, provided that at least two trading days in advance of the blackout-related release, we shall announce the date of the expected blackout-related release through a major news service or on a Form 8-K.

Upon the expiration of the applicable lock-up periods, substantially all of the shares of Class A common stock subject to such lock-up restrictions will become eligible for sale, subject to the limitations discussed. Shares of our LT10 and LT50 common stock will remain subject to the transfer restrictions contained in our charter, as described under “Description of capital stock—Common stock—Conversion and transfer.”

Registration statements on form S-8

We intend to file one or more registration statements on Form S-8 under the Securities Act to register the offer and sale of all shares of Class A common stock reserved for issuance under our 2021 Plan. Shares covered by such registration statement will be eligible for sale in the public market, subject to the Rule 144 limitations and vesting restrictions.

Registration rights

Upon the completion of this offering, the holders of up to 35,530,382 shares of our Class A common stock (assuming no exercise of the underwriters’ option to purchase additional shares from the selling stockholders) as of October 25, 2021 will be entitled to certain rights with respect to the registration of the offer and sale of their shares under the Securities Act. Registration of these shares under the Securities Act would result in the shares becoming freely tradable without restriction under the Securities Act immediately on the effectiveness of the registration. See “Description of capital stock—Registration rights” for additional information.

Material U.S. federal income tax consequences to Non-U.S. Holders

The following discussion is a summary of the material U.S. federal income tax consequences to Non-U.S. Holders (as defined below) of the purchase, ownership, and disposition of our Class A common stock issued pursuant to this offering, but does not purport to be a complete analysis of all potential tax effects. The effects of other U.S. federal tax laws, such as estate and gift tax laws, and any applicable state, local, or non-U.S. tax laws are not discussed. This discussion is based on the Code, Treasury Regulations promulgated thereunder, judicial decisions, and published rulings and administrative pronouncements of the U.S. Internal Revenue Service (the "IRS"), in each case in effect as of the date hereof. These authorities may change or be subject to differing interpretations. Any such change or differing interpretation may be applied retroactively in a manner that could adversely affect a Non-U.S. Holder. We have not sought and will not seek any rulings from the IRS regarding the matters discussed below. There can be no assurance the IRS or a court will not take a contrary position to that discussed below regarding the tax consequences of the purchase, ownership, and disposition of our Class A common stock.

This discussion is limited to Non-U.S. Holders that hold our Class A common stock as a "capital asset" within the meaning of Section 1221 of the Code (generally, property held for investment). This discussion does not address all U.S. federal income tax consequences relevant to a Non-U.S. Holder's particular circumstances, including the impact of the Medicare contribution tax on net investment income and the alternative minimum tax. In addition, it does not address consequences relevant to Non-U.S. Holders subject to special rules, including, without limitation:

- U.S. expatriates and former citizens or long-term residents of the United States;
- persons holding our Class A common stock as part of a hedge, straddle, synthetic security, or other risk reduction strategy or as part of a conversion transaction or other integrated investment;
- banks, insurance companies, and other financial institutions;
- brokers, dealers, or traders in securities;
- "controlled foreign corporations," "passive foreign investment companies," and corporations that accumulate earnings to avoid U.S. federal income tax;
- partnerships or other entities or arrangements treated as partnerships for U.S. federal income tax purposes (and investors therein);
- tax-exempt organizations or governmental organizations;
- persons deemed to sell our Class A common stock under the constructive sale provisions of the Code;
- persons who hold or receive our Class A common stock pursuant to the exercise of any employee stock option or otherwise as compensation;
- persons who hold or receive our Class A common stock in exchange or in conversion of shares of LT10 or LT50 common stock;
- tax-qualified retirement plans; and
- "qualified foreign pension funds" as defined in Section 897(l)(2) of the Code and entities all of the interests of which are held by qualified foreign pension funds.

If an entity or arrangement treated as a partnership for U.S. federal income tax purposes holds our Class A common stock, the U.S. federal income tax treatment of a partner in the partnership will depend on the status of the partner, the activities of the partnership, and certain determinations made at the partner

level. Accordingly, partnerships holding our Class A common stock and the partners in such partnerships should consult their tax advisors regarding the U.S. federal income tax consequences to them.

THIS DISCUSSION IS FOR INFORMATIONAL PURPOSES ONLY AND IS NOT TAX ADVICE. INVESTORS SHOULD CONSULT THEIR TAX ADVISORS WITH RESPECT TO THE APPLICATION OF THE U.S. FEDERAL INCOME TAX LAWS TO THEIR PARTICULAR SITUATIONS AS WELL AS ANY TAX CONSEQUENCES OF THE PURCHASE, OWNERSHIP, AND DISPOSITION OF OUR CLASS A COMMON STOCK ARISING UNDER THE U.S. FEDERAL ESTATE OR GIFT TAX LAWS OR UNDER THE LAWS OF ANY STATE, LOCAL, OR NON-U.S. TAXING JURISDICTION OR UNDER ANY APPLICABLE INCOME TAX TREATY.

Definition of a Non-U.S. Holder

For purposes of this discussion, a “Non-U.S. Holder” is any beneficial owner of our Class A common stock that is neither a “U.S. person” nor an entity or arrangement treated as a partnership for U.S. federal income tax purposes. A U.S. person is any person that, for U.S. federal income tax purposes, is or is treated as any of the following:

- an individual who is a citizen or resident of the United States;
- a corporation created or organized under the laws of the United States, any state thereof, or the District of Columbia;
- an estate, the income of which is subject to U.S. federal income tax regardless of its source; or
- a trust that (1) is subject to the primary supervision of a U.S. court and the control of one or more “United States persons” (within the meaning of Section 7701(a)(30) of the Code), or (2) has a valid election in effect to be treated as a United States person for U.S. federal income tax purposes.

Distributions

As described in the section entitled “Dividend policy,” we do not anticipate declaring or paying dividends to holders of our Class A common stock in the foreseeable future. However, if we do make distributions of cash or property on our Class A common stock, such distributions will constitute dividends for U.S. federal income tax purposes to the extent paid from our current or accumulated earnings and profits, as determined under U.S. federal income tax principles. Amounts not treated as dividends for U.S. federal income tax purposes will constitute a return of capital and first be applied against and reduce a Non-U.S. Holder’s adjusted tax basis in its Class A common stock, but not below zero. Any excess will be treated as capital gain and will be treated as described below under “—Sale or other taxable disposition.”

Subject to the discussion below on effectively connected income, backup withholding and Sections 1471 to 1474 of the Code (such Sections commonly referred to as the Foreign Account Tax Compliance Act, or "FATCA"), dividends paid to a Non-U.S. Holder will be subject to U.S. federal withholding tax at a rate of 30% of the gross amount of the dividends (or such lower rate specified by an applicable income tax treaty, provided the Non-U.S. Holder furnishes a valid IRS Form W-8BEN or W-8BEN-E (or other applicable documentation) certifying qualification for the lower treaty rate). If a Non-U.S. Holder holds the stock through a financial institution or other intermediary, the Non-U.S. Holder will be required to provide appropriate documentation to the intermediary, which then will be required to provide certification to the applicable withholding agent, either directly or through other intermediaries. A Non-U.S. Holder that does not timely furnish the required documentation, but that qualifies for a reduced treaty rate, may obtain a refund of any excess amounts withheld by timely filing an appropriate claim for refund with the IRS. Non-U.S. Holders should consult their tax advisors regarding their entitlement to benefits under any applicable income tax treaty.

If dividends paid to a Non-U.S. Holder are effectively connected with the Non-U.S. Holder’s conduct of a trade or business within the United States (and, if required by an applicable income tax treaty, the Non-U.S. Holder maintains a permanent establishment in the United States to which such dividends are

attributable), the Non-U.S. Holder will be exempt from the U.S. federal withholding tax described above. To claim the exemption, the Non-U.S. Holder must furnish to the applicable withholding agent a valid IRS Form W-8ECI, certifying that the dividends are effectively connected with the Non-U.S. Holder's conduct of a trade or business within the United States.

Any such effectively connected dividends will be subject to U.S. federal income tax on a net income basis at the regular rates applicable to U.S. persons. A Non-U.S. Holder that is a corporation also may be subject to a branch profits tax at a rate of 30% (or such lower rate specified by an applicable income tax treaty) on such effectively connected dividends, as adjusted for certain items. Non-U.S. Holders should consult their tax advisors regarding any applicable tax treaties that may provide for different rules.

Sale or other taxable disposition

Subject to the discussions below regarding backup withholding and FATCA, a Non-U.S. Holder will generally not be subject to U.S. federal income tax on any gain realized upon the sale or other taxable disposition of our Class A common stock unless:

- the gain is effectively connected with the Non-U.S. Holder's conduct of a trade or business within the United States (and, if required by an applicable income tax treaty, the Non-U.S. Holder maintains a permanent establishment in the United States to which such gain is attributable);
- the Non-U.S. Holder is a nonresident alien individual present in the United States for 183 days or more during the taxable year of the disposition and certain other requirements are met; or
- our Class A common stock constitutes a U.S. real property interest ("USRPI") by reason of our status as a U.S. real property holding corporation ("USRPHC") for U.S. federal income tax purposes.

Gain described in the first bullet point above generally will be subject to U.S. federal income tax on a net income basis at the regular rates applicable to U.S. persons. A Non-U.S. Holder that is a corporation also may be subject to an additional branch profits tax at a rate of 30% (or such lower rate specified by an applicable income tax treaty) on such effectively connected gain, as adjusted for certain items.

A Non-U.S. Holder described in the second bullet point above will be subject to U.S. federal income tax at a rate of 30% (or such lower rate specified by an applicable income tax treaty) on gain realized upon the sale or other taxable disposition of our Class A common stock, which may be offset by U.S. source capital losses of the Non-U.S. Holder (even though the individual is not considered a resident of the United States), provided the Non-U.S. Holder has timely filed U.S. federal income tax returns with respect to such losses.

With respect to the third bullet point above, we believe we currently are not, and do not anticipate becoming, a USRPHC. Because the determination of whether we are a USRPHC depends, however, on the fair market value of our USRPIs relative to the fair market value of our non-U.S. real property interests and our other business assets, there can be no assurance we currently are not a USRPHC or will not become one in the future. Even if we are or were to become a USRPHC, gain arising from the sale or other taxable disposition of our Class A common stock by a Non-U.S. Holder will not be subject to U.S. federal income tax if our Class A common stock is "regularly traded," as defined by applicable Treasury Regulations, on an established securities market and such Non-U.S. Holder owned, actually and constructively, 5% or less of our Class A common stock throughout the shorter of the five-year period ending on the date of the sale or other taxable disposition or the Non-U.S. Holder's holding period.

Non-U.S. Holders should consult their tax advisors regarding potentially applicable income tax treaties that may provide for different rules.

Information reporting and backup withholding

Payments of dividends on our Class A common stock will not be subject to backup withholding, provided the applicable withholding agent does not have actual knowledge or reason to know the holder is a United

States person and the holder either certifies its non-U.S. status, such as by furnishing a valid IRS Form W-8BEN, W-8BEN-E, or W-8ECI, or otherwise establishes an exemption. However, information returns are required to be filed with the IRS in connection with any distributions on our Class A common stock paid to the Non-U.S. Holder, regardless of whether such distributions constitute dividends or whether any tax was actually withheld. In addition, proceeds of the sale or other taxable disposition of our Class A common stock within the United States or conducted through certain U.S.-related brokers generally will not be subject to backup withholding or information reporting if the applicable withholding agent receives the certification described above and does not have actual knowledge or reason to know that such holder is a United States person or the holder otherwise establishes an exemption. Proceeds of a disposition of our Class A common stock conducted through a non-U.S. office of a non-U.S. broker generally will not be subject to backup withholding or information reporting.

Copies of information returns that are filed with the IRS may also be made available under the provisions of an applicable treaty or agreement to the tax authorities of the country in which the Non-U.S. Holder resides or is established.

Backup withholding is not an additional tax. Any amounts withheld under the backup withholding rules may be allowed as a refund or a credit against a Non-U.S. Holder's U.S. federal income tax liability, provided the required information is timely furnished to the IRS.

Additional withholding tax on payments made to foreign accounts

Withholding taxes may be imposed under FATCA on certain types of payments made to non-U.S. financial institutions and certain other non-U.S. entities. Specifically, a 30% withholding tax may be imposed on dividends on, or (subject to the proposed Treasury Regulations discussed below) gross proceeds from the sale or other disposition of, our Class A common stock paid to a "foreign financial institution" or a "non-financial foreign entity" (each as defined in the Code), unless (1) the foreign financial institution undertakes certain diligence and reporting obligations, (2) the non-financial foreign entity either certifies it does not have any "substantial United States owners" (as defined in the Code) or furnishes identifying information regarding each substantial United States owner, or (3) the foreign financial institution or non-financial foreign entity otherwise qualifies for an exemption from these rules. If the payee is a foreign financial institution and is subject to the diligence and reporting requirements in (1) above, it must enter into an agreement with the U.S. Department of the Treasury requiring, among other things, that it undertake to identify accounts held by certain "specified United States persons" or "United States owned foreign entities" (each as defined in the Code), annually report certain information about such accounts, and withhold 30% on certain payments to non-compliant foreign financial institutions and certain other account holders. Foreign financial institutions located in jurisdictions that have an intergovernmental agreement with the United States governing FATCA may be subject to different rules.

Under the applicable Treasury Regulations and administrative guidance, withholding under FATCA generally applies to payments of dividends on our Class A common stock. While withholding under FATCA would have applied also to payments of gross proceeds from the sale or other disposition of stock on or after January 1, 2019, proposed Treasury Regulations eliminate FATCA withholding on payments of gross proceeds entirely. Taxpayers generally may rely on these proposed Treasury Regulations until final Treasury Regulations are issued.

Prospective investors should consult their tax advisors regarding the potential application of withholding under FATCA to their investment in our Class A common stock.

Underwriting

We and the selling stockholders are offering the shares of Class A common stock described in this prospectus through a number of underwriters. J.P. Morgan Securities LLC, Citigroup Global Markets Inc. and BofA Securities, Inc.are acting as joint book-running managers of the offering and as representatives of the underwriters. We and the selling stockholders have entered into an underwriting agreement with the representative. Subject to the terms and conditions of the underwriting agreement, we and the selling stockholders have agreed to sell to the underwriters, and each underwriter has severally agreed to purchase, at the public offering price less the underwriting discounts and commissions set forth on the cover page of this prospectus, the number of shares of Class A common stock listed next to its name in the following table:

Name	Number of shares
J.P. Morgan Securities LLC	
Citigroup Global Markets Inc.	
BofA Securities, Inc.	
Piper Sandler & Co.	
JMP Securities LLC	
Loop Capital Markets LLC	
Total	9,730,776

The underwriters are committed to purchase all the shares of Class A common stock offered by us and the selling stockholders if they purchase any shares. The underwriting agreement also provides that if an underwriter defaults, the purchase commitments of non-defaulting underwriters may also be increased or the offering may be terminated.

The underwriters propose to offer the Class A common stock directly to the public at the initial public offering price set forth on the cover page of this prospectus and to certain dealers at that price less a concession not in excess of $ per share. After the initial offering of the shares to the public, if all of the shares of Class A common stock are not sold at the initial public offering price, the underwriters may change the offering price and the other selling terms. Sales of any shares made outside of the United States may be made by affiliates of the underwriters.

The underwriters have an option to buy up to 1,459,616 additional shares of Class A common stock from certain selling stockholders to cover sales of shares by the underwriters which exceed the number of shares specified in the table above. The underwriters have 30 days from the date of this prospectus to exercise this option to purchase additional shares. If any shares are purchased with this option to purchase additional shares, the underwriters will purchase shares in approximately the same proportion as shown in the table above. If any additional shares of Class A common stock are purchased, the underwriters will offer the additional shares on the same terms as those on which the shares are being offered.

The underwriting fee is equal to the public offering price per share of Class A common stock less the amount paid by the underwriters to us per share of Class A common stock. The underwriting fee is $ per share. The following table shows the per share and total underwriting discounts and commissions to

be paid by us and the selling stockholders to the underwriters assuming both no exercise and full exercise of the underwriters' option to purchase additional shares from certain selling stockholders.

	Paid by us	Paid by the selling stockholders without full option to purchase additional share exercise	Paid by the selling stockholders with full option to purchase additional share exercise
Per share	$	$	$
Total	$	$	$

We currently anticipate that up to 2% of the shares of Class A common stock offered hereby will, at our request, be offered to retail investors through Robinhood Financial, LLC, as a selling group member, via its online brokerage platform. Robinhood Financial is not acting as an underwriter in the offering and is not affiliated with the company. Purchases through the Robinhood platform will be subject to the terms, conditions and requirements set by Robinhood. Any purchase of our Class A common stock in this offering through the Robinhood platform will be at the same initial public offering price, and at the same time, as any other purchases in this offering, including purchases by institutions and other large investors. The Robinhood platform and information on the Robinhood application do not form a part of this prospectus.

We estimate that the total expenses of this offering, including registration, filing and listing fees, printing fees and legal and accounting expenses, but excluding the underwriting discounts and commissions, will be approximately $6.2 million. We have also agreed to reimburse the underwriters for expenses relating to the clearance of this offering with the Financial Industry Regulatory Authority, Inc. in an amount up to $35,000.

A prospectus in electronic format may be made available on the web sites maintained by one or more underwriters, or selling group members, if any, participating in the offering. The underwriters may agree to allocate a number of shares to underwriters and selling group members for sale to their online brokerage account holders. Internet distributions will be allocated by the representatives to underwriters and selling group members that may make Internet distributions on the same basis as other allocations.

We have agreed that we will not, subject to certain exceptions, (i) offer, pledge, announce the intention to sell, 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, hedge, lend, or otherwise transfer or dispose of, directly or indirectly, or submit to, or file with, the Securities and Exchange Commission a registration statement under the Securities Act relating to, any shares of our Class A common stock or securities convertible into or exercisable or exchangeable for any shares of our common stock, or publicly disclose the intention to make any offer, sale, pledge, hedge, loan, disposition or filing, or (ii) enter into any swap, hedging, or other arrangement that transfers all or a portion of the economic consequences associated with the ownership of any shares of common stock or any such other securities (regardless of whether any of these transactions are to be settled by the delivery of shares of common stock or such other securities, in cash or otherwise), in each case without the prior written consent of J.P. Morgan Securities LLC for a period of 180 days after the date of this prospectus, other than the shares of our common stock to be sold in this offering.

Our directors and executive officers, the selling stockholders and substantially all of our securityholders (such persons, the "lock-up parties") have entered into lock-up agreements with the underwriters prior to the commencement of this offering pursuant to which each lock-up party, with limited exceptions, for a period of 180 days after the date of this prospectus, subject to earlier termination as described below (such period, the "restricted period"), may not and may not cause any of their direct or indirect affiliates to, without the prior written consent of J.P. Morgan Securities LLC, (1) offer, pledge, sell, contract to sell, sell any option or contract to purchase, purchase any option or contract to sell, grant any option, right or

warrant to purchase, lend or otherwise transfer or dispose of, directly or indirectly, any shares of our Class A common stock or any securities convertible into or exercisable or exchangeable for our Class A common stock (including, without limitation, common stock or such other securities which may be deemed to be beneficially owned by such lock-up parties in accordance with the rules and regulations of the SEC and securities which may be issued upon exercise of a stock option or warrant) (collectively with the common stock, the "lock-up securities"), (2) enter into any hedging, swap or other agreement or transaction that transfers, in whole or in part, any of the economic consequences of ownership of the lock-up securities, whether any such transaction described in clause (1) or (2) above is to be settled by delivery of lock-up securities, in cash or otherwise, (3) make any demand for, or exercise any right with respect to, the registration of any lock-up securities, or (4) publicly disclose the intention to do any of the foregoing. Such persons or entities have further acknowledged that these undertakings preclude them from engaging in any hedging or other transactions or arrangements (including, without limitation, any short sale or the purchase or sale of, or entry into, any put or call option, or combination thereof, forward, swap or any other derivative transaction or instrument, however described or defined) designed or intended, or which could reasonably be expected to lead to or result in, a sale or disposition or transfer (by any person or entity, whether or not a signatory to such agreement) of any economic consequences of ownership, in whole or in part, directly or indirectly, of any lock-up securities, whether any such transaction or arrangement (or instrument provided for thereunder) would be settled by delivery of lock-up securities, in cash or otherwise.

The restrictions described in the immediately preceding paragraph and contained in the lock-up agreements between the underwriters and the lock-up parties do not apply, subject in certain cases to various conditions, to certain transactions, including (a) transfers of lock-up securities: (i) as bona fide gifts, or for bona fide estate planning purposes, (ii) by will or intestacy, (iii) to any trust for the direct or indirect benefit of the lock-up party or any immediate family member, (iv) to a partnership, limited liability company or other entity of which the lock-up party and its immediate family members are the legal and beneficial owner of all of the outstanding equity securities or similar interests, (v) to a nominee or custodian of a person or entity to whom a disposition or transfer would be permissible under clauses (i) through (iv), (vi) in the case of a corporation, partnership, limited liability company, trust or other business entity, (A) to another corporation, partnership, limited liability company, trust or other business entity that is an affiliate of the lock-up party, or to any investment fund or other entity controlling, controlled by, managing or managed by or under common control with the lock-up party or its affiliates or (B) as part of a distribution to members or stockholders of the lock-up party; (vii) by operation of law, (viii) to us from an employee upon death, disability or termination of employment of such employee, (ix) as part of a sale of lock-up securities acquired in open market transactions after the completion of this offering, (x) to us in connection with the vesting, settlement or exercise of restricted stock units, options, warrants or other rights to purchase shares of our common stock (including "net" or "cashless" exercise), including for the payment of exercise price and tax and remittance payments, or (xi) pursuant to a bona fide third-party tender offer, merger, consolidation or other similar transaction approved by our board of directors and made to all shareholders involving a change in control, provided that if such transaction is not completed, all such lock-up securities would remain subject to the restrictions in the immediately preceding paragraph; (b) exercise of the options, settlement of RSUs or other equity awards, or the exercise of warrants granted pursuant to plans described in in this prospectus, provided that any lock-up securities received upon such exercise, vesting or settlement would be subject to restrictions similar to those in the immediately preceding paragraph; (c) the conversion of outstanding preferred stock, warrants to acquire preferred stock, or convertible securities into shares of our common stock or warrants to acquire shares of our common stock, provided that any common stock or warrant received upon such conversion would be subject to restrictions similar to those in the immediately preceding paragraph; and (d) the establishment by lock-up parties of trading plans under Rule 10b5-1 under the Exchange Act, provided that such plan does not provide for the transfer of lock-up securities during the restricted period.

Notwithstanding the foregoing,

- if the holder is a current employee of our company or our subsidiaries (including current contractor, consultant or other service provider but excluding any of our directors, director nominees or officers),

15% of that holder's securities shall not be subject to a lock-up agreement or other transfer restrictions (in the aggregate, this will represent up to approximately 1.67 million shares); and

- if (i) at least 120 days have elapsed since the date of this prospectus, and (ii) the 180-day restricted period is scheduled to end during a broadly applicable period during which trading in our securities would not be permitted under our insider trading policy, or a blackout period, or within five trading days prior to a blackout period, the restricted period shall end ten trading days prior to the commencement of the blackout period, provided that at least two trading days in advance of the blackout-related release, we shall announce the date of the expected blackout-related release through a major news service or on a Form 8-K.

J.P. Morgan Securities LLC, in its sole discretion, may release the securities subject to any of the lock-up agreements with the underwriters described above, in whole or in part at any time.

We and the selling stockholders have agreed to indemnify the underwriters against certain liabilities, including liabilities under the Securities Act.

We have applied to list our Class A common stock on Nasdaq under the symbol “EXFY.”

In connection with this offering, the underwriters may engage in stabilizing transactions, which involves making bids for, purchasing and selling shares of Class A common stock in the open market for the purpose of preventing or retarding a decline in the market price of the Class A common stock while this offering is in progress. These stabilizing transactions may include making short sales of Class A common stock, which involves the sale by the underwriters of a greater number of shares of Class A common stock than they are required to purchase in this offering, and purchasing shares of our Class A common stock on the open market to cover positions created by short sales. Short sales may be “covered” shorts, which are short positions in an amount not greater than the underwriters’ option to purchase additional shares from us and the selling stockholders referred to above, or may be “naked” shorts, which are short positions in excess of that amount. The underwriters may close out any covered short position either by exercising their option to purchase additional shares from us and the selling stockholders, in whole or in part, or by purchasing shares in the open market. In making this determination, the underwriters will consider, among other things, the price of shares available for purchase in the open market compared to the price at which the underwriters may purchase shares through the option to purchase additional shares from us and the selling stockholders. A naked short position is more likely to be created if the underwriters are concerned that there may be downward pressure on the price of the Class A common stock in the open market that could adversely affect investors who purchase in this offering. To the extent that the underwriters create a naked short position, they will purchase shares in the open market to cover the position.

The underwriters have advised us that, pursuant to Regulation M of the Securities Act, they may also engage in other activities that stabilize, maintain or otherwise affect the price of the Class A common stock, including the imposition of penalty bids. This means that if the representatives of the underwriters purchase common stock in the open market in stabilizing transactions or to cover short sales, the representatives can require the underwriters that sold those shares as part of this offering to repay the underwriting discount received by them.

These activities may have the effect of raising or maintaining the market price of the Class A common stock or preventing or retarding a decline in the market price of the Class A common stock, and, as a result, the price of the Class A common stock may be higher than the price that otherwise might exist in the open market. If the underwriters commence these activities, they may discontinue them at any time. The underwriters may carry out these transactions on the Nasdaq, in the over-the-counter market or otherwise.

Prior to this offering, there has been no public market for our Class A common stock. The initial public offering price will be determined by negotiations between us and the representatives of the underwriters.

In determining the initial public offering price, we and the representatives of the underwriters expect to consider a number of factors including:

- the information set forth in this prospectus and otherwise available to the representatives;
- our prospects and the history and prospects for the industry in which we compete;
- an assessment of our management;
- our prospects for future earnings;
- the general condition of the securities markets at the time of this offering;
- the recent market prices of, and demand for, publicly traded common stock of generally comparable companies; and
- other factors deemed relevant by the underwriters and us.

Neither we nor the underwriters can assure investors that an active trading market will develop for shares of our common stock, or that the shares will trade in the public market at or above the initial public offering price.

Other relationships

Certain of the underwriters and their affiliates have provided in the past to us and our affiliates, and the selling stockholders, and may provide from time to time in the future certain commercial banking, financial advisory, investment banking and other services for us and such affiliates, and such selling stockholders, in the ordinary course of their business, for which they have received and may continue to receive customary fees and commissions. In addition, from time to time, certain of the underwriters and their affiliates may effect transactions for their own account or the account of customers, and hold on behalf of themselves or their customers, long or short positions in our debt or equity securities or loans, and may do so in the future.

Selling restrictions

General

Other than in the United States, no action has been taken by us or the underwriters that would permit a public offering of the securities offered by this prospectus in any jurisdiction where action for that purpose is required. The securities offered by this prospectus may not be offered or sold, directly or indirectly, nor may this prospectus or any other offering material or advertisements in connection with the offer and sale of any such securities be distributed or published in any jurisdiction, except under circumstances that will result in compliance with the applicable rules and regulations of that jurisdiction. Persons into whose possession this prospectus comes are advised to inform themselves about and to observe any restrictions relating to the offering and the distribution of this prospectus. This prospectus does not constitute an offer to sell or a solicitation of an offer to buy any securities offered by this prospectus in any jurisdiction in which such an offer or a solicitation is unlawful.

Notice to prospective investors in the European Economic Area

In relation to each Member State of the European Economic Area (each a “Relevant State”), no shares have been offered or will be offered pursuant to the offering to the public in that Relevant State prior to the publication of a prospectus in relation to the shares which has been approved by the competent authority in that Relevant State or, where appropriate, approved in another Relevant State and notified to the competent authority in that Relevant State, all in accordance with the Prospectus Regulation, except that the shares may be offered to the public in that Relevant State at any time:

a) to any legal entity which is a qualified investor as defined under Article 2 of the Prospectus Regulation;

b) to fewer than 150 natural or legal persons (other than qualified investors as defined under Article 2 of the Prospectus Regulation), subject to obtaining the prior consent of the representatives for any such offer; or

c) in any other circumstances falling within Article 1(4) of the Prospectus Regulation,

provided that no such offer of shares shall require us or any of the representatives to publish a prospectus pursuant to Article 3 of the Prospectus Regulation or supplement a prospectus pursuant to Article 23 of the Prospectus Regulation.

For the purposes of this provision, the expression an "offer to the public" in relation to shares in any Relevant State means the communication in any form and by any means of sufficient information on the terms of the offer and any shares to be offered so as to enable an investor to decide to purchase or subscribe for any shares, and the expression "Prospectus Regulation" means Regulation (EU) 2017/1129.

Notice to prospective investors in the United Kingdom

No shares have been offered or will be offered pursuant to the offering to the public in the United Kingdom prior to the publication of a prospectus in relation to the shares which has been approved by the Financial Conduct Authority, except that the shares may be offered to the public in the United Kingdom at any time:

a) to any legal entity which is a qualified investor as defined under Article 2 of the UK Prospectus Regulation;

b) to fewer than 150 natural or legal persons (other than qualified investors as defined under Article 2 of the UK Prospectus Regulation), subject to obtaining the prior consent of the representatives for any such offer; or

c) in any other circumstances falling within Section 86 of the FSMA.

provided that no such offer of the shares shall require the Issuer or any Manager to publish a prospectus pursuant to Section 85 of the FSMA or supplement a prospectus pursuant to Article 23 of the UK Prospectus Regulation. For the purposes of this provision, the expression an "offer to the public" in relation to the shares in the United Kingdom means the communication in any form and by any means of sufficient information on the terms of the offer and any shares to be offered so as to enable an investor to decide to purchase or subscribe for any shares and the expression "UK Prospectus Regulation" means Regulation (EU) 2017/1129 as it forms part of domestic law by virtue of the European Union (Withdrawal) Act 2018.

Notice to prospective investors in Canada

The shares 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 shares 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 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 does not constitute a prospectus within the meaning of, and has been prepared without regard to the disclosure standards for issuance prospectuses under art. 652a or art. 1156 of the Swiss Code of Obligations or the disclosure standards for listing prospectuses under art. 27 ff. of the SIX Listing Rules or the listing rules of any other stock exchange or regulated trading facility in Switzerland. Neither this document nor any other offering or marketing material relating to the shares or the offering may be publicly distributed or otherwise made publicly available in Switzerland.

Neither this document nor any other offering or marketing material relating to the offering, the company, the shares have been or will be filed with or approved by any Swiss regulatory authority. In particular, this document will not be filed with, and the offer of shares will not be supervised by, the Swiss Financial Market Supervisory Authority FINMA (FINMA), and the offer of shares has not been and will not be authorized under the Swiss Federal Act on Collective Investment Schemes (CISA). The investor protection afforded to acquirers of interests in collective investment schemes under the CISA does not extend to acquirers of shares.

Notice to prospective investors in the Dubai International Financial Centre

This document relates to an Exempt Offer in accordance with the Markets Rules 2012 of the Dubai Financial Services Authority (DFSA). This document is intended for distribution only to persons of a type specified in the Markets Rules 2012 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 supplement nor taken steps to verify the information set forth herein and has no responsibility for this document. The securities to which this document relates may be illiquid and/or subject to restrictions on their resale. Prospective purchasers of the securities offered should conduct their own due diligence on the securities. If you do not understand the contents of this document you should consult an authorized financial advisor.

In relation to its use in the DIFC, this document is strictly private and confidential and is being distributed to a limited number of investors and must not be provided to any person other than the original recipient, and may not be reproduced or used for any other purpose. The interests in the securities may not be offered or sold directly or indirectly to the public in the DIFC.

Notice to prospective investors in the United Arab Emirates

The shares have not been, and are not being, publicly offered, sold, promoted or advertised in the United Arab Emirates (including the Dubai International Financial Centre) other than in compliance with the laws of the United Arab Emirates (and the Dubai International Financial Centre) governing the issue, offering and sale of securities. Further, this prospectus does not constitute a public offer of securities in the United Arab Emirates (including the Dubai International Financial Centre) and is not intended to be a public offer. This prospectus has not been approved by or filed with the Central Bank of the United Arab Emirates, the Securities and Commodities Authority or the Dubai Financial Services Authority.

Notice to prospective investors in Australia

This prospectus:

- does not constitute a disclosure document or a prospectus under Chapter 6D.2 of the Corporations Act 2001 (Cth) (the Corporations Act);
- has not been, and will not be, lodged with the Australian Securities and Investments Commission (ASIC), as a disclosure document for the purposes of the Corporations Act and does not purport to include the information required of a disclosure document for the purposes of the Corporations Act; and

- may only be provided in Australia to select investors who are able to demonstrate that they fall within one or more of the categories of investors, available under section 708 of the Corporations Act (Exempt Investors).

The shares may not be directly or indirectly offered for subscription or purchased or sold, and no invitations to subscribe for or buy the shares may be issued, and no draft or definitive offering memorandum, advertisement or other offering material relating to any shares may be distributed in Australia, except where disclosure to investors is not required under Chapter 6D of the Corporations Act or is otherwise in compliance with all applicable Australian laws and regulations. By submitting an application for the shares, you represent and warrant to us that you are an Exempt Investor.

As any offer of shares under this document will be made without disclosure in Australia under Chapter 6D.2 of the Corporations Act, the offer of those securities for resale in Australia within 12 months may, under section 707 of the Corporations Act, require disclosure to investors under Chapter 6D.2 if none of the exemptions in section 708 applies to that resale. By applying for the shares you undertake to us that you will not, for a period of 12 months from the date of issue of the shares, offer, transfer, assign or otherwise alienate those shares to investors in Australia except in circumstances where disclosure to investors is not required under Chapter 6D.2 of the Corporations Act or where a compliant disclosure document is prepared and lodged with ASIC.

Notice to prospective investors in Japan

The shares have not been and will not be registered pursuant to Article 4, Paragraph 1 of the Financial Instruments and Exchange Act. Accordingly, none of the shares nor any interest therein may be offered or sold, directly or indirectly, in Japan or to, or for the benefit of, any “resident” of Japan (which term as used herein means any person resident in Japan, including any corporation or other entity organized under the laws of Japan), or to others for re-offering or resale, directly or indirectly, in Japan or to or for the benefit of a resident of Japan, except pursuant to an exemption from the registration requirements of, and otherwise in compliance with, the Financial Instruments and Exchange Act and any other applicable laws, regulations and ministerial guidelines of Japan in effect at the relevant time.

Notice to prospective investors in Hong Kong

The shares have not been offered or sold and will not be offered or sold in Hong Kong, by means of any document, other than (i) to “professional investors” as defined in the Securities and Futures Ordinance (Cap. 571 of the Laws of Hong Kong), or the SFO, of Hong Kong and any rules made thereunder; or (ii) in other circumstances which do not result in the document being a “prospectus” as defined in the Companies (Winding Up and Miscellaneous Provisions) Ordinance (Cap. 32) of Hong Kong, or the CO, or which do not constitute an offer to the public within the meaning of the CO. No advertisement, invitation or document relating to the shares 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 shares which are or are intended to be disposed of only to persons outside Hong Kong or only to “professional investors” as defined in the SFO and any rules made thereunder.

Notice to prospective investors in Singapore

Each representative has acknowledged that this prospectus has not been registered as a prospectus with the Monetary Authority of Singapore. Accordingly, each representative has represented and agreed that it has not offered or sold any shares or caused the shares to be made the subject of an invitation for subscription or purchase and will not offer or sell any shares or cause the shares to be made the subject of an invitation for subscription or purchase, and has not circulated or distributed, nor will it circulate or distribute, this prospectus or any other document or material in connection with the offer or sale, or

invitation for subscription or purchase, of the shares, whether directly or indirectly, to any person in Singapore other than:

(i) to an institutional investor (as defined in Section 4A of the Securities and Futures Act (Chapter 289) of Singapore, as modified or amended from time to time, or the SFA) pursuant to Section 274 of the SFA;

(ii) to a relevant person (as defined in Section 275(2) of the SFA) pursuant to Section 275(1) of the SFA, or any person pursuant to Section 275(1A) of the SFA, and in accordance with the conditions specified in Section 275 of the SFA; or

(iii) otherwise pursuant to, and in accordance with the conditions of, any other applicable provision of the SFA.

Where the shares are subscribed or purchased under Section 275 of the SFA by a relevant person which is:

(i) 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

(ii) 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 shares pursuant to an offer made under Section 275 of the SFA except:

(a) to an institutional investor or to a relevant person, or to any person arising from an offer referred to in Section 275(1A) or Section 276(4)(i)(B) of the SFA;

(b) where no consideration is or will be given for the transfer;

(c) where the transfer is by operation of law;

(d) as specified in Section 276(7) of the SFA; or

(e) as specified in Regulation 37A of the Securities and Futures (Offers of Investments) (Securities and Securities-based Derivatives Contracts) Regulations 2018.

Singapore SFA Product Classification—In connection with Section 309B of the SFA and the CMP Regulations 2018, unless otherwise specified before an offer of the shares, the company has determined, and hereby notifies all relevant persons (as defined in Section 309A(1) of the SFA), that the shares are "prescribed capital markets products" (as defined in the CMP 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 Bermuda

Shares may be offered or sold in Bermuda only in compliance with the provisions of the Investment Business Act of 2003 of Bermuda which regulates the sale of securities in Bermuda. Additionally, non-Bermudian persons (including companies) may not carry on or engage in any trade or business in Bermuda unless such persons are permitted to do so under applicable Bermuda legislation.

Notice to prospective investors in Saudi Arabia

This document may not be distributed in the Kingdom of Saudi Arabia except to such persons as are permitted under the Offers of Securities Regulations as issued by the board of the Saudi Arabian Capital

Market Authority, or CMA, pursuant to resolution number 2-11-2004 dated 4 October 2004 as amended by resolution number 1-28-2008, as amended. The CMA does not make any representation as to the accuracy or completeness of this document and expressly disclaims any liability whatsoever for any loss arising from, or incurred in reliance upon, any part of this document. Prospective purchasers of the securities offered hereby should conduct their own due diligence on the accuracy of the information relating to the securities. If you do not understand the contents of this document, you should consult an authorized financial adviser.

Notice to prospective investors in the British Virgin Islands

The shares are not being, and may not be offered to the public or to any person in the British Virgin Islands for purchase or subscription by or on behalf of the company. The shares may be offered to companies incorporated under the BVI Business Companies Act, 2004 (British Virgin Islands), or BVI Companies, but only where the offer will be made to, and received by, the relevant BVI Company entirely outside of the British Virgin Islands.

Notice to prospective investors in China

This prospectus will not be circulated or distributed in the PRC and the shares will not be offered or sold, and will not be offered or sold to any person for re-offering or resale directly or indirectly to any residents of the PRC except pursuant to any applicable laws and regulations of the PRC. Neither this prospectus nor any advertisement or other offering material may be distributed or published in the PRC, except under circumstances that will result in compliance with applicable laws and regulations.

Notice to prospective investors in Korea

The shares have not been and will not be registered under the Financial Investments Services and Capital Markets Act of Korea and the decrees and regulations thereunder, or the FSCMA, and the shares have been and will be offered in Korea as a private placement under the FSCMA. None of the shares may be offered, sold or delivered directly or indirectly, or offered or sold to any person for re-offering or resale, directly or indirectly, in Korea or to any resident of Korea except pursuant to the applicable laws and regulations of Korea, including the FSCMA and the Foreign Exchange Transaction Law of Korea and the decrees and regulations thereunder, or the FETL. The shares have not been listed on any of the securities exchanges in the world including, without limitation, the Korea Exchange in Korea. Furthermore, the purchaser of the shares shall comply with all applicable regulatory requirements (including but not limited to requirements under the FETL) in connection with the purchase of the shares. By the purchase of the shares, the relevant holder thereof will be deemed to represent and warrant that if it is in Korea or is a resident of Korea, it purchased the shares pursuant to the applicable laws and regulations of Korea.

Notice to prospective investors in Malaysia

No prospectus or other offering material or document in connection with the offer and sale of the shares has been or will be registered with the Securities Commission of Malaysia, or Commission, for the Commission's approval pursuant to the Capital Markets and Services Act 2007. Accordingly, this prospectus and any other document or material in connection with the offer or sale, or invitation for subscription or purchase, of the shares may not be circulated or distributed, nor may the shares be offered or sold, or be made the subject of an invitation for subscription or purchase, whether directly or indirectly, to persons in Malaysia other than (i) a closed end fund approved by the Commission; (ii) a holder of a Capital Markets Services License; (iii) a person who acquires the shares, as principal, if the offer is on terms that the shares may only be acquired at a consideration of not less than RM250,000 (or its equivalent in foreign currencies) for each transaction; (iv) an individual whose total net personal assets or total net joint assets with his or her spouse exceeds RM3 million (or its equivalent in foreign currencies), excluding the value of the primary residence of the individual; (v) an individual who has a gross annual income exceeding RM300,000 (or its equivalent in foreign currencies) per annum in the preceding twelve months; (vi) an individual who, jointly with his or her spouse, has a gross annual income

of RM400,000 (or its equivalent in foreign currencies), per annum in the preceding twelve months; (vii) a corporation with total net assets exceeding RM10 million (or its equivalent in a foreign currencies) based on the last audited accounts;

(viii) a partnership with total net assets exceeding RM10 million (or its equivalent in foreign currencies); (ix) a bank licensee or insurance licensee as defined in the Labuan Financial Services and Securities Act 2010; (x) an Islamic bank licensee or takaful licensee as defined in the Labuan Financial Services and Securities Act 2010; and (xi) any other person as may be specified by the Commission; provided that, in the each of the preceding categories (i) to (xi), the distribution of the shares is made by a holder of a Capital Markets Services License who carries on the business of dealing in securities. The distribution in Malaysia of this prospectus is subject to Malaysian laws. This prospectus does not constitute and may not be used for the purpose of public offering or an issue, offer for subscription or purchase, invitation to subscribe for or purchase any securities requiring the registration of a prospectus with the Commission under the Capital Markets and Services Act 2007.

Notice to prospective investors in Taiwan

The shares have not been and will not be registered with the Financial Supervisory Commission of Taiwan pursuant to relevant securities laws and regulations and may not be sold, issued or offered within Taiwan through a public offering or in circumstances which constitutes an offer within the meaning of the Securities and Exchange Act of Taiwan that requires a registration or approval of the Financial Supervisory Commission of Taiwan. No person or entity in Taiwan has been authorized to offer, sell, give advice regarding or otherwise intermediate the offering and sale of the shares in Taiwan.

Notice to prospective investors in South Africa

Due to restrictions under the securities laws of South Africa, no "*offer to the public*" (as such term is defined in the South African Companies Act, No. 71 of 2008 (as amended or re-enacted), or the South African Companies Act) is being made in connection with the issue of the shares in South Africa. Accordingly, this document does not, nor is it intended to, constitute a "*registered prospectus*" (as that term is defined in the South African Companies Act) prepared and registered under the South African Companies Act and has not been approved by, and/or filed with, the South African Companies and Intellectual Property Commission or any other regulatory authority in South Africa. The shares are not offered, and the offer shall not be transferred, sold, renounced or delivered, in South Africa or to a person with an address in South Africa, unless one or other of the following exemptions stipulated in section 96 (1) applies:

Section 96	the offer, transfer, sale, renunciation or delivery is to:
(1) (a)	(i) persons whose ordinary business, or part of whose ordinary business, is to deal in securities, as principal or agent, (ii) the South African Public Investment Corporation, (iii) persons or entities regulated by the Reserve Bank of South Africa, (iv) authorised financial service providers under South African law, (v) financial institutions recognised as such under South African law, (vi) a wholly-owned subsidiary of any person or entity contemplated in (c), (d) or (e), acting as agent in the capacity of an authorized portfolio manager for a pension fund, or as manager for a collective investment scheme (in each case duly registered as such under South African law), or (vii) any combination of the person in (i) to (vi); or
Section 96	the total contemplated acquisition cost of the securities, for any single addressee acting as principal is equal to or greater than ZAR1,000,000 or such higher amount as may be promulgated by notice in the Government Gazette of South Africa pursuant to section 96(2)(a) of the South African Companies Act.
(1) (b)	

Information made available in this prospectus should not be considered as "advice" as defined in the South African Financial Advisory and Intermediary Services Act, 2002.

Legal matters

The validity of the shares of Class A common stock offered hereby will be passed upon for us by Latham & Watkins LLP, Menlo Park, California. Cooley LLP, San Francisco, California, is acting as counsel for the underwriters in connection with certain legal matters related to this offering.

Experts

The consolidated financial statements of Expensify, Inc. at December 31, 2019 and December 31, 2020 and for each of the two years in the period ended December 31, 2020 appearing in this Prospectus and Registration statement have been audited by Ernst & Young LLP, an 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 auditing and accounting.

Where you can find more information

We have filed with the SEC a registration statement on Form S-1, including exhibits and schedules, under the Securities Act, with respect to the shares of Class A common stock being offered by this prospectus. This prospectus, which constitutes part of the registration statement, does not contain all of the information in the registration statement and its exhibits. For further information with respect to us and our Class A common stock, we refer you to the registration statement and its exhibits. Statements contained in this prospectus as to the contents of any contract or any other document referred to are not necessarily complete, and in each instance, we refer you to the copy of the contract or other document filed as an exhibit to the registration statement. Each of these statements is qualified in all respects by this reference.

You may read our SEC filings, including this registration statement, over the Internet at the SEC's website at www.sec.gov. Upon the completion of this offering, we will be subject to the information reporting requirements of the Exchange Act and we will file reports, proxy statements and other information with the SEC. These reports, proxy statements and other information will be available for review at the SEC's website referred to above. We also maintain a website at use.expensify.com, at which, following the completion of this offering, you may access these materials free of charge as soon as reasonably practicable after they are electronically filed with, or furnished to, the SEC. Information contained on, or that can be accessed through, our website does not constitute part of this prospectus, and the inclusion of our website address in this prospectus is an inactive textual reference only. Investors should not rely on any such information in deciding whether to purchase our Class A common stock.

Table of contents

Report of Independent Registered Public Accounting Firm F-2

Consolidated Financial Statements

- Consolidated Balance Sheets F-3
- Consolidated Statements of Income F-4
- Consolidated Statements of Convertible Preferred Stock and Stockholders' Deficit F-5
- Consolidated Statements of Cash Flows F-7
- Notes to Consolidated Financial Statements F-9

Report of Independent Registered Public Accounting Firm

To the Stockholders and Board of Directors of Expensify, Inc.

Opinion on the Financial Statements

We have audited the accompanying consolidated balance sheets of Expensify, Inc. (the Company) as of December 31, 2020 and 2019, the related consolidated statements of income, convertible preferred stock and stockholders' deficit and cash flows for each of the two years in the period ended December 31, 2020, and the related notes (collectively referred to as the “consolidated financial statements”). In our opinion, the consolidated financial statements present fairly, in all material respects, the financial position of the Company at December 31, 2020 and 2019, and the results of its operations and its cash flows for each of the two years in the period ended December 31, 2020, in conformity with U.S. generally accepted accounting principles.

Basis for Opinion

These financial statements are the responsibility of the Company's management. Our responsibility is to express an opinion on the Company’s financial statements based on our audits. We are a public accounting firm registered with the Public Company Accounting Oversight Board (United States) (PCAOB) and are required to be independent with respect to the Company in accordance with the U.S. federal securities laws and the applicable rules and regulations of the Securities and Exchange Commission and the PCAOB.

We conducted our audits in accordance with the standards of the PCAOB. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement, whether due to error or fraud. The Company is not required to have, nor were we engaged to perform, an audit of its internal control over financial reporting. As part of our audits we are required to obtain an understanding of internal control over financial reporting but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control over financial reporting. Accordingly, we express no such opinion.

Our audits included performing procedures to assess the risks of material misstatement of the financial statements, whether due to error or fraud, and performing procedures that respond to those risks. Such procedures included examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements. Our audits also included evaluating the accounting principles used and significant estimates made by management, as well as evaluating the overall presentation of the financial statements. We believe that our audits provide a reasonable basis for our opinion.

/s/ Ernst & Young LLP

We have served as the Company’s auditor since 2020.
San Francisco, California
April 28, 2021
Except for the reclassification of employee and employee
related expenses disclosed in Note 1, as to which the date is
September 24, 2021
Except for the retrospective stock split disclosed in Note 1 as to which the date is
November 1, 2021

	As of December 31,		As of June 30,
	2019	2020	2021
			(unaudited)
Assets			
Cash and cash equivalents	$ 9,990	$ 34,401	$ 45,429
Accounts receivable, net	7,991	10,024	13,402
Settlement assets	30,856	14,308	21,509
Prepaid expenses	1,196	927	2,469
Related party loan receivable, current	—	600	891
Other current assets	477	3,404	8,412
Total current assets	50,510	63,664	92,112
Capitalized software, net	2,950	3,722	4,306
Property and equipment, net	14,262	15,363	16,173
Lease right-of-use assets	4,611	3,733	2,972
Deferred tax assets, net	2,855	418	418
Related party loan receivable, non-current	600	—	—
Other assets	808	833	814
Total assets	$ 76,596	$ 87,733	$ 116,795
Liabilities, convertible preferred stock and stockholders' deficit			
Accounts payable	$ 3,043	$ 2,328	$ 993
Accrued expenses and other liabilities	1,761	3,535	11,124
Borrowings under line of credit	6,387	15,000	15,000
Current portion of long-term debt, net of issuance costs	503	2,454	2,457
Lease liabilities, current	2,055	1,575	1,555
Settlement liabilities	30,856	14,308	21,409
Total current liabilities	44,605	39,200	52,538
Lease liabilities, non-current	2,792	2,350	1,579
Deferred tax liabilities, net	—	916	916
Other liabilities	—	877	1,348
Long-term debt, net of issuance costs	32,558	30,321	29,102
Total liabilities	79,955	73,664	85,483
Commitments and contingencies (Note 12)			
Convertible preferred stock, par value $0.0001; 4,203,139 shares authorized, issued and outstanding at December 31, 2019, December 31, 2020 and June 30, 2021 (unaudited) (aggregate liquidation preference of $24,929,457 at December 31, 2019 , December 31, 2020 and June 30, 2021 (unaudited)	45,105	45,105	45,105
Stockholders' deficit:			
Common stock, par value $0.0001; 95,000,000 shares authorized: 26,589,930, 29,366,940, and 34,780,520 shares issued and outstanding at December 31, 2019, December 31, 2020 and June 30, 2021 (unaudited), respectively	—	—	—
Additional paid-in capital	2,174	21,312	25,641
Subscriptions receivable (including accrued interest of $0)	—	—	(1,760)
Accumulated deficit	(50,638)	(52,348)	(37,674)
Total stockholders' deficit	(48,464)	(31,036)	(13,793)
Total liabilities, convertible preferred stock and stockholders' deficit	$ 76,596	$ 87,733	$ 116,795

See accompanying notes.

	Year ended December 31,		Six months ended June 30,	
	2019	2020	2020	2021
			(unaudited)	
Revenue	$ 80,460	$ 88,072	$ 40,641	$ 65,024
Cost of revenue, net	31,985	32,414	15,438	15,571
Gross margin	48,475	55,658	25,203	49,453
Operating expenses:				
Research and development	4,110	6,728	2,377	5,971
General and administrative	15,930	33,372	10,138	17,494
Sales and marketing	27,188	9,888	6,323	6,947
Total operating expenses	47,228	49,988	18,838	30,412
Income from operations	1,247	5,670	6,365	19,041
Interest and other expenses, net	(2,757)	(2,718)	(1,514)	(1,506)
(Loss) income before income taxes	(1,510)	2,952	4,851	17,535
Benefit (provision) for income taxes	2,751	(4,662)	(1,365)	(2,861)
Net income (loss)	$ 1,241	$ (1,710)	$ 3,486	$ 14,674
Less: income allocated to participating securities	(1,241)	—	(2,907)	(9,426)
Net income (loss) attributable to common stockholders	$ —	$ (1,710)	$ 579	$ 5,248
Net income (loss) per share attributable to common stockholders:				
Basic	$ —	$ (0.06)	$ 0.02	$ 0.18
Diluted	$ —	$ (0.06)	$ 0.02	$ 0.13
Weighted-average shares of common stock used to compute net income (loss) per share attributable to common stockholders:				
Basic	25,921,890	27,424,480	26,663,418	29,680,220
Diluted	25,921,890	27,424,480	35,495,100	41,216,420

See accompanying notes.

Expensify, Inc.
Consolidated Statements of Convertible Preferred Stock and Stockholders' Deficit
Years Ended December 31,
(in thousands, except share and per share data)

	Convertible preferred stock		Common stock		Additional paid-in capital	Accumulated deficit	Total stockholders' (deficit) equity
	Shares	Amount	Shares	Amount			
Balance at December 31, 2018	4,203,139	$ 45,105	24,522,320	$ —	$ —	$ (51,879)	$ (51,879)
Issuance of common stock upon exercise of stock options	—	—	2,122,810	—	482	—	482
Stock-based compensation	—	—	—	—	1,706	—	1,706
Repurchase of common stock	—	—	(55,200)	—	(14)	—	(14)
Net income (loss)	—	—	—	—	—	1,241	1,241
Balance at December 31, 2019	4,203,139	$ 45,105	26,589,930	$ —	$ 2,174	$ (50,638)	$ (48,464)
Issuance of common stock upon exercise of stock options	—	—	2,777,010	—	1,301	—	1,301
Stock-based compensation	—	—	—	—	17,837	—	17,837
Net income (loss)	—	—	—	—	—	(1,710)	(1,710)
Balance at December 31, 2020	4,203,139	$ 45,105	29,366,940	$ —	$ 21,312	$ (52,348)	$ (31,036)

See accompanying notes.

Expensify, Inc.
Consolidated Statements of Convertible Preferred Stock and Stockholders' Deficit
Six Months Ended June 30, (unaudited)
(in thousands, except share and per share data)

	Convertible preferred stock		Common stock		Additional paid-in capital	Subscriptions Receivable	Accumulated deficit	Total stockholders' (deficit) equity
	Shares	Amount	Shares	Amount				
Six months ended June 30, 2020 (unaudited)								
Balance at December 31, 2019	4,203,139	$ 45,105	26,589,930	$ —	$ 2,174	$ —	$ (50,638)	$ (48,464)
Issuance of common stock upon exercise of stock options (unaudited)	—	—	1,282,200	—	310	—	—	310
Stock-based compensation (unaudited)	—	—	—	—	1,186	—	—	1,186
Net income (loss) (unaudited)	—	—	—	—	—	—	3,486	3,486
Balance at June 30, 2020 (unaudited)	4,203,139	$ 45,105	27,872,130	$ —	$ 3,670	$ —	$ (47,152)	$ (43,482)
Six months ended June 30, 2021 (unaudited)								
Balance at December 31, 2020	4,203,139	$ 45,105	29,366,940	$ —	$ 21,312	$ —	$ (52,348)	$ (31,036)
Issuance of common stock upon exercise of stock options (unaudited)	—	—	5,413,580	—	2,731	(1,760)	—	971
Stock-based compensation (unaudited)	—	—	—	—	1,598	—	—	1,598
Net income (loss) (unaudited)	—	—	—	—	—	—	14,674	14,674
Balance at June 30, 2021 (unaudited)	4,203,139	$ 45,105	34,780,520	$ —	$ 25,641	$ (1,760)	$ (37,674)	$ (13,793)

See accompanying notes.

	Year ended December 31,		Six months ended June 30,	
	2019	2020	2020	2021
			(unaudited)	
Cash flows from operating activities:				
Net income (loss)	$ 1,241	$ (1,710)	$ 3,486	$ 14,674
Adjustments to reconcile net income (loss) to net cash provided (used) by operating activities:				
Depreciation and amortization	2,845	3,248	1,609	2,294
Reduction of operating lease right-of-use assets	1,192	1,311	956	365
Loss on impairment, receivables and sale or disposal of equipment	60	162	26	133
Stock-based compensation	1,706	17,837	1,186	1,598
Amortization of debt issuance costs	32	32	16	16
Deferred tax assets	(2,855)	2,437	1,223	—
Deferred tax liabilities	—	916	—	—
Changes in assets and liabilities:				
Accounts receivable	(1,955)	(2,170)	1,203	(3,513)
Related party loan receivables			—	(291)
Settlement assets	1,599	2,878	3,530	(2,996)
Prepaid expenses	3,628	270	(366)	(1,542)
Other current assets	45	(1,393)	(668)	855
Other assets	(31)	(248)	(299)	20
Accounts payable	446	(714)	(1,419)	(1,335)
Accrued expenses and other liabilities	226	1,774	566	6,768
Operating lease liabilities	(1,252)	(1,374)	(986)	(406)
Settlement liabilities	5,503	(16,548)	(20,392)	7,101
Other liabilities	—	877	143	472
Net cash provided (used) by operating activities	12,430	7,585	(10,186)	24,213
Cash flows from investing activities:				
Purchase of property and equipment	(3,235)	(2,488)	(1,565)	(1,940)
Proceeds from sale or disposal of property and equipment	4	2	—	—
Software development costs	(1,673)	(1,809)	(703)	(1,353)
Net cash used by investing activities	(4,904)	(4,295)	(2,268)	(3,293)
Cash flows from financing activities:				
Principal payments of finance leases	(793)	(808)	(416)	(385)
Principal payments of term loan	(39)	(319)	(61)	(1,231)
Principal payments of line of credit	—	(1,000)	(1,000)	—
Proceeds from line of credit	5,500	9,613	9,613	—
Repurchases of common stock	(14)	—	—	—
Payments of deferred offering costs	—	—	—	(3,343)
Proceeds from issuance of common stock on exercise of stock options	482	1,301	310	971
Net cash provided (used) by financing activities	5,136	8,787	8,446	(3,988)
Net increase in cash and cash equivalents	12,662	12,077	(4,008)	16,932
Cash and cash equivalents and restricted cash, beginning of period	22,139	34,801	34,801	46,878

See accompanying notes.

Cash and cash equivalents and restricted cash, end of period	$ 34,801	$ 46,878	$ 30,793	$ 63,810
Supplemental disclosure of cash flow information:				
Cash paid for interest	$ 2,708	$ 2,929	$ 1,448	$ 1,445
Cash paid for income taxes	$ 216	$ 150	$ 36	$ 5,122
Noncash investing and financing items:				
Commercial building and land acquired with long-term debt (net of issuance costs of $8,226)	$ 10,644	$ —	$ —	$ —
Right-of-use assets acquired with lease liabilities	$ 1,210	$ 1,260	$ —	$ —
Accrued deferred offering costs	$ —	$ —	$ —	$ 821
Reconciliation of cash, cash equivalents and restricted cash to the consolidated balance sheets				
Cash and cash equivalents	$ 9,990	$ 34,401	$ 21,615	$ 45,429
Restricted cash included in other current assets	421	1,955	1,661	3,652
Restricted cash included in other assets	246	48	235	49
Restricted cash included in settlement assets	24,144	10,474	7,282	14,680
Total cash, cash equivalents and restricted cash	$ 34,801	$ 46,878	$ 30,793	$ 63,810

See accompanying notes.

NOTE 1 – DESCRIPTION OF BUSINESS AND BASIS OF PRESENTATION

Description of business – Expensify, Inc. (Expensify or the Company), was incorporated in Delaware on April 29, 2009. Expensify offers a comprehensive expense management platform that integrates with a variety of third-party accounting applications, including QuickBooks Desktop, QuickBooks Online, Xero, NetSuite, Intacct, Sage, Microsoft Dynamics, MYOB and others. Expensify's product simplifies the way that employees and vendors manage and submit expense receipts and bills and provides efficiencies to companies for the payment of those bills. Expensify delivers its services over the internet to corporations and individuals under a license arrangement and offers unique pricing options for small and midsized businesses (SMB) and enterprises on a per-active-member basis. Expensify's customers are worldwide but primarily in the United States (U.S.).

In early 2020, Expensify launched the Expensify credit card (the Expensify Card). Expensify primarily distributes the Expensify Card to large corporate customers in the U.S. that subsequently distribute the card to their employees for business use. The Expensify Card allows customers to have real-time control over their employees spending limits and compliance in addition to eReceipt reporting on purchases made.

Information regarding the subsidiaries of Expensify are as follows:

- Expensify established a wholly-owned subsidiary in the United Kingdom (UK), Expensify LTD., in 2015 that primarily serves to promote and market Expensify's services to customers and potential customers of Expensify in the UK.
- Expensify established a wholly-owned subsidiary in Australia, Expensify PTY LTD., in 2017 that primarily serves to promote and market Expensify's services to customers and potential customers of Expensify in Australia.
- Expensify established a wholly-owned subsidiary, 401 SW 5th Ave LLC, in 2019 with the subsidiary’s primary purpose to hold title to the commercial building purchased in Portland, Oregon.
- Expensify established a wholly-owned subsidiary, Expensify.org, in 2019 which is a nonprofit benefit organization. Expensify.org is included within the consolidated financial statements of Expensify as Expensify has both a majority voting interest in the board of Expensify.org and an economic interest in the organization. In early 2020 with the introduction of the Expensify Card, Expensify committed to donate 10% of its consideration received from a vendor for monetizing Expensify Card activities to Expensify.org in addition to lump sum discretionary contributions. For the year ended December 31, 2020, Expensify, Inc. contributed $136,627 to Expensify.org. No commitments from Expensify, Inc. remain open for contribution as of December 31, 2020. Beginning in January 2021, an additional commitment was made to donate 25 cents for every dollar Expensify paid to white, male Expensify employees to Expensify.org to fund social justice and equity efforts. For the six months ended June 30, 2021 (unaudited), Expensify, Inc. contributed $87,501 to Expensify.org and incurred additional commitments of $1,521,397 to Expensify.org for which the intercompany contribution payment has not yet been made as of June 30, 2021 (unaudited). Payments are expected to be made to Expensify.org during the three months ended September 30, 2021. All intercompany transactions and balances have been eliminated in consolidation. Any contributions from Expensify.org to a charitable organization is recorded as an expense within General and administrative expenses on the consolidated financial statements upon payment. Contributions from Expensify.org to a charitable organization have been immaterial to date.
- Expensify established wholly-owned subsidiaries, Expensify Canada Inc. and Expensify Netherlands B.V., in 2020 that primarily serve to promote and market Expensify's services to customers and potential customers of the Company in Canada and the Netherlands, respectively.

- Expensify established a wholly-owned subsidiary, Expensify Payments LLC, in 2020 that primarily serves as the licensed provider of money transmission services for Expensify with its expense management program.
- Expensify established a wholly-owned subsidiary, Expensify Lounge LLC, in 2021 that primarily serves to manage, promote and market Expensify's lounge operations in the United States.

Basis of presentation and principles of consolidation – The accompanying consolidated financial statements, include the accounts of Expensify and its wholly-owned subsidiaries (the Company), and have been prepared in accordance with generally accepted accounting principles in the United States (U.S. GAAP). All intercompany transactions and balances have been eliminated in consolidation.

Stock Split – On October 27, 2021, the Company effected a ten-for-one stock split of its common stock. All share and per share information has been retroactively adjusted to reflect the stock split for all periods presented.

Reclassification of prior year presentation – Certain prior year amounts have been reclassified to conform to the current six month ended June 30, 2021 interim period presentation. Adjustments have been made to present all Employee and employee related amounts previously reported as a separate financial statement line item within operating expenses to Cost of revenue, net, Research and development, Sales and marketing and General and administrative on the consolidated statements of income for the years ended December 31, 2019 and 2020 and any interim periods presented within fiscal 2019 and 2020. Employee and employee related amounts were reclassified to the financial statement line item aligned with each employee's function during the periods.

The changes in classification had no impact to revenue, income before operations, net income (loss) or net income (loss) per share on the consolidated statements of income. The changes in classification also had no impact to the consolidated balance sheets, consolidated statements of stockholders' (deficit) equity and consolidated statements of cash flows previously presented.

The Company also changed the presentation of Cost of revenue, net from Operating expenses to its own financial statement line item above Operating expenses in order to present Gross margin on the consolidated statements of income.

The following table presents the impact of the reclassification on the previously reported consolidated statements of income for the year ended December 31, 2019 and 2020:

	For the year ended December 31, 2019		
	As previously reported	Adjustments	Reclassified
Cost of revenue, net	$ —	$ 31,985	$ 31,985
Operating expenses:			
Employee and employee related	30,194	(30,194)	—
Cost of revenue, net	18,682	(18,682)	—
Research and development	—	4,110	4,110
General and administrative	8,585	7,345	15,930
Sales and marketing	21,752	5,436	27,188
Total operating expenses	$ 79,213	$ (31,985)	$ 47,228

	For the year ended December 31, 2020		
	As previously reported	Adjustments	Reclassified
Cost of revenue, net	$ —	$ 32,414	$ 32,414
Operating expenses:			
Employee and employee related	46,379	(46,379)	—
Cost of revenue, net	17,122	(17,122)	—
Research and development	—	6,728	6,728
General and administrative	13,030	20,342	33,372
Sales and marketing	5,871	4,017	9,888
Total operating expenses	$ 82,402	$ (32,414)	$ 49,988

Unaudited interim financial information – The accompanying interim consolidated balance sheet as of June 30, 2021, the consolidated statements of income and cash flows for the six months ended June 30, 2020 and 2021, the consolidated statements of convertible preferred stock and stockholders' deficit for the six months ended June 30, 2021 and 2020, and the related notes to the financial statements for the interim financial information are unaudited. These unaudited interim financial statements have been prepared on the same basis as the annual consolidated financial statements and reflect all normal and recurring adjustments that are, in the opinion of management, necessary to present fairly our financial position, results of operations, comprehensive loss, changes in convertible preferred stock and stockholders' deficit, and cash flows for the periods presented.

The consolidated statement of income for the six months ended June 30, 2021 are not necessarily indicative of the results to be expected for the year ending December 31, 2021 or for any other future annual or interim period.

NOTE 2 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Risks and uncertainties – The Company evaluates its operations periodically to determine if any risks and uncertainties exist that could impact its operations in the near term. During December 2019, the novel coronavirus (COVID-19) emerged and subsequently spread worldwide. The World Health Organization declared COVID-19 a global pandemic in March 2020, resulting in federal, state and local governments and private entities implementing various restrictions, including travel restrictions, restrictions on public gatherings, stay at home orders and advisories and quarantining of people who may have been exposed to the virus. The Company has been actively monitoring COVID-19 and its impact globally. Management believes the remote working arrangements and travel restrictions imposed by various governmental jurisdictions as a result of COVID-19 had limited impact on the Company's ability to maintain internal operations during the year ended December 31, 2020 and for the six months ended June 30, 2020 and 2021 (unaudited). Business travel, traditionally a significant driver of expenses on our platform, has been severely curtailed during the pandemic with complex regional effects as lockdowns were put in place and altered rapidly. As a result of the pull-back in travel related expenses and other expenses that were not generated in a work from home environment, many of our customers that remained on our platform had fewer employees incurring expenses on a monthly basis in 2020 and the six months ended June 30, 2021. The full extent to which the COVID-19 pandemic will directly or indirectly impact the Company's business, results of operations and financial condition will depend on future developments that are highly uncertain, including as a result of new information that may emerge concerning COVID-19 and the actions taken to contain it or treat it. The Company's estimates may be subject to change as new events occur and additional information emerges, and such changes will be recognized or disclosed in the consolidated financial statements as they become known. While the full lasting impact of the COVID-19 pandemic on the global economy and our customers remains uncertain, the Company believes that use of the platform will increase as economies reopen and business travel resumes.

The Company does not believe that there are any significant risks that have not already been disclosed in the consolidated financial statements.

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 at the date of the consolidated financial statements and the reported amounts of revenues and expenses during the reporting period. Estimates and judgments are based on historical experience, forecasted events and various other assumptions that the Company believes to be reasonable under the circumstances. Estimates and judgments may differ under different assumptions or conditions. Estimates and judgments are evaluated on an ongoing basis. Actual results could differ from those estimates. Changes in estimates are recorded in the period in which they become known.

Significant estimates and assumptions by management affect the Company's revenues, fair value of common stock, classification of employee and employee-related expenses, the useful lives and recoverability of long-lived assets and stock-based compensation.

Foreign currency – The Company uses the U.S. dollar as its functional currency. Foreign currency assets and liabilities are remeasured into the U.S. dollar at the end-of-period exchange rates except for prepaid expenses, property and equipment and related depreciation and amortization, and lease right-of-use assets and related amortization, which are remeasured at the historical exchange rates. Revenues and expenses are remeasured at average exchange rates in effect during each period. Gains or losses from foreign currency transactions are included in the consolidated statements of income.

Cash and cash equivalents – Cash consists of funds deposited with banks. The Company considers all highly liquid investments with an original maturity of three months or less at the date of purchase to be cash equivalents. The recorded carrying amount of cash equivalents, which is cost plus accrued interest, if any, approximates fair value. As of December 31, 2019 and 2020 and June 30, 2021 (unaudited), the Company had no cash equivalents.

Restricted cash – Restricted cash of approximately $246,000 and $48,000 as of December 31, 2019 and 2020, respectively, and $49,000 as of June 30, 2021 (unaudited) relates to cash deposited with a commercial bank required as collateral for corporate credit cards issued by the respective commercial bank in the U.S. and UK as well as bank-to-bank transfers in the UK. These restricted cash amounts are included within Other assets on the consolidated balance sheets. The Company also has an immaterial amount of cash required to be held within a trust account for monthly management and maintenance operating fees for the 401 SW 5th Ave commercial building owned by the Company. These restricted cash amounts are included within Other current asset on the consolidated balance sheets.

In addition, cash in transit for funds held for the customers to the Company's payment processor and Expensify Card collateral for funds held for customers represent restricted cash maintained in segregated Company bank accounts that are held for the exclusive benefit of customers. The Company restricts the use of the assets underlying the funds held for customers to meet regulatory requirements and classifies the assets as current based on their purpose and availability to fulfill the Company's direct obligation under funds due to customers. These restricted cash amounts are included within Other current assets on the consolidated balance sheets. Refer to Note 6 for the breakout of these amounts within Other current assets as of December 31, 2019 and 2020 and June 30, 2021 (unaudited).

The Company also includes restricted cash amounts within Other current assets on the consolidated balance sheets for cash held by Expensify.org. This cash is restricted for use towards social justice and equity efforts of Expensify.org and classifies the assets as current based on their purpose and immediate availability towards fulfilling these efforts. Refer to Note 6 for the breakout of these amounts within Other current assets as of December 31, 2019 and 2020 and June 30, 2021 (unaudited).

Restricted cash also includes amounts included within Settlement assets for funds held for customers that are deposited into a commercial bank account held by the Company for the benefit of the customers until

remitted to the customer's members. Refer to the Settlement assets and liabilities policy note below for further detail.

Accounts receivable and allowance for doubtful accounts – Accounts receivable are recorded at the invoiced amount, net of an allowance for doubtful accounts. The allowance for doubtful accounts is based on the Company's assessment of the collectability of the accounts receivable. Management considers the following factors when determining the collectability of specific customer accounts: customer creditworthiness, past transaction history with the customer, current economic industry trends and changes in customer payment terms. Past due balances over 60 days and other higher risk amounts are reviewed individually for collectability. Based on management's assessment, the Company provides for estimated uncollectible amounts through a charge to earnings and a credit to an established allowance for doubtful accounts. Balances that remain outstanding after the Company has used reasonable collection efforts are written off no later than 90 days past due. The Company recorded allowance for doubtful accounts of approximately $15,000 and $29,000 as of December 31, 2019 and 2020, respectively. As of June 30, 2021 (unaudited), the Company recorded allowance for doubtful accounts of approximately $152,000. To date, the Company has not had significant write offs of accounts receivables.

Concentrations of credit risk – Financial instruments that potentially subject the Company to credit risk consist primarily of cash and cash equivalents and accounts receivable. Cash and cash equivalents are deposited with federally insured commercial banks in the United States that may at times exceed federally insured limits. Management believes that these financial institutions are financially sound, and the Company has not experienced material losses to date. The Company generally does not require collateral or other security in support of accounts receivable except for the restricted cash accounts discussed in the respective Restricted cash policy note above. There were no customers representing 10% or more of revenue during the years ended December 31, 2019 and 2020 and the six months ended June 30, 2020 and 2021 (unaudited). In addition, there were no customers representing 10% or more of accounts receivable as of December 31, 2019, December 31, 2020 and June 30, 2021 (unaudited).

Settlement assets and liabilities – Settlement assets and liabilities arise due to the time required between the approval of an expense reimbursement and settlement of funds in the member's account facilitated by a third-party vendor used by the Company for settlement. Funds are collected from customers by the Company and are deposited into a commercial bank account held by the Company for the benefit of the customers until remitted to the customer's members. Upon an approved request for expense reimbursement from customers, the Company initiates the transaction from its commercial bank accounts where funds are held and remits the funds directly to the customer's users after a clearing period of three business days, including the day of the transaction. For reimbursement of transactions through the Expensify Card, the clearing period is typically two business days, including the day of transaction, for the funds to be settled. The Company records settlement receivable and corresponding liability upon approval of the expense reimbursement. Settlement receivables are reported on the consolidated balance sheets when the approval of the expense reimbursement occurs until the funds are cleared in the Company's commercial bank account. The commercial bank account and settlement receivables roll up into the Settlement assets financial statement line item on the consolidated balance sheets. Any Settlement asset balance that remains outstanding after five business days is written off by the Company. Write offs related to the Settlement asset balances of the Company for the years ended December 31, 2019 and 2020 and the six months ended June 30, 2020 and 2021 (unaudited) were immaterial. The Company did not record an allowance for doubtful accounts against the Settlement assets as write offs to date have been immaterial. Settlement liability is reported on the consolidated balance sheets from when the expense reimbursement is approved until the funds are cleared in the member's account.

Leases – The Company determines if an arrangement is a lease at inception. Operating and finance leases are included in lease right-of-use (ROU) assets and lease liabilities in the consolidated balance sheets. ROU assets represent the Company's right to use an underlying asset for the lease term and lease liabilities represent the Company's obligation to make lease payments arising from the lease. Operating and finance lease ROU assets and liabilities are recognized at commencement date based on

the present value of future minimum lease payments over the lease term. The Company uses rates implicit in the lease, or if not readily available, its incremental borrowing rate, to calculate its ROU assets and liabilities. The operating and finance lease ROU assets also include any lease payments made before commencement and exclude lease incentives.

The Company's lease terms may include options to extend or terminate the lease, and the Company includes those options in the lease terms when it is reasonably certain it will exercise them. Lease expense for lease payments is recognized on a straight-line basis over the lease term. The Company made the policy election to account for short-term leases by recognizing the lease payments in the income statement on a straight-line basis over the lease term and not recognizing these leases on the Company's consolidated balance sheets. Variable lease payments are recognized in the income statement in the period in which the obligation for those payments is incurred. The Company has real estate and data center equipment lease agreements with lease and non-lease components for which the Company has made the accounting policy election to account for these agreements as a single lease component.

Property and equipment – Property and equipment are stated at cost, less accumulated depreciation and amortization. Depreciation and amortization are computed using the straight-line method over the estimated useful lives of the respective assets, typically three years for computer equipment, five years for furniture and fixtures and thirty years for buildings. Land has an unlimited useful life and is not depreciated. Leasehold improvements and finance right-of-use assets are amortized over the lesser of the lease term or the estimated useful life of the asset. Expenditures for repairs and maintenance are charged to expense as incurred. Upon disposition, the cost and related accumulated depreciation and amortization are removed from the accounts and the resulting gain or loss is reflected in the consolidated statements of income. To date, gains or losses from disposition of property and equipment have been immaterial.

Construction in progress is stated at cost, which includes the cost of construction and other direct costs attributable to the construction. No depreciation is recorded for construction in progress until such time as the relevant assets are completed and put into use. Construction in progress as of December 31, 2019, December 31, 2020 and June 30, 2021 (unaudited) represents leasehold improvements under installation.

Capitalized software development costs – The Company capitalizes internal and external costs directly related to obtaining or developing internal-use software during the application development stage of the projects. The Company's internal-use software is reported at cost less accumulated depreciation. Depreciation begins once the project is ready for its intended use, which is usually when the software code goes into production. The Company depreciates the asset on a straight-line basis over a period of three years, which is the estimated useful life. The Company evaluates whether a project should be capitalized if it adds significant functionality to its software. Maintenance activities or minor upgrades are expensed in the period performed. During the years ended December 31, 2019 and 2020, the Company capitalized $1,673,408 and $1,809,071, respectively, in software development costs. During the six months ended June 30, 2020 and 2021 (unaudited), the Company capitalized $703,021 and $1,352,926, respectively, in software development costs.

Long-lived assets – Long-lived assets, primarily capitalized software development costs, property and equipment and lease right-of-use assets are evaluated for impairment when events or changes in circumstances indicate that the carrying amount of the assets may not be recoverable. When indications of impairment are present and the estimated undiscounted future cash flows from the use of the assets is less than the assets' carrying values, the related assets will be written down to fair value. Any impairment losses are included in general and administrative operating expenses on the consolidated statements of income. Management determined that long-lived assets were not impaired for the year ended December 31, 2019 and the six months ended June 30, 2020 and 2021 (unaudited). Impairment losses on long-lived assets were immaterial for the year ended December 31, 2020.

Deferred offering costs – Deferred offering costs consist primarily of legal and other fees related to the proposed IPO. The deferred offering costs will be offset against IPO proceeds upon the consummation of the IPO. If the IPO is aborted, deferred offering costs will be expensed. As of December 31, 2020, the Company had no deferred offering costs that were capitalized. As of June 30, 2021 (unaudited), the Company capitalized $4,165,224 of deferred offering costs, which are included within Other current assets on the consolidated balance sheets.

Subscriptions receivable – The Company records stock issuances at the effective date of the transfer, sale or exercise. If the Company enters into an agreement to sell its stock and issue the stock before proceeds are received in one or more scheduled payments, the Company records the uncollected amounts as Subscriptions receivable. The Company had no Subscriptions receivable as of December 31, 2019 and 2020. As of June 30, 2021 (unaudited), the Company recognized $1,759,643 of Subscriptions receivable. All amounts recorded relate to promissory notes the Company entered into with certain employees to exercise stock options. Each promissory note provided the Company with substantive recourse rights. See Note 8 for further detail over the promissory notes issued to exercise stock options.

In accordance with the requirements of Rule 5-02.29 of SEC Regulation S-X and Financial Accounting Standards Board (FASB) Accounting Standards Codification (ASC) 505-10-45-2, the Company records Subscriptions receivable as contra equity within Stockholders' deficit on the consolidated balance sheets and statements of convertible preferred stock and stockholders' deficit.

Revenue recognition – The Company generates revenue from subscription fees paid by its customers to access and use the Company's hosted software services, as well as standard customer support. The Company adopted Accounting Standard Update (ASU) No. 2014-09, *Revenue from Contracts with Customers (Topic 606)* as of January 1, 2019, utilizing the full retrospective method of transition.

Revenue is recognized when control of the promised goods or services is transferred to customers, in an amount that reflects the consideration the Company expects to be entitled to in exchange for those goods or services.

Under Topic 606, the Company determines the amount of revenue to be recognized through the following five-step framework:

1. Identification of the contract, or contracts, with a customer;
2. Identification of the performance obligations in the contract;
3. Determination of the transaction price;
4. Allocation of the transaction price to the performance obligations in the contract; and
5. Recognition of revenue when, or as, the Company satisfies a performance obligation.

The Company's contracts are either month-to-month arrangements billed monthly in arrears based on a specified number of members or annual arrangements billed monthly in arrears based on a minimum number of monthly members. Month-to-month contracts can be terminated by either party at any time without penalty. During 2019, annual subscription customers who wished to terminate their contracts before the end of the term were required to pay the remaining obligation in full plus any fees or penalties set forth in the agreement. In May 2020, the Company updated its terms of service, which resulted in annual contracts becoming noncancelable and a pricing change, which led to an increase in the per member price for paid members.

The Company charges its customers subscription fees for access to its platform based on the number of monthly members and level of service. The contractual price per member is based on either negotiated fees or rates published on the Company's website. The Company's contracts with customers include two performance obligations: access to the hosted software service (SaaS), inclusive of all features available within the platform and related customer support. The SaaS and the support are accounted for as a combined performance obligation because they have the same pattern of transfer over the same period

and, therefore, are delivered concurrently. The Company satisfies its performance obligation over time each month as it provides the SaaS and support services to customers and as such generally recognizes revenue monthly based on the number of monthly members and contractual rate per member.

Certain annual contracts provide the customer the option to increase the minimum number of members and extend the contract term on a prospective basis or to purchase members beyond the minimum contracted number of members at a higher rate for a particular month. These options are accounted for when the customer exercises the option as they do not represent a material right and are accounted for as a contract modification when exercised by the customer.

Revenue is recognized net of applicable taxes imposed on the related transaction. The Company charges the customer on a monthly basis, in arrears, with typical payment terms being 30 days. A contract asset is the right to consideration for transferred goods or services and arises when the amount of revenue recognized exceeds amounts billed to a customer. As a result of a price increase in 2020 that was applicable to certain annual contracts and is being billed incrementally by the Company over a twelve month period, the Company recorded revenue for such contracts on a straight line basis over the twelve month period affected by the price increase. This resulted in contract assets that consist of unbilled receivables for revenue recognized in excess of billings. The Company recorded contract assets for unbilled receivables of $1,164,825 within Other current assets on the Company’s consolidated balance sheet as of December 31, 2020. The Company recorded contract assets of $389,071 within Other current assets on the Company's consolidated balance sheet as of June 30, 2021 (unaudited). The contract asset will decrease as the price increase is applied to the amounts billed to customers, over the twelve month period. The Company had no contract assets as of December 31, 2019. Since the Company's performance obligation is satisfied monthly, at any reporting period, the Company has no unsatisfied, or partially unsatisfied, performance obligations.

Stock-based compensation – The Company accounts for stock-based compensation under the fair value recognition and measurement provisions of U.S. GAAP. Those provisions require all stock-based awards granted to employees, including stock options, to be measured based on fair value at the date of grant, with the resulting expense generally recognized in the consolidated statements of income over the period during which the employee is required to perform service in exchange for the award.

The Company utilizes the Black-Scholes option pricing model to determine the estimated fair value of stock-based awards. The Company recognizes these stock-based compensation costs on a straight-line basis over the requisite service period of the award, which is generally the option vesting term of four years. Forfeitures are recorded as they occur.

The Black-Scholes option pricing model requires management to make a number of assumptions, including the fair value and expected volatility of the Company’s underlying common stock, expected life of the award, risk-free interest rate and expected dividend yield. The fair value of common stock is determined by the Board of Directors based on a number of factors, including independent third-party valuations of our common stock, which consider estimates of our future performance and valuations of comparable companies. The Company also considers prices at which others have purchased our stock, and the likelihood and timing of achieving a liquidity event. When awards are granted or revalued between the dates of valuation reports, the Company considers the change in common stock fair value and the amount of time that lapsed between the two reports to determine whether to use the latest common stock valuation or an interpolation between two valuation dates for purposes of valuing stock-based awards. The Company estimates the volatility of its common stock at the date of grant based on the expected weighted-average volatility for a group of publicly traded companies in a similar industry or with similar service offerings, with a term of one year or greater. The expected life represents the period that the Company's stock-based award is expected to be outstanding. The expected life for option grants is determined using the simplified method. The simplified method deems the expected life to be the average of the time-to-vesting and the contractual life of the stock-based awards. The risk-free interest rate is based on the U.S. Treasury yield for a term consistent with the expected life of the awards in effect

at the time of grant. The expected dividend yield is assumed to be zero as the Company has not paid and does not expect to pay dividends.

Cost of revenue, net – Cost of revenue, net primarily consists of expenses related to hosting the Company's service, including the costs of data center capacity, credit card processing fees, third-party software license fees, outsourcing costs to support customer service and outsourcing costs to support and process the SmartScan technology, net of consideration from a vendor for monetizing Expensify Card activities. This consideration, net of credit card processing fees paid to the vendor, is included as a reduction to cost of revenue of $30,550 and $1,006,387 for the years ended December 31, 2019 and 2020, respectively. The consideration, net of credit card processing fees paid to the vendor, is included as a reduction to cost of revenue of $369,755 and $1,118,119 for the six months ended June 30, 2020 and 2021 (unaudited), respectively. Additional costs include amortization expense on capitalized software development costs and personnel-related expenses, including stock-based compensation and employee costs attributable to supporting our customers and maintenance of our platform.

Research and development – Research and development expenses consist primarily of personnel-related expenses, including stock-based compensation, incurred in the planning and preliminary project stage and post-implementation stage of new products or enhancing existing products or services. We capitalize certain software development costs that are attributable to developing or adding significant functionality to our internal-use software during the application development stage of the projects. All research and development expenses, excluding capitalized software development costs, are expensed as incurred.

General and administrative - General and administrative expenses primarily consist of personnel-related expenses, including stock-based compensation for executive management and any employee time allocated to administrative functions, including finance and accounting, legal, and human resources. In addition to personnel-related expenses, general and administrative expenses consist of rent, utilities, depreciation on property and equipment, amortization of finance lease right-of-use assets and external professional services, including accounting, audit, tax, finance, legal and compliance, human resources and information technology. General and administrative expenses are expensed as incurred.

Sales and marketing – Sales and marketing primarily consist of personnel-related expenses, including stock-based compensation, advertising expenses, branding and public relations expenses, referral fees for strategic partnerships and other benefits that the Company provides to its referral and affiliate partners. The Company expenses the costs of sales and marketing, including promotional expenses, as incurred.

Income taxes – Deferred tax liabilities and assets are recognized for the expected future tax consequences of temporary differences between financial statement carrying amounts and the tax basis of assets and liabilities and net operating loss (NOL) and tax credit carryforwards. Valuation allowances are established when necessary to reduce deferred tax assets to the amount more likely than not expected to be realized.

The Company accounts for uncertainty in income taxes using a two-step approach to recognizing and measuring uncertain tax positions. The first step is to evaluate the tax position for recognition by determining if the weight of available evidence indicates that it is more likely than not that the position will be sustained on audit, including resolution of related appeals or litigation processes, if any. The second step is to measure the tax benefit as the largest amount that is more than 50% likely of being realized upon settlement. The Company classifies any liabilities for unrecognized tax benefits as current to the extent that the Company anticipates payment (or receipt) of cash within one year. Interest and penalties related to uncertain tax positions are recognized in the provision for income taxes.

In January 2018, the FASB released guidance on the accounting for tax on the global intangible low-taxed income (GILTI) provisions of the Tax Cuts and Jobs Act. The GILTI provisions impose a tax on foreign income in excess of a deemed return on tangible assets of foreign corporations. The guidance indicates that either accounting for deferred taxes related to GILTI inclusions or treating any taxes on GILTI

inclusions as period cost are both acceptable methods subject to an accounting policy election. The Company has elected to treat any potential GILTI inclusions as a period cost.

On March 27, 2020, the U.S. president signed into law the CARES Act, an economic stimulus package in response to the COVID-19 global pandemic. The CARES Act contains several corporate income tax provisions, including making remaining alternative minimum tax credits immediately refundable; providing a 5-year carryback of net operating loss carryforwards (NOLs) generated in tax years 2018, 2019, and 2020, and removing the 80% taxable income limitation on utilization of those NOLs if carried back to prior tax years or utilized in tax years beginning before 2021; and temporarily liberalizing the interest deductibility rules under Section 163(j) of the Tax Cuts and Jobs Act, by raising the adjusted taxable income limitation from 30% to 50% for tax years 2019 and 2020 and giving taxpayers the election of using 2019 adjusted taxable income for purposes of computing 2020 interest deductibility. States apply certain provisions of the CARES Act, and the Company has evaluated the state impacts as well in income tax calculations. During the year ended December 31, 2019, the Company was able to take advantage of the Section 163(j) relief and applied the 50% limitation, which increased the 2019 interest expense deduction limit. During the year ended December 31, 2019, the Company also was able to utilize NOLs to offset 100% of federal taxable income. For 2021, the provisions of the CARES Act are not expected to have a material impact on the Company's consolidated financial statements.

The Company's provision for income taxes does not include provisions for foreign withholding taxes associated with the repatriation of undistributed earnings of certain foreign subsidiaries that the Company intends to reinvest indefinitely in its foreign subsidiaries.

On December 27, 2020, the U.S. president signed into law the Consolidated Appropriations Act, 2021, which includes further COVID-19 economic relief and extension of certain expiring tax provisions. The relief package had no material impact to the Company's tax positions.

California Assembly Bill 85 (AB 85) was signed into law by the governor on June 29, 2020. The legislation suspends the California net operating loss deductions for 2020, 2021 and 2022 for certain taxpayers and imposes a limitation of California tax credits utilization for 2020, 2021 and 2022. The legislation disallows the use of California net operating loss deductions if the taxpayer recognizes business income and its income subject to tax is greater than $1 million. Additionally, business credits will only offset a maximum of $5 million of California tax liability. The Company has estimated its 2020 California state taxable income to be above $1 million. As such, the Company will not be eligible to use any California net operating loss deductions in 2020 but will be able to offset the California tax liability with California tax credits.

Net income (loss) per share - The Company computes net income (loss) per share using the two-class method required by ASC 260, *Earnings per Share*, for participating securities. All series of the Company's convertible preferred stock are participating securities as the holders of such stock are entitled to receive stated noncumulative dividends when and if declared and then they participate on a pari passu basis in the event that a dividend is paid on common stock. The holders of convertible preferred stock do not have a contractual obligation to share in the Company's losses. The undistributed earnings are allocated between common stock and participating securities as if all earnings had been distributed during the period presented.

Since the Company has not declared dividends, the undistributed earnings are first allocated to the convertible preferred stock up to the amount of the undeclared stated dividends. However, since the amount of the undeclared stated dividends exceeds available undistributed earnings for the year ended December 31, 2019, the dividend is allocated only up to the amount of available earnings. For the year ended December 31, 2020, the Company generated a net loss and, therefore, no loss is allocated to the holders of the convertible preferred stock. For the six months ended June 30, 2020 and 2021 (unaudited), undistributed earnings exceed the amount of undeclared stated dividends and were available for allocation to the common stockholders.

Basic net income (loss) per share is computed by dividing net income (loss) for the period by the weighted-average number of outstanding shares of common stock during the period, less weighted-

average shares subject to repurchase. Diluted net income (loss) per share is computed by dividing net income (loss) for the period by the weighted-average number of outstanding shares of common stock and, when dilutive, potential shares of common stock outstanding during the period using the more dilutive of the treasury stock method or if-converted method, as applicable. The dilutive effect of participating securities is calculated using the more dilutive of the treasury method or the two-class method.

Segment reporting - The Company operates as one reportable segment because its chief operating decision maker, who is the executive committee that consists of the chief executive officer, the chief financial officer and the chief operating officer, reviews the Company's financial information on a consolidated basis for purposes of making decisions regarding allocating resources and assessing performance. All long-lived assets are located in the United States.

The table below provides the Company's total revenue by geographic area (in thousands). No other individual country outside of the United States accounted for more than 10% of total revenue.

	Year ended December 31,		Six months ended June 30,	
	2019	2020	2020	2021
			(unaudited)	
Revenue by customers' geographic locations				
United States	$ 72,861	$ 79,108	$ 36,588	$ 57,912
All other locations	7,599	8,964	4,053	7,112
Total revenue	$ 80,460	$ 88,072	$ 40,641	$ 65,024

No individual customer represents more than 10% of the Company's total revenue for the years ended December 31, 2019 or 2020 and the six months ended June 30, 2020 and 2021 (unaudited).

Emerging growth company status - The Company is an emerging growth company, as defined in the Jumpstart Our Business Startups Act of 2012 (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 those standards apply to private companies. The Company has elected to use this 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 it is (i) no longer an emerging growth company or (ii) affirmatively and irrevocably opts out of the extended transition period provided in the JOBS Act. As a result, the consolidated financial statements may not be comparable to companies that comply with the new or revised accounting pronouncements as of public company effective dates.

The JOBS Act does not preclude an emerging growth company from early adopting new or revised accounting standards. The Company early adopted ASU No. 2016-02, *Leases (Topic 842)* as of January 1, 2019 using the modified retrospective transition approach. See Recently adopted accounting pronouncements for further detail.

Recently adopted accounting pronouncements – In May 2014, the FASB issued ASU No. 2014-09, *Revenue from Contracts with Customers (Topic 606)*. The underlying principle of the new revenue standard is to recognize revenue to depict the transfer of goods or services to customers at an amount to which the entity expects to be entitled in exchange for those goods or services. Effective January 1, 2019, the Company adopted the provisions and expanded disclosure requirements described in ASU No. 2014-09 using the full retrospective method applied to all contracts not completed as of January 1, 2018. Results for reporting periods beginning after January 1, 2018, are presented under Topic 606. The adoption of Topic 606 did not have a material impact to the Company's consolidated financial statements and as such, no cumulative effect adjustment was recorded upon adoption.

In February 2016, the FASB issued ASU No. 2016-02, *Leases (Topic 842)*. Topic 842 supersedes the lease requirements in Accounting Standards Codification (ASC) Topic 840, *Leases*. Topic 842 requires the recognition of lease assets and liabilities for operating leases with terms of more than 12 months, in addition to those currently recorded, on the balance sheet. The guidance is effective for nonpublic entities for annual periods beginning after December 15, 2021 with early adoption permitted. The Company early adopted the new guidance as of January 1, 2019 using a modified retrospective transition approach and applied the optional practical expedients related to the transition, which permits the Company to retain prior conclusions about lease identification, lease classification and initial direct costs for leases that commenced before January 1, 2019. The adoption of ASU No. 2016-02 on January 1, 2019 resulted in the recognition of additional lease liabilities and right-of-use assets of $5,326,888. The adoption of ASU No. 2016-02 had no material impact to the consolidated statements of income and statements of cash flows.

In August 2016, the FASB issued ASU No. 2016-15, *Statement of Cash Flows (Topic 230): Classification of Certain Cash Receipts and Cash Payments*. This update clarifies how certain cash receipts and cash payments are presented and classified in the consolidated statement of cash flows. This ASU is effective for fiscal years beginning after December 15, 2018, and interim periods within fiscal years beginning after December 15, 2019. Early adoption is permitted, including adoption in an interim period. If an entity early adopts the amendments in an interim period, any adjustments should be reflected as of the beginning of the fiscal year that includes that interim period. An entity that elects early adoption must adopt all of the amendments in the same period. The Company adopted this standard in 2019. The adoption of ASU No. 2016-15 had no material impact to the consolidated financial statements.

In November 2016, the FASB issued ASU No. 2016-18, *Statement of Cash Flows (Topic 230): Restricted Cash*, which has the primary purpose of reducing the diversity in practice that exists in the classification and presentation of changes in restricted cash on the consolidated statement of cash flows. This ASU requires amounts generally described as “restricted cash” or “restricted cash equivalents” to be presented with cash and cash equivalents when reconciling the beginning and ending amounts shown on the consolidated statement of cash flows. Companies are required to disclose how the consolidated statement of cash flows reconciles to the consolidated balance sheet if restricted cash is shown separate from cash and cash equivalents on the consolidated balance sheet. Companies also must disclose information about the nature of the restrictions on cash. The standard is effective for nonpublic business entities beginning after December 15, 2018. Early adoption is permitted and should be applied using a retrospective transition method to each period presented. The Company adopted this standard in 2019 and reflected restricted cash balances within cash and cash equivalents on the Company’s consolidated statements of cash flows.

In June 2018, the FASB issued ASU No. 2018-07, *Compensation – Stock Compensation (Topic 718)*. This update is intended to reduce cost and complexity and to improve financial reporting for share-based payments issued to nonemployees (for example, service providers, external legal counsel, suppliers, etc.). The ASU expands the scope of Topic 718, *Compensation—Stock Compensation*, which currently only includes share-based payments issued to employees, to also include share-based payments issued to nonemployees for goods and services. Consequently, the accounting for share-based payments to nonemployees and employees will be substantially aligned. The Company early adopted this standard as of January 1, 2019. The adoption of ASU No. 2018-07 had no material impact to the Company’s consolidated financial statements and related disclosures.

As part of its initiative to reduce complexity in the accounting standards, in December 2019 the FASB issued ASU No. 2019-12, *Income Taxes (Topic 740): Simplifying the Accounting for Income Taxes*, which eliminates certain exceptions related to the approach for intra-period tax allocation, the methodology for calculating income taxes in an interim period and the recognition of deferred tax liabilities for outside basis differences. ASU No. 2019-12 also clarifies and simplifies other aspects of the accounting for income taxes. The standard is effective for fiscal years, and interim periods within those fiscal years, beginning after December 15, 2020, with early adoption permitted. The Company early adopted ASU No. 2019-12

on January 1, 2020. The adoption of ASU No. 2019-12 had no material impact to the Company's consolidated financial statements and related disclosures.

Recent accounting pronouncements not yet adopted – In June 2016, the FASB issued ASU No. 2016-13, *Measurement of Credit Losses on Financial Instruments (Topic 326)*, which requires an impairment model (known as the current expected credit loss (CECL) model) that is based on expected rather than incurred losses, with an anticipated result of more timely loss recognition. The CECL model requires measurement of expected credit losses not only based on historical experience and current conditions, but also by including reasonable and supportable forecasts incorporating forward-looking information. The Company is in the process of determining key accounting interpretations, data requirements and necessary changes to our credit loss estimation methods, processes and systems. This guidance is effective for the Company for annual reporting periods beginning after December 15, 2022 and interim periods therein. The Company is currently evaluating the impact of adoption of ASU No. 2016-13 on its consolidated financial statements and related disclosures.

Subsequent events – The Company has evaluated subsequent events through April 28, 2021, September 24, 2021 and November 1, 2021, the dates the consolidated financial statements for the years ended December 31, 2019 and 2020 were originally issued, revised for the reclassification of prior year presentation and for the retroactive stock split presentation (as discussed in Note 1), respectively. Additionally, the Company has evaluated subsequent events through September 24, 2021 and November 1, 2021, the date the interim consolidated financial statements as of and for the six months ended June 30, 2021 (unaudited) were originally issued and revised for the retroactive stock split presentation (as discussed in Note 1).

In July 2021, the Company determined that it would pay a cash bonus to each of its employees in a value that approximates the cost of each employee exercising 45% of their total stock options issued through June 15, 2021, including the tax withholding applicable to each employee, limited by the available number of options to exercise. The Company included both vested and unvested stock options to each employee through June 15, 2021 in determining the cash bonus paid. From July 1, 2021 through the previous financial statement issuance date on September 24, 2021, the Company has paid $9,491,691 of these cash bonuses to employees. Additionally, from September 25, 2021 through November 1, 2021, the Company has paid approximately $3,300,000. No employee was obligated to use the cash bonus to exercise their outstanding stock options. As of September 24, 2021, the total cash bonuses yet to be paid to employees are estimated to range from approximately $30,800,000 to $35,500,000 as a result of the complexities of each individual employee's tax situation, including varying tax locations of our employees. As of November 1, 2021, the total cash bonuses yet to be paid to employees are estimated to range from approximately $27,500,000 to $32,200,000 as a result of the complexities of each individual employee's tax situation, including varying tax locations of our employees. We expect payment of the bonuses to take place during the fiscal quarter ended December 31, 2021. From July 1, 2021 through September 24, 2021, the Company has issued an additional 1,459,420 shares, of which 419,740 remain unvested. From September 25, 2021 through November 1, 2021, the Company has issued an additional 24,480 shares. As of November 1, 2021, 407,110 of these shares issued beginning on July 1, 2021 remain unvested.

In September 2021, the Company's Board of Directors approved and authorized 4,339,690 and 4,339,690 shares of Class A and LT50 common stock, respectively, issuable upon the vesting of RSUs granted by the Company's Board of Directors subsequent to June 30, 2021 under our 2019 Option Plan, which will be effective immediately prior to the effectiveness of the registration statement on Form S-1, of which this prospectus is a part.

In September 2021, the Company amended and restated its loan and security agreement with CIBC to refinance the existing term loans, establish a single term loan of up to $75,000,000, consisting of a $45,000,000 initial term loan with an option at a later date to enter into an additional $30,000,000 delayed term loan, and increase the revolving line of credit to $25,000,000. A portion of the loan proceeds will be used to immediately repay the remaining balances under the amortizing and non-amortizing term loans at the time of the amendment and restatement as well as the commitment fees and any other debt issuance

costs associated with the amended agreement. The remaining proceeds from the initial term loan will go towards the Company's normal business operations.

The Company has concluded that no other subsequent event has occurred that requires disclosure except as noted elsewhere in these consolidated financial statements.

NOTE 3 – CAPITALIZED SOFTWARE

Capitalized software development costs consisted of the following (in thousands):

	As of December 31,		As of June 30,
	2019	2020	2021
			(unaudited)
Capitalized software development costs	$ 4,361	$ 6,170	$ 7,412
Less: accumulated amortization	(1,411)	(2,448)	(3,106)
	$ 2,950	$ 3,722	$ 4,306

Amortization expense related to capitalized software development costs for the years ended December 31, 2019 and 2020, was $648,340 and $1,037,204, respectively. Amortization expense related to capitalized software development costs for the six months ended June 30, 2020 and 2021 (unaudited), was $484,910 and $768,917, respectively. Amortization expense related to capitalized software development costs is recorded in Cost of revenue, net on the consolidated statements of income.

NOTE 4 – PROPERTY AND EQUIPMENT

Property and equipment consisted of the following (in thousands):

	As of December 31,		As of June 30,
	2019	2020	2021
			(unaudited)
Computers and equipment	$ 935	$ 929	$ 416
Furniture and fixtures	1,080	1,210	1,046
Leasehold improvements	4,475	6,937	7,075
Commercial building	6,493	6,493	6,493
Land	4,151	4,151	4,151
Construction in progress	409	304	2,077
	17,543	20,024	21,258
Less: accumulated depreciation and amortization	(3,281)	(4,661)	(5,085)
	$ 14,262	$ 15,363	$ 16,173

For the years ended December 31, 2019 and 2020, depreciation and amortization expense related to Property and equipment was $1,376,860 and $1,384,385, respectively. For the six months ended June 30, 2020 and 2021 (unaudited), depreciation and amortization expense related to Property and equipment was $697,234 and $1,129,857, respectively. Depreciation and amortization expense related to Property and equipment is recorded in General and administrative on the consolidated statements of income.

In 2019, the Company purchased a commercial building in Portland, Oregon that was previously being leased by the Company for office space. In connection with the purchase of the commercial building, the Company wrote off approximately $800,000 of tenant funded leasehold improvements immediately prior to purchase during 2019. As of December 31, 2019, and 2020 and June 30, 2021 (unaudited), there is no tenant funded leasehold improvement or corresponding liability amount included in the consolidated balance sheets.

NOTE 5 – LEASES

The Company has operating leases for corporate offices and finance leases primarily for data center equipment. The operating and finance leases have remaining lease terms of one to three years. The operating and finance leases contain options to extend or terminate the lease. However, these were not included in the lease terms of the operating leases as the Company is not reasonably certain to exercise those options. The Company included options to extend the lease terms of the finance leases as the Company is reasonably certain to exercise those options.

During 2019, the Company entered into additional finance lease agreements to finance the acquisition of property and equipment (primarily data center equipment) valued at $315,792. These agreements expire at various dates during 2022. The related assets secure these leases. During 2019, the Company also entered into a two-year operating lease agreement for office space in the U.K. and recorded an operating lease right-of-use asset of $893,936.

During 2020 and the six months ended June 30, 2021 (unaudited), the Company did not enter into any additional finance lease agreements to finance the acquisition of new property and equipment. In August 2020, the Company entered into a new finance lease agreement that combined several of the remaining data center equipment leases into one consolidated agreement with the same lessor. The new agreement updated the expiration date of the lease payments to July 31, 2023. All other terms and conditions of the finance lease agreements remained the same. There were no additional operating lease agreements entered into during 2020 or the six months ended June 30, 2021 (unaudited).

The components of lease cost were as follows (in thousands):

	Year ended December 31,		Six months ended June 30,	
	2019	2020	2020	2021
			(unaudited)	
Finance lease cost:				
Amortization of ROU assets	$ 820	$ 827	$ 426	$ 395
Interest on lease liabilities	44	39	18	23
Total finance lease cost	864	866	444	418
Operating lease cost	1,462	898	487	410
Short-term lease cost	358	549	353	118
Total lease cost	$ 2,684	$ 2,313	$ 1,284	$ 946

Other information related to leases is as follows (in thousands):

	As of December 31,		As of June 30,
	2019	2020	2021
			(unaudited)
Finance lease ROU asset (included within Lease right-of-use assets)	$ 1,608	$ 2,041	$ 1,646
Operating lease ROU asset (included within Lease right-of-use assets)	$ 3,003	$ 1,692	$ 1,326
Weighted-average remaining lease term (in years):			
Finance leases	1.91	2.58	2.08
Operating leases	2.88	2.31	1.84
Weighted-average discount rate:			
Finance leases	2.6 %	2.5 %	2.5 %
Operating leases	5.1 %	5.3 %	5.3 %

	Year ended December 31,		Six months ended June 30,	
	2019	2020	2020	2021
			(unaudited)	
Cash paid for amounts included in the measurement of lease liabilities:				
Operating cash flows from operating leases	$ (1,509)	$ (961)	$ (517)	$ (451)
Operating cash flows from finance leases	(44)	(39)	(18)	(23)
Financing cash flows from finance leases	(793)	(808)	(416)	(385)
ROU assets obtained in exchange for operating lease liabilities	894	—	—	—
ROU assets obtained in exchange for finance lease liabilities	316	1,260	—	—

To calculate the ROU assets and liabilities, the Company uses the discount rate implicit in lease agreements when available. When the implicit discount rates are not readily determinable, the Company uses the incremental borrowing rate. The Company determines the incremental borrowing rate using interest rates from the Company's secured borrowings after taking into consideration the nature of the debt, such as borrowings collateralized by the exact building in the lease, and payment structure, including frequency and number of payments in the agreement.

Maturities of lease liabilities as of December 31, 2020 were as follows (in thousands):

	Finance leases	Operating leases
For the year ending:		
2021	$ 816	$ 880
2022	816	795
2023	476	333
2024	—	—
2025	—	—
Thereafter	—	—
Total lease payments	2,108	2,008
Less: imputed interest	(68)	(123)
Less: lease liabilities, current	(774)	(801)
Lease liabilities, non-current	$ 1,266	$ 1,084

NOTE 6 – SIGNIFICANT BALANCE SHEET COMPONENTS

Other current assets – Other current assets consisted of the following (in thousands):

	As of December 31,		As of June 30,
	2019	2020	2021
			(unaudited)
Expensify Card collateral for funds held for customers	$ 311	$ 1,714	$ 2,725
Cash in transit for funds held for customers	110	241	704
Expensify.org restricted cash	—	—	209
Commercial building restricted cash	—	—	14
Contract assets	—	1,165	389
Deferred initial public offering costs	—	—	4,165
Other	56	284	206
	$ 477	$ 3,404	$ 8,412

Accrued expenses and other liabilities – Accrued expenses and other liabilities consisted of the following (in thousands):

	As of December 31,		As of June 30,
	2019	2020	2021
			(unaudited)
Accrued expense reports	$ 120	$ 73	$ 168
Partner payouts and advertising fees	23	23	537
Hosting and license fees	249	134	44
Credit card processing fees	72	254	369
Professional and other fees	191	1,133	1,979
Sales, payroll and other taxes payable	302	1,250	5,915
Interest payable	373	490	535
Restricted common stock liability for early stock option exercises	—	—	1,192
Other	431	178	385
	$ 1,761	$ 3,535	$ 11,124

NOTE 7 – FINANCING ARRANGEMENTS

In 2019, the Company purchased a commercial building in Portland, Oregon. In connection with the purchase, the Company entered into a credit agreement with Canadian Imperial Bank of Commerce (CIBC) that provides for a $8,250,000 amortizing term mortgage.

Amortizing term mortgage – Under the amortizing term mortgage agreement with CIBC, the Company borrowed $8,250,000 in August 2019, which requires interest and principal payments be made each month over a 30-year period. Interest accrues at a fixed rate of 5% per year until August 2024, at which point the interest rate changes to the Wall Street Journal Prime Rate minus 0.25% for the remaining term of the mortgage. The borrowings are secured by the building. As of December 31, 2019 and 2020, the outstanding balance of the amortizing term mortgage was $8,209,723 and $8,084,836, respectively. As of June 30, 2021 (unaudited), the outstanding balance of the amortizing term mortgage was $8,020,042.

Monthly revolving line of credit – The line of credit agreement with CIBC provides borrowings of the lesser of $15,000,000 or 300% of monthly recurring revenue of the Company. Borrowings under the line bear interest at the bank's reference rate plus 1.00% (5.75% and 4.25% as of December 31, 2019 and

2020, respectively) and are secured by substantially all of the Company's assets. As of December 31, 2019, and 2020, the Company had drawn $6,387,000 and $15,000,000, respectively, under the line of credit. As of June 30, 2021 (unaudited), the Company had drawn $15,000,000 under the line of credit. As of December 31, 2020 and June 30, 2021 (unaudited), the Company had no capacity available for borrowings under the line of credit agreement.

Non-amortizing term loan – Under the non-amortizing term loan agreement with CIBC, the Company borrowed $11,000,000 in May 2018, and such agreement was amended in November 2018. The term loan is an interest-only loan (fixed at 9.5% per year) for 60 months that becomes due and payable at the end of the note term in November 2023. The borrowings are secured by substantially all the Company's assets. As of December 31, 2019, December 31 2020 and June 30, 2021 (unaudited), the outstanding balance of the non-amortizing term loan was $11,000,000.

Amortizing term loan – Under the amortizing term loan agreement with CIBC, the Company borrowed $14,000,000 in November 2018, which requires interest-only payments on the outstanding borrowings through November 1, 2020. Beginning in November 2020, the amount outstanding at such time becomes payable over a 36-month period with principal and accrued interest payments due each month thereafter. The amounts borrowed are payable with interest at the bank's reference rate plus 2.25% (7% and 5.5% at December 31, 2019 and 2020, respectively) beginning in November 2020 through 2023. The borrowings are secured by substantially all the Company's assets. As of December 31, 2019 and 2020, the outstanding balance of the amortizing term loan was $14,000,000 and $13,805,556, respectively. As of June 30, 2021 (unaudited), the outstanding balance of the amortizing term loan was $12,638,889.

For the years ended December 31, 2019 and 2020, the Company incurred $23,826 and $170,995 in costs related to the amortizing term mortgage and term loan agreements, respectively. For the six months ended June 30, 2020 and 2021 (unaudited), the Company incurred $16,241 and $16,270, respectively. These debt issuance costs are reflected as a reduction of the carrying amount of the long-term debt and are being amortized to interest expense over the term of the agreements. As of December 31, 2019, and 2020, the unamortized debt issuance costs remaining are $148,033 and $115,535, respectively. As of June 30, 2020 and 2021 (unaudited), the unamortized debt issuance costs remaining were $131,792 and $99,265, respectively.

Future aggregate annual principal payments on all long-term debt are as follows for the next five years:

Years ending December 31,	(in thousands)
2021	$ 17,465
2022	2,471
2023	20,284
2024	152
2025 and thereafter	7,519
	$ 47,891
Less: discount for issuance costs	(116)
	$ 47,775
Less: line of credit	(15,000)
Less: current portion, net of issuance costs	(2,454)
Total long-term debt, net of issuance costs	$ 30,321

The Company is subject to customary covenants under its revolving line of credit agreement, non-amortizing term loan agreement and amortizing term loan agreement, which unless waived by CIBC, restrict its and its subsidiaries' ability to, among other things incur additional indebtedness, create or incur liens, permit a change of control or merge or consolidate with other companies, sell or transfer assets, pay dividends or make distributions, make acquisitions, investments or loans, or payments and prepayments of subordinated indebtedness, subject to certain exceptions. The Company must also

maintain EBITDA for the twelve-month period ended each fiscal quarter close at an amount no less than the benchmarks specified in the respective credit or loan agreements (ranging from $4.0 million for the twelve months ended December 31, 2020 to $6.75 million for the twelve months ended September 30, 2023, with $250,000 increments to the EBITDA benchmark between each testing period).

If the Company fails to perform its obligations under these and other covenants, CIBC's credit commitments could be terminated and any outstanding borrowings, together with accrued interest, under the credit or loan agreements could be declared immediately due and payable.

As of December 31, 2019, and 2020 and June 30, 2021 (unaudited), the Company was in compliance with all debt covenants.

NOTE 8 – CONVERTIBLE PREFERRED STOCK AND STOCKHOLDERS' DEFICIT

The Company's Amended and Restated Certificate of Incorporation authorizes the Company to issue 95,000,000 shares of common stock and 4,203,139 shares of convertible preferred stock with a par value of $0.0001 per share. As of December 31, 2019 and 2020, there was 26,589,930 and 29,366,940 shares of common stock issued and outstanding, respectively. As of June 30, 2021 (unaudited), there was 34,780,520 shares of common stock issued and outstanding. The holders of each share of common stock are entitled to the number of votes that is equal to the number of shares of common stock issued and outstanding for the holders.

During the year ended December 31, 2019, the Company repurchased 55,200 shares of exercised unvested common stock, for $1,794,703, of which $13,919 for the exercise cost of the repurchase was recorded within Additional paid-in capital and the remaining $1,780,784 of the repurchase was recorded as stock-based compensation expense.

During the six months ended June 30, 2021 (unaudited), certain employees exercised stock options for a total of 2,529,830 shares of common stock for $1,759,643 by entering into promissory notes with the Company. Although each promissory note varied in loan amount, all notes had the same standard terms with annual interest of 0.13% and unpaid principal balances due and payable in twelve equal monthly payments beginning October 1, 2021. No promissory notes were entered into with listed directors or executive officers of the Company. As each promissory note is considered a recourse loan in form and substance, the Company records all outstanding loan balances for employees to exercise stock options to Subscriptions receivable as contra equity within Stockholders' deficit. As of June 30, 2021 (unaudited), the Company recognized $1,759,643 of Subscriptions receivable and no payments of interest or principal have been received to date. As of June 30, 2021 (unaudited), no interest income has been accrued to date on the promissory notes.

As of December 31, 2019 and 2020 and June 30, 2021 (unaudited), convertible preferred stock consisted of the following:

(in thousands, except share and per share data)	Shares authorized	Shares issued and outstanding	Original issuance price per share	Liquidation amount	Carrying value
Series A	1,090,868	1,090,868	$ 0.9167	$ 1,000	$ 1,000
Series B	1,401,399	1,401,399	$ 2.67903	3,754	22,827
Series B-1	644,541	644,541	$ 5.54619	3,575	4,108
Series C	1,066,331	1,066,331	$ 15.5677	16,600	17,170
	4,203,139	4,203,139		$ 24,929	$ 45,105

The significant features of the Company's convertible preferred stock are as follows:

Dividend provisions – The holders of Series A convertible preferred stock (Series A), Series B convertible preferred stock (Series B), Series B-1 convertible preferred stock (Series B-1) and Series C

convertible preferred stock (Series C) are entitled to receive, when and if declared by the Board of Directors, noncumulative dividends at a rate of $0.07334, $0.21432, $0.4437 and $1.2454 per share per annum, respectively, adjusted for certain events, such as stock splits and combinations. After payment of such dividends, any additional dividends or distributions shall be distributed among the holders of the convertible preferred stock and common stock pro rata based on the number of shares held by each holder. The Company has declared no dividends to date.

Liquidation preference – In the event of any liquidation, dissolution or winding up of the Company, the holders of convertible preferred stock for Series A, Series B, Series B-1, or Series C then outstanding shall be entitled to be paid, prior and in preference to any distribution of any of the assets, funds, or proceeds available for distribution, the original issuance price per share equal to $0.9167, $2.67903, $5.54619, or $15.56770, respectively, plus declared but unpaid dividends. If assets are not sufficient to permit such payment, payment will be made on a pro rata, equal priority, pari passu basis.

As the shares of convertible preferred stock contain liquidation features that are not solely within the Company's control, these liquidation features result in the Series A, Series B, Series B-1 and Series C convertible preferred stock being classified as mezzanine equity rather than as a component of stockholders' deficit.

Conversion rights – Each outstanding share of Series A, Series B, Series B-1 and Series C is convertible into ten fully paid and nonassessable shares of common stock. Each share of convertible preferred stock shall automatically be converted into fully paid and nonassessable shares of common stock immediately prior to the closing of a firm commitment underwritten public offering in which the aggregate offering price equals or exceeds $50,000,000 or exceeds $46.70310 per share. Conversion also may occur upon written consent of at least two-thirds of the then outstanding shares of convertible preferred stock.

Redemption rights – Except in the case of liquidation, the convertible preferred stock is not redeemable at the option of the holder.

Voting rights – The holders of each share of convertible preferred stock are entitled to the number of votes equal to the number of shares of common stock into which such shares are convertible.

Warrants – The Company issued warrants during various dates in 2013 and in December 2016 to purchase 430,080 shares of common stock in relation to the previous credit agreement entered into with Silicon Valley Bank.

Although the credit agreement was terminated in 2018, the common stock warrants remain outstanding until exercised or expired. The warrants issued in 2013 and 2016 are exercisable immediately at $0.07 and $0.53 per share, respectively, with expiration dates ten years after issuance. There have been no warrants exercised to date. The Company recorded the common stock warrants in Additional paid-in capital at their grant date fair value which approximates the exercise price.

The following table discloses important information regarding common stock warrants issued and outstanding at December 31, 2019 and 2020 and June 30, 2021 (unaudited):

Date issued	Number of warrant shares	Fair value on issuance date (in thousands)	Exercisable through
September 2013	150,000	$ 10	September 2023
October 2013	150,000	10	October 2023
December 2016	130,080	69	December 2026
	430,080	$ 89	

NOTE 9 – STOCK-BASED COMPENSATION

In 2009, the Company's Board of Directors approved the adoption of a stock option plan (the Option Plan). As amended in 2015, the Option Plan permits the Company to grant up to 16,495,150 shares of the Company's common stock. In January 2018, the Company increased the common stock reserved under the Company's Option Plan by 535,130 shares, from 16,495,150 shares to 17,030,280. In April 2019, the Company approved the adoption of a new 2019 stock option plan (the 2019 Option Plan). This plan permits the Company to grant up to 8,173,970 additional shares, increasing the overall common stock reserved for grant to 25,204,250 shares.

The 2019 Option Plan gives the Company the ability to grant restricted stock units. No restricted stock units were issued as of December 31, 2019, December 31, 2020 and June 30, 2021 (unaudited).

Both option plans provide for the grant of incentive and nonstatutory stock options to employees, nonemployee directors and consultants of the Company. Under the option plans, the exercise price of incentive stock options must be at least equal to 110% of the fair value of the common stock on the grant date for a "ten-percent holder" or 100% of the fair value of the common stock on the grant date for any other employee. The exercise price of nonstatutory options granted must be at least equal to 100% of the fair value of the Company's common stock on the date of grant.

Under both option plans, most options typically vest over four years and are exercisable at any time after the grant date. Each employee has the right to exercise unvested stock options for restricted common stock. However, if the employee is terminated either voluntarily or involuntarily prior to all of the exercised options vesting, the Company has the right to repurchase the unvested early exercised shares at the original purchase price. Early exercises of options are not deemed to be substantive exercises for accounting purposes and accordingly, amounts received for early exercises are recorded as a liability. These repurchase terms are considered to be a forfeiture provision and do not result in variable accounting. During the year ended December 31, 2019, the Company repurchased 55,200 shares of exercised unvested common stock, for $1,794,703, of which $13,919 of the exercise cost of the repurchase was recorded within Additional paid-in capital and the remaining $1,780,784 of the repurchase was recorded as stock-based compensation expense. There were no repurchases of common stock during the year ended December 31, 2020 and the six months ended June 30, 2021 (unaudited).There were no early exercised shares subject to repurchase as of December 31, 2019, June 30, 2020 (unaudited) and December 31, 2020.

As of June 30, 2021 (unaudited), there were 727,350 shares subject to repurchase related to stock options early exercised and not yet vested, but that are expected to vest. As of June 30, 2021 (unaudited), the Company recorded a liability related to these shares subject to repurchase in the amount of $1,191,810, which is included within Accrued expenses and other liabilities in the accompanying consolidated balance sheets. These amounts are reclassified to common stock and additional paid in capital as the underlying shares vest.

During 2020, by mutual agreement, the Company modified the terms and conditions of certain stock option awards originally granted in 2019 by cancelling the original awards granted and reissuing new stock option awards on new grant dates during 2020 with an increased fair value per share on the awards on the new grant date. As a result of the modification, only the grant date changed. All vesting conditions, number of shares granted in the stock option awards and contractual terms of the stock options remained the same. The Company treated these changes to the stock option awards as modifications of the terms and conditions of an equity award. The modification impacted certain stock option awards of 42 employees of the Company. During the year ended 2020, the modification had an immaterial impact to stock-based compensation expense and the consolidated financial statements.

During the year ended December 31, 2020, certain employees sold their common stock to new investors. Due to the Company's involvement in the transaction, the sale of common stock was determined to be compensatory, and the Company recorded $15,255,092 to stock-based compensation expense for the sale price in excess of fair value.

Stock-based compensation expense for all share-based payment awards is based on the grant date fair value. The fair value of common stock is determined by the Board of Directors based on a number of factors including independent third-party valuations of the Company's common stock, which considers estimates of the Company's future performance and valuations of comparable companies. The Company also considers prices at which others have purchased the Company's stock as well as the likelihood and timing of achieving a liquidity event. The Company recognizes stock-based compensation costs on a straight-line basis over the requisite service period of the award, which is generally the option vesting term of four years.

For the years ended December 31, 2019 and 2020, the Company recorded stock-based compensation expense of $3,487,089 and $17,837,359, respectively. For the six months ended June 30, 2020 and 2021 (unaudited), the Company recorded stock-based compensation expense of $1,185,520 and $1,597,721, respectively. All stock-based compensation expense for the Company is recorded on the consolidated statements of income and within Additional paid-in capital on the consolidated balance sheets and statements of convertible preferred stock and stockholders' deficit with the exception of the $1,780,784 of stock-based compensation expense for the repurchase of unvested early exercised shares during the year ended December 31, 2019. This amount was included on the consolidated statements of income; however, as the excess of the repurchase price over the fair value of the shares was determined to be a cash bonus, it was not included within Additional paid-in capital as of and for the year ended December 31, 2019.

Stock-based compensation is included in the following components of expenses on the accompanying consolidated statements of income (in thousands):

	Year ended December 31,		Six months ended June 30,	
	2019	2020	2020	2021
			(unaudited)	
Cost of revenue, net	$ 846	$ 2,272	$ 324	$ 425
Research and development	741	2,469	240	328
General and administrative	1,496	12,648	516	708
Sales and marketing	404	448	106	137
Total	$ 3,487	$ 17,837	$ 1,186	$ 1,598

Stock option activity for the year ended December 31, 2020 and the six months ended June 30, 2021 (unaudited), was as follows:

	Shares	Weighted average exercise price per share	Weighted average remaining contractual life (in years)
Outstanding at December 31, 2019	15,545,850		
Options granted	1,638,020	$ 2.11	
Options exercised	(2,777,010)	$ 0.47	
Options cancelled/forfeited/expired	(894,040)	$ 2.57	
Outstanding at December 31, 2020	13,512,820	$ 0.78	6.35
Exercisable at December 31, 2020	13,222,800	$ 0.78	6.31
Options granted (unaudited)	738,590	$ 7.76	
Options exercised (unaudited)	(5,413,580)	$ 0.95	
Options cancelled/forfeited/expired (unaudited)	(272,600)	$ 0.99	
Outstanding at June 30, 2021 (unaudited)[1]	8,565,230	$ 1.27	6.01
Exercisable at June 30, 2021 (unaudited)	8,277,250	$ 1.25	5.93

(1) Included within the options outstanding are 3,123,800 shares for which the Company provided promissory notes to employees with a repayment term of 12 months. As of June 30, 2021, 593,970 shares with a corresponding loan amount of $1,195,114 were unvested and therefore were not recorded as they were determined to be non-substantive for accounting purposes.

The total pretax intrinsic value of options exercised during the years ended December 31, 2019 and 2020, was $4,655,919 and $11,262,711, respectively. The total pretax intrinsic value of options exercised during the six months ended June 30, 2020 and 2021 (unaudited), was $2,861,988 and $59,930,620, respectively. The total pretax intrinsic value of options outstanding at December 31, 2019 and 2020, was $40,412,194 and $86,828,282, respectively. The total pretax intrinsic value of options outstanding at June 30, 2021 (unaudited) was $101,826,596. The intrinsic value is the difference between the estimated fair value of the Company's common stock at the date of exercise and the exercise price for in-the-money options. The weighted average grant date fair value of options granted during the years ended December 31, 2019 and 2020, was $1.65 and $1.69, respectively. The weighted average grant date fair value of options granted during the six months ended June 30, 2020 and 2021 (unaudited), was $1.69 and $4.85, respectively.

As of December 31, 2020, there was $10,768,423 of unamortized stock-based compensation cost related to unvested stock options, which is expected to be recognized over a weighted average period of 3.7 years. As of June 30, 2021 (unaudited), there was $12,595,728 of unamortized stock-based compensation cost related to unvested stock options, which is expected to be recognized over a weighted average period of 1.9 years.

Cash received from option exercises and purchases of shares under the option plans for the years ended December 31, 2019 and 2020, was $482,254 and $1,300,766, respectively. Cash received from option exercises and purchases of shares under the option plans for the six months ended June 30, 2020 and 2021 (unaudited), was $310,454 and $2,730,854, respectively.

The fair value of option grants was estimated using the Black-Scholes option pricing model with the following weighted average assumptions:

	Year ended December 31,		Six months ended June 30,	
	2019	2020	2020	2021
			(unaudited)	
Fair value of common stock per share	$ 2.40	$ 2.66	$ 2.66	$ 9.45
Exercise price per share	$ 1.02	$ 2.11	$ 2.11	$ 7.76
Expected dividend yield [1]	— %	— %	— %	— %
Risk-free interest rate [2]	2.4 %	0.6 %	0.7 %	1.0 %
Expected volatility [3]	42.5 %	50.5 %	50.4 %	51.5 %
Expected life (in years) [4]	6.2	5.8	5.8	6

(1) The Company has no history or expectation of paying cash dividends on its common stock.
(2) The risk-free interest rate is based on the U.S. Treasury yield for a term consistent with the expected life of the awards in effect at the time of grant.
(3) The Company estimates the volatility of its common stock at the date of grant based on the expected weighted-average volatility for a group of publicly traded companies in a similar industry or with similar service offerings, with a term of one year or greater.
(4) The expected life of stock options granted under the option plans is determined using the simplified method, which deems the expected life to be the average of the time-to-vesting and the contractual life of the stock-based awards. The expected life represents the period of time that options granted are expected to be outstanding.

NOTE 10 – INCOME TAXES

The components of the Company's benefit (provision) for income taxes are as follows (in thousands):

	Year ended December 31,		Six months ended June 30,	
	2019	2020	2020	2021
			(unaudited)	
Current income tax benefit (expense):				
Federal	$ —	$ (688)	$ —	$ (1,904)
State	(56)	(517)	(103)	(902)
Foreign	(49)	(81)	(38)	(55)
	$ (105)	$ (1,286)	$ (141)	$ (2,861)
Deferred income tax benefit (expense):				
Federal	2,169	(3,161)	(1,311)	—
State	687	(232)	87	—
Foreign	—	17	—	—
	2,856	(3,376)	(1,224)	—
Total benefit (provision) for income taxes	$ 2,751	$ (4,662)	$ (1,365)	$ (2,861)

The effective income tax rate differs from the statutory rate in 2019 primarily due to the release of the valuation allowance. The effective income tax rate differs from the statutory rate in 2020 primarily due to the impact of stock-based compensation related secondary market transactions, which resulted in a $15,255,092 permanent item. For six months ended June 30, 2020 (unaudited), the effective income tax rate differs from the statutory rate in 2020 primarily due to research and development credits and stock-based compensation due to incentive stock options granted. For the six months ended June 30, 2021 (unaudited), the effective income tax rate differs from the statutory rate in 2021 primarily due to state taxes as a result of higher taxable income and stock-based compensation due to incentive stock options

granted. For the six months ended June 30, 2020 and 2021 (unaudited) below, the effective income tax rate reflects an annual effective income tax rate included within the consolidated statements of income.

	Year ended December 31,		Six months ended June 30,	
	2019	2020	2020	2021
			(unaudited)	
Statutory rate	21.0 %	21.0 %	21.0 %	21.0 %
State tax*	42.5 %	20.2 %	0.4 %	4.1 %
Research and development (R&D) credit	12.6 %	2.5 %	2.8 %	(1.2)%
Decrease in valuation allowance - federal	133.2 %	— %	— %	— %
Rate differentials for controlled foreign corporations (CFCs) and charitable organizations that affect valuation allowance	(2.8)%	0.6 %	0.4 %	0.2 %
Permanent items and others	(11.2)%	3.5 %	1.0 %	(0.6)%
Stock-based compensation - federal	(13.4)%	110.1 %	2.5 %	(7.1)%
Total	181.9 %	157.9 %	28.1 %	16.4 %

* State taxes includes the state tax impact of the release of the valuation allowance in 2019 and stock-based compensation expense related to secondary market transactions in 2020.

The components of the net deferred tax assets are as follows (in thousands):

	As of December 31,	
	2019	2020
Deferred tax assets (liabilities):		
NOL carryforwards	$ 1,992	$ 275
Tax credit carryforwards	1,347	81
Accruals and reserves	77	231
Stock-based compensation	253	449
Interest expense limitation	242	—
Lease liabilities	1,306	984
Property and equipment	(390)	(650)
Capitalized software development costs	(724)	(933)
ROU assets	(1,248)	(935)
Deferred tax assets (liabilities), net	$ 2,855	$ (498)

The Company assessed its ability to realize the benefits of its domestic deferred tax assets (DTA) by evaluating all available positive and negative evidence, objective and subjective in nature, including (1) cumulative results of operations in recent years, (2) sources of recent pre-tax income, (3) estimates of future taxable income and (4) the length of net operating loss (NOL) carryforward periods. The Company determined it is in a three-year cumulative taxable income position as of December 31, 2019 and 2020 and expects to continue to be in a taxable income position in the long-term foreseeable future.

After an evaluation of all available qualitative and quantitative evidence, both positive and negative in nature, the Company concluded it is more likely than not that sufficient future taxable income will be generated to realize the benefits of its DTAs prior to expiration. As a result, the Company determined that no valuation allowance was needed as of December 31, 2019 and 2020 and June 30, 2021 (unaudited).

As of December 31, 2019, the Company had NOL carryforwards for federal and state tax purposes of $8,348,489 and $3,795,685, respectively. As of December 31, 2020, the Company had NOL

carryforwards for federal and state tax purposes of $73,218, and $3,724,011, respectively. The NOL carryforwards will expire at various dates beginning in the years 2037 (federal) and 2031 (state), unless previously utilized. As of December 31, 2020, the Company also has federal and state research and development tax credit carryforwards of $173,542 and $569,019, respectively. The federal tax credits will expire at various dates beginning in the year 2029, unless previously utilized. The state tax credits do not expire and will carry forward indefinitely until utilized.

Utilization of the NOL and tax credit carryforwards may be subject to a substantial annual limitation due to ownership change limitations that may have occurred or that could occur in the future, as required by the Internal Revenue Code, as well as similar state provisions. In general, an “ownership change” as defined by Code Sections 382 and 383, results from a transaction or series of transactions over a three-year period resulting in an ownership change of more than 50 percentage points of the outstanding stock of a company by certain stockholders or public groups. Since the Company’s formation, the Company has raised capital through the issuance of capital stock on several occasions which, combined with the purchasing stockholders’ subsequent disposition of those shares, have resulted in such an ownership change, and could result in an ownership change in the future upon subsequent disposition.

The Company conducted an analysis of the Company’s stock ownership under Internal Revenue Code Section 382 and 383. The net operating loss carryforwards and tax credits are subject to annual limitations as a result of the ownership changes in 2010 and 2015. However, the net operating loss carryforwards and the tax credits are not expected to expire before the utilization.

The Company follows the provisions of ASC Subtopic 740-10, *Accounting for Uncertainty in Income Taxes*. ASC 740-10 prescribes a comprehensive model for the recognition, measurement, presentation and disclosure in financial statements of uncertain tax positions that have been taken or expected to be taken on a tax return. As of December 31, 2019 and 2020, the Company recorded an uncertain tax position liability, exclusive of interest and penalties, of $0 and $688,477 respectively, within Other liabilities on the consolidated balance sheets. As of June 30, 2021 (unaudited), the Company recorded an uncertain tax position liability, exclusive of interest and penalties, of $1,160,324 within Other liabilities on the consolidated balance sheets. As of December 31, 2020 and June 30, 2021 (unaudited), the Company has not accrued penalties and interest for uncertain tax positions.

As of December 31, 2020, the Company has $1,328,883 of unrecognized tax benefits. Approximately all of the unrecognized tax benefits, if recognized, would affect the effective tax rate. A reconciliation of the amount of unrecognized tax benefits is as follows for the years ended December 31, 2019 and 2020:

	For the years ended December 31,	
	2019	2020
	(in thousands)	
Balance as of January 1	$ 966	$ 1,253
Additions based on tax positions related to current year	287	76
Additions based on tax positions of prior year	—	—
Balance as of December 31	$ 1,253	$ 1,329

Unrecognized tax benefits may change during the next twelve months for items that arise in the ordinary course of business. The Company does not anticipate a material change to its unrecognized tax benefits over the next twelve months.

The Company recognizes penalties and interest expense related to income taxes as a component of tax expense. There are no interest and penalties recorded in the consolidated statement of income for the years ended December 31, 2019 and 2020 or the consolidated balance sheet as of December 31, 2019 and 2020. There are no interest and penalties recorded in the consolidated statement of income for the six months ended June 30, 2020 and 2021 (unaudited) or the consolidated balance sheet as of June 30,

2021 (unaudited). There are no positions for which it is reasonably possible that the total amounts of unrecognized tax benefits will significantly increase or decrease within 12 months of the reporting date.

The Company is subject to income taxes in U.S. federal and various state, local and foreign jurisdictions. The tax years ended from December 2009 to December 2019 remain open to examination due to the carryover of unused net operating losses or tax credits.

NOTE 11 – NET INCOME (LOSS) PER SHARE

The computation of net income (loss) per share is as follows (in thousands, except share and per share data):

	Year ended December 31,		Six months ended June 30,	
	2019	2020	2020	2021
			(unaudited)	
Basic net income (loss) per share:				
Numerator				
Net income (loss)	$ 1,241	$ (1,710)	$ 3,486	$ 14,674
Less: income allocated to participating securities	(1,241)	—	(2,907)	(9,426)
Net income (loss) attributable to common stockholders, basic	$ —	$ (1,710)	$ 579	$ 5,248
Denominator				
Weighted-average shares of common stock used to compute net income (loss) per share attributable to common stockholders, basic	25,921,890	27,424,480	26,663,418	29,680,220
Net income (loss) per share attributable to common stockholders, basic	$ —	$ (0.06)	$ 0.02	$ 0.18
Diluted net income (loss) per share:				
Numerator				
Net income (loss)	$ 1,241	$ (1,710)	$ 3,486	$ 14,674
Less: income allocated to participating securities	(1,241)	—	(2,907)	(9,426)
Net income (loss) attributable to common stockholders - diluted	$ —	$ (1,710)	$ 579	$ 5,248
Denominator				
Effect of dilutive securities:				
Warrants	—	—	402,426	421,300
Weighted-average stock options	—	—	8,429,256	11,114,900
Weighted-average shares of common stock used to compute net income (loss) per share attributable to common stockholders, diluted	25,921,890	27,424,480	35,495,100	41,216,420
Net income (loss) per share attributable to common stockholders, diluted	$ —	$ (0.06)	$ 0.02	$ 0.13

The following potentially dilutive shares were not included in the calculation of diluted shares outstanding as the effect would have been anti-dilutive:

	Year ended December 31,		Six months ended June 30,	
	2019	2020	2020	2021
			(unaudited)	
Warrants	396,270	413,040	—	—
Weighted-average stock options	8,737,650	10,981,370	—	—
Convertible preferred stock	42,031,390	42,031,390	42,031,390	42,031,390
Total	51,165,310	53,425,800	42,031,390	42,031,390

NOTE 12 – COMMITMENTS AND CONTINGENCIES

Litigation – The Company is involved from time to time in claims, proceedings and litigation, including the following:

In September 2019, the Company received a written complaint from 7Park Data, LLC claiming a breach of contract. After multiple discussions and written complaints by both parties, the parties agreed to settle all claims under a Settlement and Mutual Release Agreement dated December 23, 2019, pursuant to which the Company paid 7Park Data, LLC a lump sum of $100,000. As of December 31, 2019, there were no liabilities outstanding pursuant to this matter, and this matter is now closed.

On May 29, 2020, Sapphire Crossing LLC sued the Company on an expired patent. Following the Company's attempts to dismiss the case informally, Sapphire Crossing amended its complaint, dropping certain allegations and adding allegations of direct divided infringement. As of December 31, 2020, the extent of a potential liability was unknown and could not be reasonably estimated. On June 8, 2021, the case was settled and no payment was required of the Company upon settlement. As of June 30, 2021 (unaudited), there were no liabilities outstanding pursuant to this matter, and this matter is now closed.

In the case of any litigation, the Company records a provision for a liability when management believes that it is both probable that a liability has been incurred, and the amount of the loss can be reasonably estimated. The Company reviews these provisions at least annually and adjusts these provisions to reflect the impact of negotiations, settlements, rulings, advice of legal counsel and other information and events pertaining to a particular case.

NOTE 13 – EMPLOYEE BENEFIT PLANS

401(k) plan – In fiscal 2009, the Company sponsored a U.S. 401(k) defined contribution plan covering eligible employees who elect to participate. The Company is allowed to make discretionary profit sharing and 401(k) matching contributions as defined in the plan and as approved by the Board of Directors. Effective January 1, 2018, the Company matches up to 4.5% of each eligible participant’s 401(k) contribution. The Company’s actual contribution may be reduced by certain available forfeitures, if any, during the plan year. No discretionary profit-sharing contributions were made for the years ended December 31, 2019 and 2020 and the six months ended June 30, 2020 and 2021 (unaudited). The Company’s 401(k) matching contributions for the years ended December 31, 2019 and 2020 were $669,658 and $682,623, respectively. The Company’s 401(k) matching contributions for the six months ended June 30, 2020 and 2021 (unaudited) were approximately $339,836 and $392,734, respectively. The Company has no intention to terminate the plan.

UK pension plan – Since inception, in accordance with local laws and customs of the UK, the Company sponsored a UK pension plan covering eligible employees who elect to participate. The Company is allowed to make discretionary profit sharing and matching contributions as defined in the plan and as approved by the Board of Directors. The Company matches up to 4.5% of each eligible participant’s contribution. The Company’s actual contribution may be reduced by certain available forfeitures, if any, during the plan year. No discretionary profit-sharing contributions were made for the years ended

December 31, 2019 and 2020 and the six months ended June 30, 2020 and 2021 (unaudited). The discretionary matching contributions for the years ended December 31, 2019 and 2020 were $53,018 and $121,415 respectively. The discretionary matching contributions for the six months ended June 30, 2020 and 2021 (unaudited) were $39,712 and $66,175, respectively. The Company has no intention to terminate the plan.

Canada pension plan – Since inception, in accordance with local laws and customs of Canada, the Company sponsored a Canada pension plan covering eligible employees who elect to participate. The Company is allowed to make discretionary profit sharing and matching contributions as defined in the plan and as approved by the Board of Directors. The Company matches up to 4.5% of each eligible participant's contribution. The Company's actual contribution may be reduced by certain available forfeitures, if any, during the plan year. No discretionary profit-sharing contributions were made for the years ended December 31, 2019 and 2020 and the six months ended June 30, 2020 and 2021 (unaudited). The discretionary matching contributions for the years ended December 31, 2019 and 2020 were $0 and $10,540, respectively. The discretionary matching contributions for the six months ended June 30, 2020 and 2021 (unaudited) were $0 and $16,771, respectively. The Company has no intention to terminate the plan.

NOTE 14 – RELATED PARTY TRANSACTIONS

In September 2018, the Company loaned $600,000 to the Company's Chief Executive Officer, David Barrett. The loan bears 6% simple interest per annum for 60 months of interest payments due monthly until the loan principal amount becomes due in full upon maturity in September 2023. As of December 31, 2019, the related party loan is included within Related party loan receivable, non-current on the consolidated balance sheet. During the years ended December 31, 2019 and December 31, 2020, the Company recognized $22,500 and $36,000 in interest income, respectively. During the six months ended June 30, 2020 and June 30, 2021 (unaudited), the Company recognized $18,000 and $36,000 in interest income, respectively.

As part of the loan agreement with Mr. Barrett, repayment of the loan may be accelerated upon certain events. One of these triggering events is the loan amount becoming payable immediately upon the receipt by Mr. Barrett of at least an aggregate of $2,000,000 pursuant to one or more sales or redemptions of the Company's common stock. During 2020, as part of sale of common stock from certain employees, including Mr. Barrett, to new investors, Mr. Barrett received more than $2,000,000 from the transaction. As a result, the loan amount became due immediately during 2020. As the amount had yet to be paid as of December 31, 2020, the Company recorded the related party loan within Related party loan receivable, current on the consolidated balance sheet as of December 31, 2020. On April 22, 2021, the Company's Board of Directors unanimously consented to provide a waiver of the accelerated term clause in relation to the 2020 sale of stock. On June 24, 2021, the related party loan was repaid in full by Mr. Barrett.

During the year ended December 31, 2019, the Company repurchased 55,200 shares of exercised unvested common stock, for $1,794,703 of which approximately $890,000 was related to the repurchase of shares from executive officers of the Company. As of June 30, 2021 (unaudited), there were 727,350 shares subject to repurchase related to employee stock options early exercised and not yet vested, but that are expected to vest. As of June 30, 2021 (unaudited), the Company recorded a liability related to these shares subject to repurchase in the amount of $1,191,810, of which $280,756 was related to shares subject to repurchase for executive officers of the Company. See Note 9 for further detail.

During the six months ended June 30, 2021 (unaudited), certain employees exercised stock options for a total of 2,529,830 shares of common stock for $1,759,643 by entering into promissory notes with the Company. No promissory notes were entered into with listed directors or executive officers of the Company. The Company records all outstanding employee promissory note balances used in exercising stock options to Subscriptions receivable as contra equity within Stockholders' deficit. As of June 30, 2021 (unaudited), the Company recognized $1,759,643 of Subscriptions receivable and no payments of interest or principal have been received to date. Refer to Note 8 and Note 9 for further detail over the transaction.

There are no other significant related party transactions for the Company as of December 31, 2019, December 31, 2020 or June 30, 2021 (unaudited).

9,730,776 shares



Expensify, Inc.

Class A common stock

Prospectus

J.P. Morgan	Citigroup	BofA Securities
Piper Sandler	JMP Securities	Loop Capital Markets

Part II

Information not required in the prospectus

Item 13. Other expenses of issuance and distribution.

The following table sets forth all fees and expenses, other than the underwriting discounts and commissions payable solely by us in connection with the offer and sale of the securities being registered. All amounts are estimates except for the SEC registration fee, the Financial Industry Regulatory Authority, Inc. ("FINRA") filing fee and the exchange listing fee.

	Amount to be paid
SEC registration fee	$ 25,934
FINRA filing fee	42,763
Exchange listing fee	290,000
Accounting fees and expenses	1,900,000
Legal fees and expenses	2,750,000
Printing expenses	195,000
Transfer agent and registrar fees	4,500
Miscellaneous	$ 1,000,000
Total	$ 6,208,197

* To be completed by amendment.

Item 14. Indemnification of directors and officers.

We expect to adopt amended and restated bylaws, which will become effective immediately prior to the completion of this offering and will contain provisions authorized by the General Corporation Law of the State of Delaware (the "Delaware General Corporation Law") that limit the personal liability of our directors for monetary damages to the fullest extent permitted by Delaware law. Consequently, our directors will not be personally liable to us or our stockholders for monetary damages for breach of fiduciary duty as directors, except liability for the following:

- any breach of the director's duty of loyalty to our company 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 in violation of Delaware law; or
- any transaction from which the director derived an improper personal benefit.

Any amendment to, or repeal of, these provisions will not eliminate or reduce the effect of these provisions in respect of any act, omission, or claim that occurred or arose prior to that amendment or repeal. If the Delaware General Corporation Law is amended to provide for further limitations on the personal liability of directors of corporations, then the personal liability of our directors will be further limited to the greatest extent permitted by the Delaware General Corporation Law.

Section 145 of the Delaware General Corporation Law, among other things, grants a Delaware corporation the power to, and authorizes a court to award, indemnification and advancement of expenses to officers, directors and other corporate agents. We expect to adopt amended and restated bylaws, which will become effective immediately prior to the completion of this offering and will provide that we will

indemnify, to the fullest extent permitted by law, any person who is or was a party or is threatened to be made a party to any action, suit, or proceeding by reason of the fact that he or she is or was one of our directors or officers or is or was serving at our request as a director or officer of another corporation, partnership, joint venture, trust, or other enterprise. Our amended and restated bylaws are expected to provide that we may indemnify to the fullest extent permitted by law any person who is or was a party or is threatened to be made a party to any action, suit, or proceeding by reason of the fact that he or she is or was one of our employees or agents or is or was serving at our request as an employee or agent of another corporation, partnership, joint venture, trust, or other enterprise. Our amended and restated bylaws will also provide that we must advance expenses incurred by or on behalf of a director or officer in advance of the final disposition of any action or proceeding, subject to very limited exceptions.

In addition, the Delaware General Corporation Law provides that to the extent a present or former director or officer of the corporation has been successful on the merits or otherwise in defense of any generally indemnifiable action, suit, or proceeding, that such person will be indemnified by the corporation against expenses (including attorneys' fees) actually and reasonably incurred by such person in connection with such action, suit, or proceeding. For any acts or omissions occurring after December 31, 2020, the officers referenced in the immediately preceding sentence could be more limited as a matter of Delaware law.

Further, we have entered into or intend to enter into indemnification agreements with each of our directors, executive officers and certain other employees. Subject to certain limitations, these indemnification agreements will require us, among other things, to indemnify such directors and executive officers for certain expenses and against certain liabilities including, among other things, attorneys' fees, judgments, fines and settlement amounts actually and reasonably paid or incurred by such director or officer in any action, suit, or proceeding arising out of their services as a director or officer or any other company or enterprise to which the person provides services at our request. Subject to certain exceptions, these indemnification agreements will also require us to advance certain expenses (including attorneys' fees and disbursements) actually and reasonably paid or incurred by these persons in advance of the final disposition of the action, suit, or proceeding. We believe that these indemnification agreements are necessary to attract and retain qualified individuals to serve as directors and executive officers.

The limitation of liability and indemnification provisions that are expected to be included, or are included, in our restated certificate of incorporation, amended and restated bylaws and in indemnification agreements that we enter into with our directors and executive officers may discourage stockholders from bringing a lawsuit against our directors and executive officers for breach of their fiduciary duties. They may also reduce the likelihood of derivative litigation against our directors and executive officers, even though an action, if successful, might benefit us and other stockholders. Further, a stockholder's investment may be harmed to the extent that we pay the costs of settlement and damage awards against directors and executive officers as required by these indemnification provisions. At present, we are not aware of any pending litigation or proceeding involving any person who is or was one of our directors, officers, employees, or other agents or is or was serving at our request as a director, officer, employee, or agent of another corporation, partnership, joint venture, trust, or other enterprise, for which indemnification is sought, and we are not aware of any threatened litigation that may result in claims for indemnification.

We expect to obtain insurance policies under which, subject to the limitations of the policies, coverage is provided to our directors and executive officers against loss arising from claims made by reason of breach of fiduciary duty or other wrongful acts as a director or executive officer, including claims relating to public securities matters, and to us with respect to payments that may be made by us to these directors and executive officers pursuant to our indemnification obligations or otherwise as a matter of law.

Certain of our non-employee directors may, through their relationships with their employers, be insured and/or indemnified against certain liabilities incurred in their capacity as members of our board of directors.

The form of underwriting agreement for this initial public offering provides for indemnification by the underwriters of us and our officers and directors who sign this registration statement for specified liabilities, including matters arising under the Securities Act of 1933, as amended (the "Securities Act").

Item 15. Recent sales of unregistered securities.

Since March 31, 2018, we made sales of the following unregistered securities:

Equity plan-related issuances

Since April 1, 2018, we granted our employees, consultants and other service providers options to purchase an aggregate of 534,670 shares of our common stock under our 2009 Equity Incentive Plan ("2009 Plan"), all at an exercise price of $0.97 per share.

Since April 1, 2018, we issued and sold to our employees, consultants and other service providers an aggregate of 8,400,240 shares of our common stock upon the exercise of stock options under our 2009 Plan, at exercise prices ranging from $0.07 to $0.97 per share, for a weighted-average exercise price of $0.32 and aggregate consideration of approximately $2.7 million.

Since April 1, 2018, we granted to our employees, consultants and other service providers options to purchase an aggregate of 10,633,070 shares of our common stock under our 2019 Stock Plan ("2019 Plan"), at exercise prices ranging from $0.97 to $12.97 per share. Of these shares, 671,990 were cancelled and reissued in June 2020 (the "Reissued Shares") as part of a repricing from $2.52 and $3.29 per share to $1.60 per share. The Reissued Shares are included in the aggregate total mentioned above.

Since April 1, 2018, we issued and sold to our employees, consultants and other service providers an aggregate of 3,908,290 shares of our common stock upon the exercise of stock options under our 2019 Plan, at exercise prices ranging from $0.97 to $10.78 per share, for a weighted-average exercise price of $1.41 and aggregate consideration of approximately $5.5 million.

The offers, sales and issuances of the securities described above were deemed to be exempt from registration under Rule 701 promulgated under the Securities Act as transactions under compensatory benefit plans and contracts relating to compensation, or under Section 4(a)(2) of the Securities Act as transactions by an issuer not involving a public offering. The recipients of such securities were our directors, employees or bona fide consultants and received the securities under our equity incentive plans. Appropriate legends were affixed to the securities issued in these transactions.

Sales of preferred stock and convertible promissory notes

In April 2018, we sold 875,321 shares of our Series B preferred stock, 25,418 shares of our Series B-1 preferred stock and 64,014 shares of our Series C preferred stock to seven accredited investors at a purchase price of $24.50 per share, for an aggregate purchase price of approximately $23.61 million.

In April 2018, we issued convertible promissory notes with an annual interest rate of 13% in the aggregate principal amount of approximately $20 million to ten accredited investors.

The offers, sales and issuances of the securities described above were deemed to be exempt under Section 4(a)(2) of the Securities Act or Rule 506 of Regulation D under the Securities Act as a transaction by an issuer not involving a public offering. The recipients of securities in each of these transactions acquired the securities for investment only and not with a view to or for sale in connection with any distribution thereof and appropriate legends were affixed to the securities issued in these transactions. Each of the recipients of securities in these transactions was an accredited investor within the meaning of Rule 501 of Regulation D under the Securities Act and had adequate access to information about us. No underwriters were involved in these transactions.

Item 16. Exhibits and financial statements.

(a) Exhibits

Exhibit No.	Name
1.1	Form of Underwriting Agreement.
3.1	Amended and Restated Certificate of Incorporation of the Registrant, as amended, currently in effect.
3.2	Form of Amendment to Amended and Restated Certificate of Incorporation of the Registrant, to be in effect immediately prior to the effectiveness of this registration statement on Form S-1.
3.3	Form of Amended and Restated Certificate of Incorporation of the Registrant, to be in effect upon completion of this offering.
3.4	Bylaws of the Registrant, as amended, currently in effect.
3.5	Form of Amended and Restated Bylaws of the Registrant, to be in effect upon the completion of this offering.
4.1	Form of Class A Common Stock Certificate.
4.2#	Amended and Restated Investors' Rights Agreement, dated as of January 22, 2015, by and among the Registrant and certain of its stockholders.
4.3#	Warrant to Purchase Common Stock, dated September 19, 2013, by and between the Registrant and Silicon Valley Bank.
4.4#	Warrant to Purchase Common Stock, dated December 20, 2016, by and between the Registrant and Silicon Valley Bank.
5.1	Opinion of Latham & Watkins LLP.
9.1#	Form of Expensify Voting Trust Agreement, to be effective immediately prior to the effectiveness of this registration statement on Form S-1.
10.1#	Amended and Restated Loan and Security Agreement, dated as of September 21, 2021, by and between the Registrant, the Borrowers party thereto, and Canadian Imperial Bank of Commerce.
10.2#	Loan Agreement, dated as of August 22, 2019, by and between the Borrower party thereto, the Registrant, as Guarantor, and Canadian Imperial Bank of Commerce.
10.3†#	Employment Agreement by and between the Registrant and David Barrett.
10.4†#	Employment Agreement by and between the Registrant and Ryan Schaffer.
10.5†#	Employment Agreement by and between the Registrant and Anuradha Muralidharan.
10.6†	2009 Stock Plan
10.7†	2009 Stock Plan – Form of Notice of Stock Option Grant (EMI)
10.8†	2009 Stock Plan – Form of Option Agreement
10.9†	2019 Stock Plan
10.10†	2019 Stock Plan – Form of Early Exercise Notice and Restricted Stock Purchase Agreement
10.11†	2019 Stock Plan – Form of Exercise Agreement (EMI)
10.12†	2019 Stock Plan – Form of Exercise Agreement
10.13†	2019 Stock Plan – Form of Option Agreement (early exercise) (Reg S)
10.14†	2019 Stock Plan – Form of Option Agreement (early exercise)
10.15†	2019 Stock Plan – Form of Notice of Stock Option Grant (EMI)
10.16†	2019 Stock Plan - Form of Contingent Exercise Agreement
10.17†	2019 Plan - Form of RSU Agreement
10.18†	2021 Incentive Award Plan
10.19†	2021 Employee Stock Purchase and Matching Plan
10.20†	2021 Plan - Form of RSU Agreement

10.21†	2021 Plan - Form of Option Agreement
10.22†	Non-Employee Director Compensation Program
10.23†	Form of Indemnification Agreement for Directors and Officers
21.1	List of Subsidiaries of the Registrant.
23.1	Consent of Ernst & Young LLP as to the Registrant.
23.2	Consent of Latham & Watkins LLP (included in Exhibit 5.1).
24.1	Power of Attorney (included on signature page).
99.1#	Consent to be Named as Director Nominee (Timothy Christen).
99.2#	Consent to be Named as Director Nominee (Ying Liu).
99.3#	Consent to be Named as Director Nominee (Jason Mills).
99.4#	Consent to be Named as Director Nominee (Anuradha Muralidharan).
99.5#	Consent to be Named as Director Nominee (Ellen Pao).
99.6#	Consent to be Named as Director Nominee (Daniel Vidal).

* To be filed by amendment.
\# Previously filed.
† Indicates a management contract or compensatory plan or arrangement.

(b) Financial Statement Schedules

All schedules have been omitted because the information required to be set forth in the schedules is either not applicable or is shown in the financial statements or notes thereto.

Item 17. Undertakings.

(a) Insofar as indemnification for liabilities arising under the Securities Act may be permitted to directors, officers and controlling persons of the Registrant pursuant to the foregoing provisions, or otherwise, the Registrant has been advised that in the opinion of the SEC such indemnification is against public policy as expressed in the Securities Act and is, therefore, unenforceable. In the event that a claim for indemnification against such liabilities (other than the payment by the Registrant of expenses incurred or paid by a director, officer or controlling person of the Registrant in the successful defense of any action, suit or proceeding) is asserted by such director, officer or controlling person in connection with the securities being registered, the Registrant will, unless in the opinion of its counsel the matter has been settled by controlling precedent, submit to a court of appropriate jurisdiction the question whether such indemnification by it is against public policy as expressed in the Securities Act and will be governed by the final adjudication of such issue.

(b) The undersigned Registrant hereby undertakes that:

(1) For purposes of determining any liability under the Securities Act, the information omitted from the form of prospectus filed as part of this registration statement in reliance upon Rule 430A and contained in a form of prospectus filed by the Registrant pursuant to Rule 424(b) (1) or (4) or 497(h) under the Securities Act shall be deemed to be part of this registration statement as of the time it was declared effective.

(2) For the purpose of determining any liability under the Securities Act, each post-effective amendment that contains a form of prospectus shall be deemed to be a new registration statement relating to the securities offered therein, and the offering of such securities at that time shall be deemed to be the initial bona fide offering thereof.

Signatures

Pursuant to the requirements of the Securities Act of 1933, as amended, the registrant has duly caused this registration statement to be signed on its behalf by the undersigned, thereunto duly authorized in the City of Portland, State of Oregon, on November 1, 2021.

EXPENSIFY, INC.

By: /s/ David Barrett
Name: David Barrett
Title: Chief Executive Officer

Power of attorney

Pursuant to the requirements of the Securities Act of 1933, as amended, this Registration Statement has been signed by the following persons in the capacities and on the dates indicated.

Signature	Title	Date
/s/David Barrett David Barrett	Chief Executive Officer and Director (Principal Executive Officer)	November 1, 2021
/s/Ryan Schaffer Ryan Schaffer	Chief Financial Officer (Principal Financial Officer and Principal Accounting Officer)	November 1, 2021
* Blake Bartlett	Director	November 1, 2021
* Robert Lent	Director	November 1, 2021

*By: /s/ Ryan Schaffer
Ryan Schaffer
Attorney-in-Fact

Exhibit 1.1

Expensify, Inc.

[●] Shares of Class A Common Stock, par value $0.0001 per share

Underwriting Agreement

[●], 2021

J.P. Morgan Securities LLC
Citigroup Global Markets Inc.
BofA Securities, Inc.

As Representatives of the
several Underwriters listed
in Schedule 1 hereto

c/o J.P. Morgan Securities LLC
383 Madison Avenue
New York, New York 10179

c/o Citigroup Global Markets Inc.
388 Greenwich Street
New York, New York 10013

c/o BofA Securities, Inc.
One Bryant Park
New York, New York 10036

Ladies and Gentlemen:

Expensify, Inc., a Delaware corporation (the "Company"), proposes to issue and sell to the several underwriters listed in Schedule 1 hereto (the "Underwriters"), for whom J.P. Morgan Securities LLC ("J.P. Morgan"), Citigroup Global Markets Inc. ("Citi") and BofA Securities, Inc. ("BofAS") are acting as representatives (the "Representatives"), an aggregate of [●] shares of Class A common stock, par value $0.0001 per share ("Class A Common Stock"), of the Company, and certain stockholders of the Company named in Schedule 2 hereto (the "Selling Stockholders") propose to sell to the several Underwriters an aggregate of [●] shares of Class A Common Stock of the Company (collectively, the "Underwritten Shares"). In addition the Company proposes to issue and sell, at the option of the Underwriters, up to an additional [●] shares of Class A Common Stock of the Company, and the Selling Stockholders propose to sell, at the option of the Underwriters, up to an additional [●] shares of Class A Common Stock of the Company (collectively, the "Option Shares"). The Underwritten Shares and the Option Shares are herein referred to as the "Shares". The shares of Class A Common Stock of the Company to be outstanding after giving effect to the sale of the Shares are referred to herein as the "Stock".

The Company and the Selling Stockholders hereby confirm their agreement with the several Underwriters concerning the purchase and sale of the Shares, as follows:

1. Registration Statement. The Company has prepared and filed with the Securities and Exchange Commission (the "Commission") under the Securities Act of 1933, as amended, and the rules and regulations of the Commission thereunder (collectively, the "Securities Act"), a registration statement on Form S-1 (File No. 333-[●]), including a prospectus, relating to the Shares. Such registration statement, as amended at the time it became effective, including the information, if any, deemed pursuant

to Rule 430A, 430B or 430C under the Securities Act to be part of the registration statement at the time of its effectiveness ("Rule 430 Information"), is referred to herein as the "Registration Statement"; and as used herein, the term "Preliminary Prospectus" means each prospectus included in such registration statement (and any amendments thereto) before effectiveness, any prospectus filed with the Commission pursuant to Rule 424(a) under the Securities Act and the prospectus included in the Registration Statement at the time of its effectiveness that omits Rule 430 Information, and the term "Prospectus" means the prospectus in the form first used (or made available upon request of purchasers pursuant to Rule 173 under the Securities Act) in connection with confirmation of sales of the Shares. If the Company has filed an abbreviated registration statement pursuant to Rule 462(b) under the Securities Act (the "Rule 462 Registration Statement"), then any reference herein to the term "Registration Statement" shall be deemed to include such Rule 462 Registration Statement. Capitalized terms used but not defined herein shall have the meanings given to such terms in the Registration Statement and the Prospectus.

At or prior to the Applicable Time (as defined below), the Company had prepared the following information (collectively with the pricing information set forth on Annex A, the "Pricing Disclosure Package"): a Preliminary Prospectus dated [●], 2021 and each "free-writing prospectus" (as defined pursuant to Rule 405 under the Securities Act) listed on Annex A hereto.

"Applicable Time" means [●] [A/P].M., New York City time, on [●], 2021.

2. Purchase of the Shares.

(a) The Company agrees to issue and sell, and each of the Selling Stockholders agrees, severally and not jointly, to sell, the Underwritten Shares to the several Underwriters as provided in this underwriting agreement (this "Agreement"), and each Underwriter, on the basis of the representations, warranties and agreements set forth herein and subject to the conditions set forth herein, agrees, severally and not jointly, to purchase at a price per share of $[●] (the "Purchase Price") from the Company the respective number of Underwritten Shares set forth opposite such Underwriter's name in Schedule 1 hereto and from each of the Selling Stockholders the number of Underwritten Shares (to be adjusted by you so as to eliminate fractional shares) determined by multiplying the aggregate number of Underwritten Shares to be sold by each of the Selling Stockholders as set forth opposite their respective names in Schedule 2 hereto by a fraction, the numerator of which is the aggregate number of Underwritten Shares to be purchased by such Underwriter as set forth opposite the name of such Underwriter in Schedule 1 hereto and the denominator of which is the aggregate number of Underwritten Shares to be purchased by all the Underwriters from all of the Selling Stockholders hereunder.

In addition, the Company agrees to issue and sell, and each of the Selling Stockholders agrees, severally and not jointly, as and to the extent indicated in Schedule 2 hereto, to sell, the Option Shares to the several Underwriters as provided in this Agreement, and the Underwriters, on the basis of the representations, warranties and agreements set forth herein and subject to the conditions set forth herein, shall have the option to purchase, severally and not jointly, from each of the Company and each Selling Stockholder the Option Shares at the Purchase Price less an amount per share equal to any dividends or distributions declared by the Company and payable on the Underwritten Shares but not payable on the Option Shares.

If any Option Shares are to be purchased, the number of Option Shares to be purchased by each Underwriter shall be the number of Option Shares which bears the same ratio to the aggregate number of Option Shares being purchased as the number of Underwritten Shares set forth opposite the name of such Underwriter in Schedule 1 hereto (or such number increased as set forth in Section 12 hereof) bears to the aggregate number of Underwritten Shares being purchased from the Company and the Selling Stockholders by the several Underwriters, subject, however, to such adjustments to eliminate any

fractional Shares as the Representatives in their sole discretion shall make. Any such election to purchase Option Shares shall be made in proportion to the maximum number of Option Shares to be sold by the Company and by each Selling Stockholder as set forth in Schedule 2 hereto.

The Underwriters may exercise the option to purchase Option Shares at any time in whole, or from time to time in part, on or before the thirtieth day following the date of the Prospectus, by written notice from the Representatives to the Company and the Attorneys-in-Fact (as defined below). Such notice shall set forth the aggregate number of Option Shares as to which the option is being exercised and the date and time when the Option Shares are to be delivered and paid for, which may be the same date and time as the Closing Date (as hereinafter defined) but shall not be earlier than the Closing Date nor later than the tenth full business day (as hereinafter defined) after the date of such notice (unless such time and date are postponed in accordance with the provisions of Section 12 hereof). Any such notice shall be given at least two business days prior to the date and time of delivery specified therein.

(b) The Company and the Selling Stockholders understand that the Underwriters intend to make a public offering of the Shares, and initially to offer the Shares on the terms set forth in the Pricing Disclosure Package. The Company and the Selling Stockholders acknowledge and agree that the Underwriters may offer and sell Shares to or through any affiliate of an Underwriter.

(c) Payment for the Shares shall be made by wire transfer in immediately available funds to the accounts specified by the Company and the Attorneys-in-Fact or any of them (with regard to payment to the Selling Stockholders), to the Representatives in the case of the Underwritten Shares, at the offices of Cooley LLP, counsel for the Underwriters, at 101 California Street, 5th Floor, San Francisco, CA 94111-5800, at 10:00 A.M., New York City time, on [●], 2021, or at such other time or place on the same or such other date, not later than the fifth business day thereafter, as the Representatives and the Company may agree upon in writing or, in the case of the Option Shares, on the date and at the time and place specified by the Representatives in the written notice of the Underwriters' election to purchase such Option Shares. The time and date of such payment for the Underwritten Shares is referred to herein as the "Closing Date", and the time and date for such payment for the Option Shares, if other than the Closing Date, is herein referred to as the "Additional Closing Date".

(d) Payment for the Shares to be purchased on the Closing Date or the Additional Closing Date, as the case may be, shall be made against delivery to the Representatives for the respective accounts of the several Underwriters of the Shares to be purchased on such date or the Additional Closing Date, as the case may be, with any transfer taxes payable in connection with the sale of such Shares duly paid by the Company and the Selling Stockholders, applicable. Delivery of the Shares shall be made through the facilities of The Depository Trust Company unless the Representatives shall otherwise instruct.

(e) Each of the Company and each Selling Stockholder acknowledges and agrees that the Representatives and the other Underwriters are acting solely in the capacity of an arm's length contractual counterparty to the Company and the Selling Stockholders with respect to the offering of Shares contemplated hereby (including in connection with determining the terms of the offering) and not as a financial advisor or a fiduciary to, or an agent of, the Company, the Selling Stockholders or any other person. Additionally, neither the Representatives nor any other Underwriter is advising the Company, the Selling Stockholders or any other person as to any legal, tax, investment, accounting or regulatory matters in any jurisdiction. The Company and the Selling Stockholders shall consult with their own advisors concerning such matters and each shall be responsible for making its own independent investigation and appraisal of the transactions contemplated hereby, and neither the Representatives nor any other Underwriter shall have any responsibility or liability to the Company or the Selling Stockholders with

respect thereto. Any review by the Representatives and the other Underwriters of the Company, the transactions contemplated hereby or other matters relating to such transactions will be performed solely for the benefit of the Representatives and the other Underwriters and shall not be on behalf of the Company or the Selling Stockholders. Moreover, each Selling Shareholder acknowledges and agrees that, although the Representatives may be required or choose to provide certain Selling Stockholders with certain Regulation Best Interest and Form CRS disclosures in connection with the offering, the Representatives and the other Underwriters are not making a recommendation to any Selling Stockholder to participate in the offering, enter into a "lock-up" agreement, or sell any Shares at the price determined in the offering, and nothing set forth in such disclosures is intended to suggest that the Representatives or any Underwriter is making such a recommendation.

3. Representations and Warranties of the Company. The Company represents and warrants to each Underwriter and the Selling Stockholders that:

(a) *Preliminary Prospectus.* No order preventing or suspending the use of any Preliminary Prospectus has been issued by the Commission, and each Preliminary Prospectus included in the Pricing Disclosure Package, at the time of filing thereof, complied in all material respects with the Securities Act, and no Preliminary Prospectus, at the time of filing thereof, contained any untrue statement of a material fact or omitted 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; provided that the Company makes no representation or warranty with respect to any statements or omissions made in reliance upon and in conformity with information relating to any Underwriter furnished to the Company in writing by such Underwriter through the Representatives expressly for use in any Preliminary Prospectus, it being understood and agreed that the only such information furnished by any Underwriter consists of the information described as such in Section 9(c) hereof.

(b) *Pricing Disclosure Package*. The Pricing Disclosure Package as of the Applicable Time did not, and as of the Closing Date and as of the Additional Closing Date, as the case may be, will not, contain any untrue statement of a material fact or 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; provided that the Company makes no representation or warranty with respect to any statements or omissions made in reliance upon and in conformity with information relating to any Underwriter furnished to the Company in writing by such Underwriter through the Representatives expressly for use in such Pricing Disclosure Package, it being understood and agreed that the only such information furnished by any Underwriter consists of the information described as such in Section 9(c) hereof. No statement of material fact included in the Prospectus has been omitted from the Pricing Disclosure Package and no statement of material fact included in the Pricing Disclosure Package that is required to be included in the Prospectus has been omitted therefrom.

(c) *Issuer Free Writing Prospectus.* Other than the Registration Statement, the Preliminary Prospectus and the Prospectus, the Company (including its agents and representatives, other than the Underwriters in their capacity as such) has not prepared, made, used, authorized, approved or referred to and will not prepare, make, use, authorize, approve or refer to any "written communication" (as defined in Rule 405 under the Securities Act) that constitutes an offer to sell or solicitation of an offer to buy the Shares (each such communication by the Company or its agents and representatives (other than a communication referred to in clause (i) below) an "Issuer Free Writing Prospectus") other than (i) any document not constituting a prospectus pursuant to Section 2(a)(10)(a) of the Securities Act or Rule 134 under the Securities Act or (ii) the documents listed on Annex A hereto, each electronic road show and any other written communications approved in writing in advance by the Representatives. Each such Issuer Free Writing Prospectus complies in all material respects with the

Securities Act, has been or will be (within the time period specified in Rule 433) filed in accordance with the Securities Act (to the extent required thereby) and does not conflict with the information contained in the Registration Statement or the Pricing Disclosure Package, and, when taken together with the Preliminary Prospectus accompanying, or delivered prior to delivery of, such Issuer Free Writing Prospectus, did not, and as of the Closing Date and as of the Additional Closing Date, as the case may be, will not, contain any untrue statement of a material fact or 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; provided that the Company makes no representation or warranty with respect to any statements or omissions made in each such Issuer Free Writing Prospectus or Preliminary Prospectus in reliance upon and in conformity with information relating to any Underwriter furnished to the Company in writing by such Underwriter through the Representatives expressly for use in such Issuer Free Writing Prospectus or Preliminary Prospectus, it being understood and agreed that the only such information furnished by any Underwriter consists of the information described as such in Section 9(c) hereof.

(d) *Emerging Growth Company*. From the time of 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 undertaken in reliance on Section 5(d) of the Securities Act) through the date hereof, the Company has been and is an "emerging growth company," as defined in Section 2(a) of the Securities Act (an "Emerging Growth Company"). "Testing-the-Waters Communication" means any oral or written communication with potential investors undertaken in reliance on either Section 5(d) of, or Rule 163B under the Securities Act.

(e) *Testing-the-Waters Materials.* The Company (i) has not alone engaged in any Testing-the-Waters Communications other than Testing-the-Waters Communications with the consent of the Representatives (x) with entities that are qualified institutional buyers ("QIBs") within the meaning of Rule 144A under the Securities Act or institutions that are accredited investors within the meaning of Rule 501(a)(1), (a)(2), (a)(3), (a)(7) or (a)(8) under the Securities Act ("IAIs") and otherwise in compliance with the requirements of Section 5(d) of the Securities Act or (y) with entities that the Company reasonably believed to be QIBs or IAIs and otherwise in compliance with the requirements of Rule 163B under the Securities Act and (ii) 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 by virtue of a writing substantially in the form of Exhibit D hereto. The Company has not distributed or approved for distribution any Written Testing-the-Waters Communications other than those listed on Annex B hereto. "Written Testing-the-Waters Communication" means any Testing-the-Waters Communication that is a written communication within the meaning of Rule 405 under the Securities Act. Any individual Written Testing-the-Waters Communication does not conflict with the information contained in the Registration Statement or the Pricing Disclosure Package, complied in all material respects with the Securities Act, and when taken together with the Pricing Disclosure Package as of the Applicable Time, did not, and as of the Closing Date and as of the Additional Closing Date, as the case may be, will not, contain any untrue statement of a material fact or 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.

(f) *Registration Statement and Prospectus.* The Registration Statement has been declared effective by the Commission. No order suspending the effectiveness of the Registration Statement has been issued by the Commission, and no proceeding for that purpose or pursuant to Section 8A of the Securities Act against the Company or related to the offering of the Shares has been initiated or, to the knowledge of the Company, threatened by the Commission; as of the applicable effective date of the Registration Statement and any post-effective amendment thereto, the Registration Statement and any

such post-effective amendment complied and will comply in all material respects with the applicable requirements of the Securities Act, and did not and will not contain any untrue statement of a material fact or omit to state a material fact required to be stated therein or necessary in order to make the statements therein not misleading; and as of the date of the Prospectus and any amendment or supplement thereto and as of the Closing Date and as of the Additional Closing Date, as the case may be, the Prospectus (as amended or supplemented) will comply in all material respects with the Securities Act and will not contain any untrue statement of a material fact or 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; provided that the Company makes no representation or warranty with respect to any statements or omissions made in reliance upon and in conformity with information relating to any Underwriter furnished to the Company in writing by such Underwriter through the Representatives expressly for use in the Registration Statement and the Prospectus and any amendment or supplement thereto, it being understood and agreed that the only such information furnished by any Underwriter consists of the information described as such in Section 9(c) hereof.

(g) *Financial Statements.* The financial statements (including the related notes thereto) of the Company and its consolidated subsidiaries included in the Registration Statement, the Pricing Disclosure Package and the Prospectus comply in all material respects with the applicable requirements of the Securities Act and present fairly in all material respects the financial position of the Company and its consolidated subsidiaries as of the dates indicated and the results of their operations and the changes in their cash flows for the periods specified; such financial statements have been prepared in conformity with generally accepted accounting principles ("GAAP") in the United States applied on a consistent basis throughout the periods covered thereby, except in the case of unaudited financial statements, which are subject to normal year-end adjustments and do not contain certain footnotes as permitted by the applicable rules of the Commission; and any supporting schedules included in the Registration Statement present fairly in all material respects the information required to be stated therein; and the other financial information included in the Registration Statement, the Pricing Disclosure Package and the Prospectus has been derived from the accounting records of the Company and its consolidated subsidiaries and presents fairly in all material respects the information shown thereby; all disclosures included in the Registration Statement, the Pricing Disclosure Package and 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 Exchange Act (as defined below) and Item 10 of Regulation S-K of the Securities Act, to the extent applicable.

(h) *No Material Adverse Change.* Since the date of the most recent financial statements of the Company included in the Registration Statement, the Pricing Disclosure Package and the Prospectus, (i) except as otherwise disclosed in the Registration Statement, the Pricing Disclosure Package and the Prospectus, there has not been any material change in the capital stock (other than the issuance of shares of Class A Common Stock upon exercise of stock options and warrants described as outstanding in, and the grant of options and awards under existing equity incentive plans described in, the Registration Statement, the Pricing Disclosure Package and the Prospectus), short-term debt or long-term debt of the Company or any of its subsidiaries, or any dividend or distribution of any kind declared, set aside for payment, paid or made by the Company on any class of capital stock, or any material adverse change, or any development that would reasonably be expected to result in a material adverse change, in or affecting the business, properties, management, financial position, stockholders' equity, results of operations or prospects of the Company and its subsidiaries taken as a whole; (ii) except as otherwise disclosed in the Registration Statement, the Pricing Disclosure Package and the Prospectus, neither the Company nor any of its subsidiaries has entered into any transaction or agreement (whether or not in the ordinary course of business) that is material to the Company and its subsidiaries taken as a whole or

incurred any liability or obligation, direct or contingent, that is material to the Company and its subsidiaries taken as a whole; and (iii) neither the Company nor any of its subsidiaries has sustained any loss or interference with its business that is material to the Company and its subsidiaries taken as a whole and that is either from fire, explosion, flood or other calamity, whether or not covered by insurance, or from any labor disturbance or dispute or any action, order or decree of any court or arbitrator or governmental or regulatory authority.

(i) *Organization and Good Standing.* The Company and each of its subsidiaries have been duly organized and are validly existing and in good standing under the laws of their respective jurisdictions of organization, are duly qualified to do business and are in good standing in each jurisdiction in which their respective ownership or lease of property or the conduct of their respective businesses requires such qualification, and have all power and authority necessary to own or hold their respective properties and to conduct the businesses in which they are engaged, except where the failure to be so qualified or in good standing or have such power or authority would not, individually or in the aggregate, reasonably be expected to have a material adverse effect on the business, properties, management, financial position, stockholders' equity, results of operations or prospects of the Company and its subsidiaries taken as a whole or on the performance by the Company of its obligations under this Agreement (a "Material Adverse Effect"). The Company does not own or control, directly or indirectly, any corporation, association or other entity other than the subsidiaries listed in Exhibit 21 to the Registration Statement.

(j) *Capitalization.* The Company has an authorized capitalization as set forth in the Registration Statement, the Pricing Disclosure Package and the Prospectus under the heading "Capitalization" and "Description of Capital Stock"; all the outstanding shares of capital stock of the Company (including the Shares to be sold by the Selling Stockholders) have been duly and validly authorized and issued and are fully paid and non-assessable and are not subject to any pre-emptive or similar rights that have not been duly waived or satisfied; except as described in or expressly contemplated by the Registration Statement, the Pricing Disclosure Package and the Prospectus, there are no outstanding rights (including, without limitation, pre-emptive rights), warrants or options to acquire, or instruments convertible into or exchangeable for, any shares of capital stock or other equity interest in the Company or any of its subsidiaries, or any contract, commitment, agreement, understanding or arrangement of any kind relating to the issuance of any capital stock of the Company or any such subsidiary, any such convertible or exchangeable securities or any such rights, warrants or options; the capital stock of the Company conforms in all material respects to the description thereof contained in the Registration Statement, the Pricing Disclosure Package and the Prospectus; and all the outstanding shares of capital stock or other equity interests of each subsidiary owned, directly or indirectly, by the Company have been duly and validly authorized and issued, are fully paid and non-assessable (except, in the case of any foreign subsidiary, for directors' qualifying shares) and are owned directly or indirectly by the Company, free and clear of any lien, charge, encumbrance, security interest, restriction on voting or transfer or any other claim of any third party.

(k) *Stock Options.* With respect to the stock options (the "Stock Options") granted pursuant to the stock-based compensation plans of the Company and its subsidiaries (the "Company Stock Plans"), except as would not, individually or in the aggregate, reasonably be expected to have a Material Adverse Effect, (i) each Stock Option intended to qualify as an "incentive stock option" under Section 422 of the Internal Revenue Code of 1986, as amended (the "Code") so qualifies to the extent permissible under the Code, (ii) each grant of a Stock Option was duly authorized no later than the date on which the grant of such Stock Option was by its terms to be effective by all necessary corporate action, including, as applicable, approval by the board of directors of the Company (or a duly constituted and authorized committee thereof) and any required stockholder approval by the necessary number of votes or written

consents, and the award agreement governing such grant (if any) was duly executed and delivered by each party thereto, (iii) each such grant was made in accordance with the terms of the Company Stock Plans, and in compliance with, to the extent applicable, the Securities Exchange Act of 1934, as amended, and the rules and regulations of the Commission thereunder (collectively, the "Exchange Act") and all other applicable laws and regulatory rules or requirements, including, if applicable, the rules of the Nasdaq Global Market (the "Nasdaq Market") and any other exchange on which Company securities are traded, and (iv) each such grant was properly accounted for in accordance with GAAP in the financial statements (including the related notes) of the Company. Each Company Stock Plan is accurately described in all material respects in the Registration Statement, the Pricing Disclosure Package and the Prospectus. The Company has not knowingly granted, and there is no and has been no policy or practice of the Company of granting, Stock Options prior to, or otherwise coordinating the grant of Stock Options with, the release or other public announcement of material information regarding the Company or its subsidiaries or their results of operations or prospects.

(l) *Due Authorization.* The Company has full right, power and authority to execute and deliver this Agreement and to perform its obligations hereunder; and all action required to be taken for the due and proper authorization, execution and delivery by it of this Agreement and the consummation by it of the transactions contemplated hereby has been duly and validly taken.

(m) *Underwriting Agreement*. This Agreement has been duly authorized, executed and delivered by the Company.

(n) *The Shares*. The Shares to be issued and sold by the Company hereunder have been duly authorized by the Company and, when issued and delivered and paid for as provided herein, will be duly and validly issued, will be fully paid and nonassessable and will conform to the descriptions thereof in the Registration Statement, the Pricing Disclosure Package and the Prospectus; and the issuance of the Shares is not subject to any preemptive or similar rights.

(o) *Listing*. The Shares have been approved for listing on the Nasdaq Market, subject to notice of issuance.

(p) *No Violation or Default.* Neither the Company nor any of its subsidiaries is (i) in violation of its charter or by-laws or similar organizational documents; (ii) in default, and no event has occurred that, with notice or lapse of time or both, would constitute such a default, in the due performance or observance of any term, covenant or condition contained in any indenture, mortgage, deed of trust, loan agreement or other agreement or instrument to which the Company or any of its subsidiaries is a party or by which the Company or any of its subsidiaries is bound or to which any property or asset of the Company or any of its subsidiaries is subject; or (iii) in violation of any law or statute or any judgment, order, rule or regulation of any court or arbitrator or governmental or regulatory authority, except, in the case of clauses (ii) and (iii) above, for any such default or violation that would not, individually or in the aggregate, reasonably be expected to have a Material Adverse Effect.

(q) *No Conflicts.* The execution, delivery and performance by the Company of this Agreement, the issuance and sale of the Shares and the consummation by the Company of the transactions contemplated by this Agreement or the Pricing Disclosure Package and the Prospectus will not (i) conflict with or result in a breach or violation of any of the terms or provisions of, or constitute a default under, result in the termination, modification or acceleration of, or result in the creation or imposition of any lien, charge or encumbrance upon any property, right or asset of the Company or any of its subsidiaries pursuant to, any indenture, mortgage, deed of trust, loan agreement or other agreement or instrument to which the Company or any of its subsidiaries is a party or by which the Company or any of its subsidiaries is bound or to which any property, right or asset of the Company or any of its subsidiaries is

subject, (ii) result in any violation of the provisions of the charter or by-laws or similar organizational documents of the Company or any of its subsidiaries or (iii) result in the violation of any law or statute or any judgment, order, rule or regulation of any court or arbitrator or governmental or regulatory authority, except, in the case of clauses (i) and (iii) above, for any such conflict, breach, violation, default, lien, charge or encumbrance that would not, individually or in the aggregate, reasonably be expected to have a Material Adverse Effect.

(r) *No Consents Required.* No consent, filing, approval, authorization, order, registration or qualification of or with any court or arbitrator or governmental or regulatory authority is required for the execution, delivery and performance by the Company of this Agreement, the issuance and sale by the Company of the Shares and the consummation by the Company of the transactions contemplated by this Agreement, except for the registration of the Shares under the Securities Act and such consents, approvals, authorizations, orders and registrations or qualifications as may be required by the Financial Industry Regulatory Authority, Inc. ("FINRA") and under applicable state securities laws in connection with the purchase and distribution of the Shares by the Underwriters.

(s) *Legal Proceedings.* There are no legal, governmental or regulatory investigations, actions, demands, claims, suits, arbitrations, inquiries or proceedings ("Actions") pending to which the Company or any of its subsidiaries is or may reasonably be expected to become a party or to which any property of the Company or any of its subsidiaries is or may be the subject that, individually or in the aggregate, if determined adversely to the Company or any of its subsidiaries, could reasonably be expected to have a Material Adverse Effect; to the knowledge of the Company, no such Actions are threatened or contemplated by any governmental or regulatory authority or threatened by others; and (i) there are no current or pending Actions that are required under the Securities Act to be described in the Registration Statement, the Pricing Disclosure Package or the Prospectus that are not so described in the Registration Statement, the Pricing Disclosure Package and the Prospectus and (ii) there are no statutes, regulations or contracts or other documents that are required under the Securities Act to be filed as exhibits to the Registration Statement or described in the Registration Statement, the Pricing Disclosure Package or the Prospectus that are not so filed as exhibits to the Registration Statement or described in the Registration Statement, the Pricing Disclosure Package and the Prospectus.

(t) *Independent Accountants*. Ernst & Young LLP, who has certified certain financial statements of the Company and its subsidiaries is an independent registered public accounting firm with respect to the Company and its subsidiaries within the applicable rules and regulations adopted by the Commission and the Public Company Accounting Oversight Board (United States) and as required by the Securities Act.

(u) *Title to Real and Personal Property*. The Company and its subsidiaries have good and marketable title in fee simple (in the case of real property) to, or have valid rights to lease or otherwise use, all items of real and personal property that are material to the business of the Company and its subsidiaries taken as a whole, in each case free and clear of all liens, encumbrances, claims and defects and imperfections of title except those that (i) do not materially interfere with the use made and proposed to be made of such property by the Company and its subsidiaries or (ii) would not reasonably be expected, individually or in the aggregate, to have a Material Adverse Effect.

(v) *Title to Intellectual Property*. The Company and its subsidiaries own all rights, title and interest in, or possess valid and enforceable license rights in, all patents, patent applications, trademarks, service marks, trade names, trademark applications, trademark registrations, service mark applications, service mark registrations, trade dress, logos, designs, data, database rights, Internet domain names, copyrights, works of authorship, licenses, proprietary information, know-how (including trade

secrets and other unpatented and/or unpatentable proprietary or confidential information, systems or procedures) and any other intellectual property, used or held for use in any material respect, or otherwise necessary for, the conduct of their respective businesses as currently conducted and as proposed to be conducted as described in the Registration Statement, the Pricing Disclosure Package and the Prospectus, as well as applicable related rights, including moral rights, all goodwill associated with the use of the foregoing, and the right to sue for past, present and future infringement, misappropriation or dilution of any of the foregoing (collectively, "Company Intellectual Property"). The Company Intellectual Property that is owned or purported to be owned by the Company has not been adjudged by a court of competent jurisdiction to be invalid or unenforceable, in whole or in part. The conduct of the Company and its subsidiaries' respective businesses has not for the past three (3) years, and does not infringe or misappropriate any intellectual property rights of others. The Company and its subsidiaries have not received any written notice of any claim of infringement, misappropriation or other violation of any intellectual property rights of others, which, singly or in the aggregate, if the subject of an unfavorable decision, ruling or finding, would have a Material Adverse Effect on the Company and its subsidiaries, taken as a whole. To the Company's knowledge, there is no infringement, misappropriation or other violation of any Company Intellectual Property by third parties that would have a Material Adverse Effect on the Company and its subsidiaries taken as a whole. The Company and its subsidiaries hold all ownership rights of the Company Intellectual Property free and clear of all liens, encumbrances, defects or other restrictions. There is no material pending or, to the Company's knowledge, threatened action, suit, proceeding or claim by others: (i) challenging the Company's rights, interest, or title in or to any Company Intellectual Property; (ii) challenging the validity, enforceability or scope of any Company Intellectual Property; or (iii) asserting that the Company or its subsidiaries infringe, misappropriate, or otherwise violate, or would, upon the commercialization of any product or service described in the Registration Statement, the Pricing Disclosure Package or the Prospectus as under development, infringe, misappropriate, or otherwise violate, any intellectual property rights of others. The Company and its subsidiaries have complied in all material respects with the terms of each agreement pursuant to which intellectual property has been licensed to the Company or its subsidiaries, and all such agreements are in full force and effect. To the Company's knowledge, (y) all patents and patent applications, trademark applications and trademark registrations, and copyright registrations owned or purported to be owned by the Company and its subsidiaries have been duly and properly filed and maintained in all material respects, and (z) there are no material defects in any of the patents or patent applications, trademark applications or trademark registrations, or copyright registrations owned or purported to be owned by the Company or its subsidiaries. All employees or contractors engaged in the development of Company Intellectual Property on behalf of the Company or any of its subsidiaries have executed appropriate invention assignment agreements pursuant to which the Company or any of its subsidiaries either (A) has obtained sole and exclusive ownership of such Company Intellectual Property, or (B) has obtained a valid right to exploit such Company Intellectual Property, sufficient for the conduct of the business as currently conducted, and to the Company's knowledge, no such agreement has been breached or violated. The Company has complied with, and is not in breach nor has received any asserted or threatened written claim of breach of any Company Intellectual Property license, and the Company has no knowledge of any breach or anticipated breach by any other person to any Company Intellectual Property license.

(w) *Trade Secrets*. The Company and its subsidiaries have used commercially reasonable efforts to protect their rights in and prevent the unauthorized use and disclosure of trade secrets and confidential business information (including confidential source code, ideas, research and development information, know-how, formulas, compositions, technical data, designs, drawings, specifications, research records, records of inventions, test information, financial, marketing and business data, customer and supplier lists and information, pricing and cost information, business and marketing

plans and proposals) owned by the Company and its subsidiaries, and, to the knowledge of the Company, there has been no unauthorized use or disclosure of any such information or trade secrets.

(x) *Open Source Software*. Except as would not, individually or in the aggregate, reasonably be expected to have a Material Adverse Effect on the Company and its subsidiaries, the Company and its subsidiaries have not integrated, embedded, incorporated, distributed or otherwise used any "open source" software in any manner that requires the Company or any of its subsidiaries to: (i) disclose or make any of the proprietary software of the Company or any of its subsidiaries available in source code form; (ii) make any of the proprietary software of the Company or any of its subsidiaries available for the purpose of creating derivative works; or (iii) distribute any of the products or services of the Company or its subsidiaries free of charge. The Company and each of its subsidiaries is in compliance in all material respects with the terms and conditions of all open source software licenses to which they are bound.

(y) *IT Assets, Data Privacy and Security*. Except as would not, individually or in the aggregate, reasonably be expected to have a Material Adverse Effect on the Company and its subsidiaries, taken as a whole, the computers, websites, applications, databases, software, servers, networks, data communications lines, and other information technology systems and equipment owned, licensed, leased or otherwise used by the Company and its subsidiaries (including any cloud resources but excluding any public networks) (collectively, the "IT Assets") are adequate for, and operate and perform for, the operation of the business of the Company and its subsidiaries as currently conducted and as proposed to be conducted as described in the Registration Statement, the Pricing Disclosure Package and the Prospectus. To the Company's knowledge, the IT Assets are free and clear of viruses, disabling code, bugs, errors, defects, Trojan horses, time bombs, malware, or other harmful code or corruptants. The Company and its subsidiaries have used commercially reasonable efforts at all times to implement and maintain commercially reasonable and appropriate controls, policies, procedures, and safeguards (including all necessary administrative, technical, and physical controls) to maintain and protect their confidential information and the integrity, continuous operation, redundancy and security of all IT Assets and personal, personally identifiable, sensitive, confidential, or regulated data or information ("Personal Data") used in connection with their businesses, including any information that would qualify as "personally identifying information" under the Federal Trade Commission Act, as amended; "personal data" as defined by the European Union General Data Protection Regulation (EU 2016/679) ("GDPR"); or "personal information" as defined by the California Consumer Privacy Act ("CCPA"); and (vi) any other similar information under any Privacy Law (as defined below). There has been no actual breach or reasonably suspected material breach, destruction, violation, or unlawful or unauthorized use or access of Personal Data or any IT Assets, except those that have been remedied without material cost or liability or the duty to notify individuals, law enforcement, or any governmental or regulatory authority. The Company and its subsidiaries have complied and presently comply with all (i) applicable laws, statutes, regulations, industry standards, and directives concerning the protection, collection, use, disclosure, transfer, storage, disposal, privacy, confidentiality, integrity and security of Personal Data (including without limitation the Health Insurance Portability and Accountability Act of 1996, as amended by the Health Information Technology for Economic and Clinical Health Act; the UK Data Protection Act of 2018; the GDPR; and the CCPA (collectively, the "Privacy Laws")), and (ii) all judgments, orders, rules and regulations of any court or arbitrator or governmental or regulatory authority, policies, procedures, and contractual obligations relating to the privacy and security of IT Assets and to the protection of Personal Data from unlawful or unauthorized use, access, alteration, or other manipulation. The Company and its subsidiaries have (i) made all required disclosures to and obtained all necessary consents from individuals (including, without limitation, customers, users, and personnel) for the Company's and its subsidiaries' collection, use, and disclosure of Personal Data, and (ii) complied with all such disclosures

and consents. None of such disclosures made or contained in any policies or notices have been inaccurate, misleading or incomplete in all material respects.

(z) *No Complaints*. There has been no written notification or written complaint in the past three (3) years, and none are currently pending against the Company or its subsidiaries, or to the knowledge of the Company, against any of its customers (specific to the customer's use of the products or services of the Company), by any person, government entity, regulator, group or other party in respect of the collection, use, processing, or disclosure of Personal Data by the Company or its subsidiaries, including without limitation, by any state Attorney General or related office, the Federal Trade Commission, any similar authority or any other governmental entity.

(aa) *No Undisclosed Relationships*. No relationship, direct or indirect, exists between or among the Company or any of its subsidiaries, on the one hand, and the directors, officers, stockholders, customers, suppliers or other affiliates of the Company or any of its subsidiaries, on the other, that is required by the Securities Act to be described in each of the Registration Statement and the Prospectus and that is not so described in such documents and in the Pricing Disclosure Package.

(bb) *Investment Company Act*. The Company is not and, after giving effect to the offering and sale of the Shares and the application of the proceeds thereof received by the Company as described in the Registration Statement, the Pricing Disclosure Package and the Prospectus, will not be required to register as an "investment company" or an entity "controlled" by an "investment company" within the meaning of the Investment Company Act of 1940, as amended, and the rules and regulations of the Commission thereunder (collectively, the "Investment Company Act").

(cc) *Taxes*. The Company and its subsidiaries have paid all federal, state, local and foreign taxes and filed all tax returns required to be paid or filed through the date hereof, and there is no tax deficiency that has been, or could reasonably be expected to be, asserted against the Company or any of its subsidiaries or any of their respective properties or assets, except, in each case, that would not individually or in the aggregate, have a Material Adverse Effect.

(dd) *Licenses and Permits*. The Company and its subsidiaries possess all licenses, sub-licenses, certificates, permits, registrations and other authorizations issued by, and have made all declarations and filings with, the appropriate federal, state, local or foreign governmental or regulatory authorities that are necessary for the ownership or lease of their respective properties, the financial services related to, or the conduct of their respective businesses as described in each of the Registration Statement, the Pricing Disclosure Package and the Prospectus, except where the failure to possess or make the same would not, individually or in the aggregate, have a Material Adverse Effect; and as would not have a Material Adverse Effect, neither the Company nor any of its subsidiaries has received notice of any revocation or modification of any such license, sub-license, certificate, permit or authorization or has any reason to believe that any such license, sub-license, certificate, permit, registration or authorization will not be renewed in the ordinary course. To the Company's knowledge, no party granting any such licenses, certificates, permits and other authorizations has taken any action to limit, suspend or revoke the same in any material respect. Except as would not have a Material Adverse Effect, (i) the Company and its subsidiaries have filed, obtained, maintained or submitted all reports, documents, forms, notices, applications, records, claims, submissions and supplements or amendments as required, and (ii) all such reports, documents, forms, notices, applications, records, claims, submissions and supplements or amendments were complete and correct on the date filed (or were corrected or supplemented by a subsequent submission) as required for maintenance of their licenses, certificates, permits and other authorizations that are necessary for the conduct of their respective businesses. Company has complied with, to the extent applicable, all laws relating to receiving money for transmission and transmitting

money, including but not limited to U.S. state laws regulating and requiring a license to engage in the business of money transmission (which includes advertising, soliciting, or representing that the person engages in the business of money transmission).

(ee) *No Labor Disputes.* (i) No labor disturbance by or dispute with employees of the Company or any of its subsidiaries exists or, to the knowledge of the Company, is contemplated or threatened, and (ii) the Company is not aware of any existing or imminent labor disturbance by, or dispute with, the employees of any of its or its subsidiaries' principal suppliers, contractors or customers, except in the case of each of (i) and (ii) above, as would not reasonably be expected to have a Material Adverse Effect. Neither the Company nor any of its subsidiaries is a party to any collective bargaining agreement.

(ff) *Certain Environmental Matters.* (i) The Company and its subsidiaries (x) are in compliance with all, and have not violated any, applicable federal, state, local and foreign laws, rules, regulations, requirements, decisions, judgments, decrees, orders and other legally enforceable requirements relating to pollution or the protection of human health or safety, the environment, natural resources, hazardous or toxic substances or wastes, pollutants or contaminants (collectively, "Environmental Laws"); (y) have received and are in compliance with all, and have not violated any, permits, licenses, certificates or other authorizations or approvals required of them under any Environmental Laws to conduct their respective businesses; and (z) have not received written notice of any actual or potential liability or obligation under or relating to, or any actual or potential violation of, any Environmental Laws, including for the investigation or remediation of any disposal or release of hazardous or toxic substances or wastes, pollutants or contaminants, and have no knowledge of any event or condition that would reasonably be expected to result in any such notice; (ii) there are no costs or liabilities associated with Environmental Laws of or relating to the Company or its subsidiaries, except in the case of each of (i) and (ii) above, for any such matter as would not, individually or in the aggregate, reasonably be expected to have a Material Adverse Effect; and (iii) (x) there is no proceeding that is pending, or that is known by the Company to be contemplated, against the Company or any of its subsidiaries under any Environmental Laws in which a governmental entity is also a party, other than such proceeding regarding which the Company reasonably believes no monetary sanctions of $100,000 or more will be imposed, (y) the Company and its subsidiaries are not aware of any facts or issues regarding compliance with Environmental Laws, or liabilities or other obligations under Environmental Laws or concerning hazardous or toxic substances or wastes, pollutants or contaminants, that would reasonably be expected to have a Material Adverse Effect, and (z) none of the Company or its subsidiaries anticipates material capital expenditures relating to any Environmental Laws.

(gg) *Hazardous Materials*. There has been no storage, generation, transportation, use, handling, treatment, Release or threat of Release of Hazardous Materials by, relating to or caused by the Company or any of its subsidiaries (or, to the knowledge of the Company, any other entity (including any predecessor) for whose acts or omissions the Company or any of its subsidiaries is or would reasonably be expected to be liable) at, on, under or from any property or facility now or previously owned, operated or leased by the Company or any of its subsidiaries, or at, on, under or from any other property or facility, in violation of any Environmental Laws or in a manner or amount or to a location that would reasonably be expected to result in any liability under any Environmental Law, except for any violation or liability which would not, individually or in the aggregate, reasonably be expected to have a Material Adverse Effect. "Hazardous Materials" means any material, chemical, substance, waste, pollutant, contaminant, compound, mixture, or constituent thereof, in any form or amount, including petroleum (including crude oil or any fraction thereof) and petroleum products, natural gas liquids, asbestos and asbestos containing materials, naturally occurring radioactive materials, brine, and drilling mud, regulated or which can give rise to liability under any Environmental Law. "Release" means any spilling, leaking, seepage, pumping, pouring, emitting, emptying, discharging, injecting, escaping, leaching, dumping, disposing, depositing,

dispersing, or migrating in, into or through the environment, or in, into from or through any building or structure.

(hh) *Compliance with ERISA.* (i) Each employee benefit plan, within the meaning of Section 3(3) of the Employee Retirement Income Security Act of 1974, as amended ("ERISA"), for which the Company or any member of its "Controlled Group" (defined as any entity, whether or not incorporated, that is under common control with the Company within the meaning of Section 4001(a)(14) of ERISA or any entity that would be regarded as a single employer with the Company under Section 414(b),(c),(m) or (o) of the Code) would have any liability (each, a "Plan") has been maintained in compliance with its terms and the requirements of any applicable statutes, orders, rules and regulations, including but not limited to ERISA and the Code; (ii) no prohibited transaction, within the meaning of Section 406 of ERISA or Section 4975 of the Code, has occurred with respect to any Plan, excluding transactions effected pursuant to a statutory or administrative exemption; (iii) for each Plan that is subject to the funding rules of Section 412 of the Code or Section 302 of ERISA, no Plan has failed (whether or not waived), or is reasonably expected to fail, to satisfy the minimum funding standards (within the meaning of Section 302 of ERISA or Section 412 of the Code) applicable to such Plan; (iv) no Plan is, or is reasonably expected to be, in "at risk status" (within the meaning of Section 303(i) of ERISA) and no Plan that is a "multiemployer plan" within the meaning of Section 4001(a)(3) of ERISA is in "endangered status" or "critical status" (within the meaning of Sections 304 and 305 of ERISA) (v) the fair market value of the assets of each Plan exceeds the present value of all benefits accrued under such Plan (determined based on those assumptions used to fund such Plan); (vi) no "reportable event" (within the meaning of Section 4043(c) of ERISA and the regulations promulgated thereunder) has occurred or is reasonably expected to occur; (vii) each Plan that is intended to be qualified under Section 401(a) of the Code is entitled to rely on a determination or opinion letter regarding the qualified status of such Plan, and nothing has occurred, whether by action or by failure to act, which would reasonably be expected to cause the loss of such qualification; (viii) neither the Company nor any member of the Controlled Group has incurred, nor reasonably expects to incur, any liability under Title IV of ERISA (other than contributions to the Plan or premiums to the Pension Benefit Guarantee Corporation, in the ordinary course and without default) in respect of a Plan (including a "multiemployer plan" within the meaning of Section 4001(a)(3) of ERISA); and (ix) none of the following events has occurred or is reasonably likely to occur: (A) a material increase in the aggregate amount of contributions required to be made to all Plans by the Company or its Controlled Group affiliates in the current fiscal year of the Company and its Controlled Group affiliates compared to the amount of such contributions made in the Company's and its Controlled Group affiliates' most recently completed fiscal year; or (B) a material increase in the Company and its subsidiaries' "accumulated post-retirement benefit obligations" (within the meaning of Accounting Standards Codification Topic 715-60) compared to the amount of such obligations in the Company and its subsidiaries' most recently completed fiscal year, except in each case with respect to the events or conditions set forth in (i) through (ix) hereof, as would not, individually or in the aggregate, have a Material Adverse Effect.

(ii) *Disclosure Controls*. The Company and its subsidiaries maintain an effective system of "disclosure controls and procedures" (as defined in Rule 13a-15(e) of the Exchange Act) that complies with the applicable requirements of the Exchange Act and that has been designed to ensure that information required to be disclosed by the Company in reports that it files or submits under the Exchange Act is recorded, processed, summarized and reported within the time periods specified in the Commission's rules and forms, including controls and procedures designed to ensure that such information is accumulated and communicated to the Company's management as appropriate to allow timely decisions regarding required disclosure.

(jj) *Accounting Controls.* The Company and its subsidiaries taken as a whole maintain systems of "internal control over financial reporting" (as defined in Rule 13a-15(f) of the Exchange Act) that comply with the applicable requirements of the Exchange Act and have been designed by, or under the supervision of, the principal executive and principal financial officers, or persons performing similar functions, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with GAAP. The Company and its subsidiaries taken as a whole maintain internal accounting controls sufficient to provide reasonable assurance that (i) transactions are executed in accordance with management's general or specific authorizations; (ii) transactions are recorded as necessary to permit preparation of financial statements in conformity with GAAP and to maintain asset accountability; (iii) access to assets is permitted only in accordance with management's general or specific authorization; and (iv) the recorded accountability for assets is compared with the existing assets at reasonable intervals and appropriate action is taken with respect to any differences. Except as disclosed in the Registration Statement, the Pricing Disclosure Package and the Prospectus, the Company is not aware of any material weaknesses in its internal controls. The Company's auditors and the Audit Committee of the Board of Directors of the Company have been advised of: (i) all significant deficiencies and material weaknesses in the design or operation of internal controls over financial reporting which have adversely affected or are reasonably likely to adversely affect the Company's ability to record, process, summarize and report financial information; and (ii) any fraud, whether or not material, that involves management or other employees who have a significant role in the Company's internal controls over financial reporting.

(kk) *Insurance.* The Company and its subsidiaries have insurance covering their respective properties, operations, personnel and businesses, including business interruption insurance, which insurance is in amounts and insures against such losses and risks as are, in the Company's reasonable judgement, adequate to protect the Company and its subsidiaries and their respective businesses; and neither the Company nor any of its subsidiaries has (i) received notice from any insurer or agent of such insurer that capital improvements or other expenditures are required or necessary to be made in order to continue such insurance or (ii) any reason to believe that it will not be able to renew its existing insurance coverage as and when such coverage expires or to obtain similar coverage at reasonable cost from similar insurers as may be necessary to continue its business.

(ll) *No Unlawful Payments.* Neither the Company nor any of its subsidiaries nor any director or officer of the Company or any of its subsidiaries nor, to the knowledge of the Company, any employee, agent, affiliate or other person associated with or acting on behalf of the Company or any of its subsidiaries has (i) used any corporate funds for any unlawful contribution, gift, entertainment or other unlawful expense relating to political activity; (ii) made or taken an act in furtherance of an offer, promise or authorization of any direct or indirect unlawful payment or benefit to any foreign or domestic government official or employee, including of any government-owned or controlled entity or of a public international organization, or any person acting in an official capacity for or on behalf of any of the foregoing, or any political party or party official or candidate for political office; (iii) violated or is in violation of any provision of the Foreign Corrupt Practices Act of 1977, as amended, or any applicable law or regulation implementing the OECD Convention on Combating Bribery of Foreign Public Officials in International Business Transactions, or committed an offence under the Bribery Act 2010 of the United Kingdom, or any other applicable anti-bribery or anti-corruption law; or (iv) made, offered, agreed, requested or taken an act in furtherance of any unlawful bribe or other unlawful benefit, including, without limitation, any rebate, payoff, influence payment, kickback or other unlawful or improper payment or benefit. The Company and its subsidiaries have instituted, maintain and enforce, and will continue to maintain and enforce policies and procedures designed to promote and ensure compliance with all applicable anti-bribery and anti-corruption laws.

(mm) *Compliance with Anti-Money Laundering Laws*. The operations of the Company and its subsidiaries are and have been conducted at all times in compliance with applicable financial collection, recordkeeping and reporting requirements, including those of the Bank Secrecy Act, Currency and Foreign Transactions Reporting Act of 1970, as amended, the applicable money laundering statutes of all jurisdictions where the Company or any of its subsidiaries conducts business, the rules and regulations thereunder and any related or similar rules, regulations or guidelines issued, administered or enforced by any governmental agency (collectively, the "Anti-Money Laundering Laws") and no action, suit or proceeding by or before any court or governmental agency, authority or body or any arbitrator involving the Company or any of its subsidiaries with respect to the Anti-Money Laundering Laws is pending or, to the knowledge of the Company, threatened.

(nn) *No Conflicts with Sanctions Laws*. Neither the Company nor any of its subsidiaries, directors, officers or employees, nor, to the knowledge of the Company, any agent, affiliate or other person associated with or acting on behalf of the Company or any of its subsidiaries is currently the subject or the target of any sanctions administered or enforced by the U.S. government, (including the Office of Foreign Assets Control of the U.S. Department of the Treasury or the U.S. Department of State), the United Nations Security Council, the European Union, Her Majesty's Treasury, or other applicable sanctions authority (collectively, "Sanctions"), nor is the Company or any of its subsidiaries operating from, organized or resident in a country or territory that is the subject or the target of country-wide or territory-wide Sanctions (as of the date of this Agreement, Crimea, Cuba, Iran, North Korea and Syria) (each, a "Sanctioned Country"); and the Company will not directly or knowingly indirectly use the proceeds of the offering of the Shares hereunder, or lend, contribute or otherwise make available such proceeds to any subsidiary, joint venture partner or other person or entity (i) to fund or facilitate any activities of or business with any person that, at the time of such funding or facilitation, is the subject or the target of Sanctions, (ii) to fund or facilitate any activities of or business in any Sanctioned Country, in each case in violation of Sanctions applicable to any party hereto, or (iii) 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. For the past five years, the Company has not knowingly engaged in and is not now knowingly engaged in any direct or indirect dealings or transactions in violation of Sanctions.

(oo) *No Restrictions on Subsidiaries*. Except as disclosed in the Registration Statement, the Pricing Disclosure Package and the Prospectus, no subsidiary of the Company is currently prohibited, directly or indirectly, under any agreement or other instrument to which it is a party or is subject, from paying any dividends to the Company, from making any other distribution on such subsidiary's capital stock or similar ownership interest, from repaying to the Company any loans or advances to such subsidiary from the Company or from transferring any of such subsidiary's properties or assets to the Company or any other subsidiary of the Company.

(pp) *No Broker's Fees*. Neither the Company nor any of its subsidiaries is a party to any contract, agreement or understanding with any person (other than this Agreement) that would give rise to a valid claim against any of them or any Underwriter for a brokerage commission, finder's fee or like payment in connection with the offering and sale of the Shares.

(qq) *No Registration Rights*. Except for such rights as have been validly waived or complied with, no person has the right to require the Company or any of its subsidiaries to register any securities for sale under the Securities Act by reason of the filing of the Registration Statement with the Commission, the issuance and sale of the Shares by the Company or, to the knowledge of the Company, the sale of the Shares to be sold by the Selling Stockholders hereunder.

(rr) *No Stabilization*. Neither the Company nor any of its subsidiaries or, to the Company's knowledge, affiliates have taken, directly or indirectly, any action designed to or that could reasonably be expected to cause or result in any stabilization or manipulation of the price of the Shares.

(ss) *Margin Rules*. Neither the issuance, sale and delivery of the Shares nor the application of the proceeds thereof by the Company as described in each of the Registration Statement, the Pricing Disclosure Package and the Prospectus will violate Regulation T, U or X of the Board of Governors of the Federal Reserve System or any other regulation of such Board of Governors.

(tt) *Forward-Looking Statements.* No forward-looking statement (within the meaning of Section 27A of the Securities Act and Section 21E of the Exchange Act) contained in the Registration Statement, the Pricing Disclosure Package or the Prospectus has been made or reaffirmed without a reasonable basis or has been disclosed other than in good faith.

(uu) *Statistical and Market Data.* Nothing has come to the attention of the Company that has caused the Company to believe that the statistical and market-related data included in each of the Registration Statement, the Pricing Disclosure Package and the Prospectus is not based on or derived from sources that are reliable and accurate in all material respects.

(vv) *Sarbanes-Oxley Act*. There is and has been no failure on the part of the Company or any of the Company's directors or officers, in their capacities as such, to comply with any provision of the Sarbanes-Oxley Act of 2002, as amended, and the rules and regulations promulgated in connection therewith (the "Sarbanes-Oxley Act"), including Section 402 related to loans.

(ww) *Status under the Securities Act*. At the time of filing the Registration Statement and any post-effective amendment thereto, at the earliest time thereafter that the Company or any offering participant made a *bona fide* offer (within the meaning of Rule 164(h)(2) under the Securities Act) of the Shares and at the date hereof, the Company was not and is not an "ineligible issuer," as defined in Rule 405 under the Securities Act. The Company has paid the registration fee for this offering pursuant to Rule 456(b)(1) under the Securities Act or will pay such fee within the time period required by such rule (without giving effect to the proviso therein) and in any event prior to the Closing Date.

(xx) *No Ratings*. There are (and prior to the Closing Date, will be) no debt securities, convertible securities or preferred stock issued or guaranteed by the Company or any of its subsidiaries that are rated by a "nationally recognized statistical rating organization", as such term is defined in Section 3(a)(62) under the Exchange Act.

4. Representations and Warranties of the Selling Stockholders. Each of the Selling Stockholders severally represents and warrants to each Underwriter and the Company that:

(a) *Required Consents; Authority*. All consents, approvals, authorizations and orders necessary for the execution and delivery by such Selling Stockholder of this Agreement and the Power of Attorney (the "Power of Attorney") and the Custody Agreement (the "Custody Agreement") hereinafter referred to, and for the sale and delivery of the Shares to be sold by such Selling Stockholder hereunder, have been obtained, except for such consents, approvals, authorizations, or orders as may have been obtained under the Securities Act or as may be required by the rules and regulations of FINRA or under the blue sky laws of any jurisdiction in connection with the purchase and distribution of the Shares by the Underwriters except for such consents, approvals, authorizations, or orders as would not, individually or in the aggregate, be reasonably expected to have a material adverse effect on the ability of the Selling Stockholder to consummate the transactions contemplated by this Agreement; and such Selling Stockholder has full right, power and authority to enter into this Agreement, the Power of Attorney and

the Custody Agreement and to sell, assign, transfer and deliver the Shares to be sold by such Selling Stockholder hereunder; this Agreement, the Power of Attorney and the Custody Agreement have each been duly authorized, executed and delivered by or on behalf of such Selling Stockholder.

(b) *No Conflicts*. The execution, delivery and performance by such Selling Stockholder of this Agreement, the Power of Attorney and the Custody Agreement, the sale of the Shares to be sold by such Selling Stockholder and the consummation by such Selling Stockholder of the transactions contemplated herein or therein will not (i) conflict with or result in a breach or violation of any of the terms or provisions of, or constitute a default under, result in the termination, modification or acceleration of, or result in the creation or imposition of any lien, charge or encumbrance upon any property, right or asset of such Selling Stockholder pursuant to, any indenture, mortgage, deed of trust, loan agreement or other agreement or instrument to which such Selling Stockholder is a party or by which such Selling Stockholder is bound or to which any of the property, right or asset of such Selling Stockholder is subject, (ii) result in any violation of the provisions of the charter or by-laws or similar organizational documents of such Selling Stockholder or (iii) result in the violation of any law or statute or any judgment, order, rule or regulation of any court or arbitrator or governmental or regulatory agency, except in the case of clause (iii) above, for any such conflict, breach, violation or default, as the case may be, that would not, individually or in the aggregate, reasonably be expected to have a material adverse effect on the ability of such Selling Stockholder to perform its obligations under this Agreement or the consummation of any of the transactions contemplated hereby.

(c) *Title to Shares*. Such Selling Stockholder has good and valid title to the Shares to be sold at the Closing Date or the Additional Closing Date, as the case may be, by such Selling Stockholder hereunder, free and clear of all liens, encumbrances, equities or adverse claims, except as set forth in the Custody Agreement; such Selling Stockholder will have, immediately prior to the Closing Date or the Additional Closing Date, as the case may be, good and valid title to the Shares to be sold at the Closing Date or the Additional Closing Date, as the case may be, by such Selling Stockholder, free and clear of all liens, encumbrances, equities or adverse claims; and, upon delivery of the certificates representing such Shares and payment therefor pursuant hereto, good and valid title to such Shares, free and clear of all liens, encumbrances, equities or adverse claims, will pass to the several Underwriters.

(d) *No Stabilization*. Such Selling Stockholder has not taken and will not take, directly or indirectly, any action designed to or that could reasonably be expected to cause or result in any stabilization or manipulation of the price of the Shares.

(e) *Pricing Disclosure Package*. The Pricing Disclosure Package, at the Applicable Time did not, and as of the Closing Date and as of the Additional Closing Date, as the case may be, will not, contain any untrue statement of a material fact or 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; provided that such Selling Stockholder makes no representation or warranty with respect to any statements or omissions made in reliance upon and in conformity with information relating to any Underwriter furnished to the Company in writing by such Underwriter through the Representatives expressly for use in such Pricing Disclosure Package, it being understood and agreed that the only such information furnished by any Underwriter consists of the information described as such in Section 9(c) hereof and provided further that the representations and warranties contained in this paragraph shall only apply to any statements or omissions made in reliance upon and in conformity with information furnished in writing to the Company by such Selling Stockholder it being understood and agreed that the only information furnished in writing to the Company by such Selling Stockholder consists of the name of such Selling Stockholder, the number of offered shares and the address and other information with respect to such Selling Stockholder (excluding percentages) which appear in the Pricing Disclosure Package in

the table (and corresponding footnotes) under the caption “Principal and Selling Stockholders” (the “Selling Stockholder Information”).

(f) *Issuer Free Writing Prospectus and Written Testing-the-Waters Communication.* Other than the Registration Statement, the Preliminary Prospectus and the Prospectus, such Selling Stockholder (including its agents and representatives, other than the Underwriters in their capacity as such) has not prepared, made, used, authorized, approved or referred to and will not prepare, make, use, authorize, approve or refer to any Issuer Free Writing Prospectus or Written Testing-the-Waters Communication, other than (i) any document not constituting a prospectus pursuant to Section 2(a)(10)(a) of the Securities Act or Rule 134 under the Securities Act or (ii) the documents listed on Annex A hereto, each electronic road show and any other written communications approved in writing in advance by the Company and the Representatives.

(g) *Registration Statement and Prospectus.* As of the applicable effective date of the Registration Statement and any post-effective amendment thereto, the Registration Statement and any such post-effective amendment will not contain any untrue statement of a material fact or omit to state a material fact required to be stated therein or necessary in order to make the statements therein not misleading; and as of the date of the Prospectus and any amendment or supplement thereto and as of the Closing Date and as of the Additional Closing Date, as the case may be, the Prospectus will not contain any untrue statement of a material fact or 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; provided that such Selling Stockholder makes no representation or warranty with respect to any statements or omissions made in reliance upon and in conformity with information relating to any Underwriter furnished to the Company in writing by such Underwriter through the Representatives expressly for use in the Registration Statement, the Pricing Disclosure Package and the Prospectus and any amendment or supplement thereto, it being understood and agreed that the only such information furnished by any Underwriter consists of the information described as such in Section 9(c) hereof and provided further that the representations and warranties contained in this paragraph shall only apply to any statements or omissions made in reliance upon and in conformity with the Selling Stockholder Information.

(h) *Material Information.* As of the date hereof and as of the Closing Date and as of the Additional Closing Date, as the case may be, that the sale of the Shares by such Selling Stockholder is not and will not be prompted by any material information concerning the Company which is not set forth in the Registration Statement, the Pricing Disclosure Package or the Prospectus.

(i) *No Unlawful Payments.* Neither such Selling Stockholder nor any of its subsidiaries, nor any director, officer or employee of such Selling Stockholder or any of its subsidiaries nor, to the knowledge of such Selling Stockholder, any agent, affiliate or other person associated with or acting on behalf of such Selling Stockholder or any of its subsidiaries has (i) used any corporate funds for any unlawful contribution, gift, entertainment or other unlawful expense relating to political activity; (ii) made or taken an act in furtherance of an offer, promise or authorization of any direct or indirect unlawful payment or benefit to any foreign or domestic government official or employee, including of any government-owned or controlled entity or of a public international organization, or any person acting in an official capacity for or on behalf of any of the foregoing, or any political party or party official or candidate for political office; (iii) violated or is in violation of any provision of the Foreign Corrupt Practices Act of 1977, as amended, or any applicable law or regulation implementing the OECD Convention on Combating Bribery of Foreign Public Officials in International Business Transactions, or committed an offence under the Bribery Act 2010 of the United Kingdom or any other applicable anti-bribery or anti-corruption law; or (iv) made, offered, agreed, requested or taken an act in furtherance of

any unlawful bribe or other unlawful benefit, including, without limitation, any rebate, payoff, influence payment, kickback or other unlawful or improper payment or benefit. Such Selling Stockholder and its subsidiaries have instituted, maintain and enforce, and will continue to maintain and enforce policies and procedures designed to promote and ensure compliance with all applicable anti-bribery and anti-corruption laws

(j) *Compliance with Anti-Money Laundering Laws*. The operations of such Selling Stockholder and its subsidiaries are and have been conducted at all times in compliance with Anti-Money Laundering Laws, and no action, suit or proceeding by or before any court or governmental agency, authority or body or any arbitrator involving such Selling Stockholder or any of its subsidiaries with respect to the Anti-Money Laundering Laws is pending or, to the knowledge of such Selling Stockholder, threatened.

(k) *No Conflicts with Sanctions Laws.* Neither such Selling Stockholder nor any of its subsidiaries, directors, officers or employees, nor, to the knowledge of such Selling Stockholder, any agent, affiliate or other person associated with or acting on behalf of such Selling Stockholder or any of its subsidiaries is currently the subject or the target of any sanctions administered or enforced by the U.S. government (including, without limitation, the Office of Foreign Assets Control of the U.S. Department of the Treasury ("OFAC") or the U.S. Department of State and including, without limitation, the designation as a "specially designated national" or "blocked person"), the United Nations Security Council ("UNSC"), the European Union, Her Majesty's Treasury ("HMT") or other applicable sanctions authority (collectively, "Sanctions"), nor is such Selling Stockholder, any of its subsidiaries located, organized or resident in a country or territory that is the subject or target of Sanctions, including, without limitation, Crimea, Cuba, Iran, North Korea and Syria (each, a "Sanctioned Country"); and such Selling Stockholder will not directly or indirectly use the proceeds of the offering of the Shares hereunder, or lend, contribute or otherwise make available such proceeds to any subsidiary, joint venture partner or other person or entity (i) to fund or facilitate any activities of or business with any person that, at the time of such funding or facilitation, is the subject or target of Sanctions, (ii) to fund or facilitate any activities of or business in any Sanctioned Country or (iii) 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. For the past five years, the Selling Stockholders and its subsidiaries have not knowingly engaged in and are not now knowingly engaged in any direct or indirect dealings or transactions in violation of Sanctions.

(l) *Organization and Good Standing.* Such Selling Stockholder, if a corporation or limited liability company or limited partnership, has been duly formed and is validly existing and in good standing under the laws of its respective jurisdictions of organization.

(m) *ERISA.*

(i) Such Selling Stockholder is not (i) an employee benefit plan subject to Title I of ERISA, (ii) a plan or account subject to Section 4975 of the Code or (iii) an entity deemed to hold "plan assets" of any such plan or account under Section 3(42) of ERISA, 29 C.F.R. 2510.3-101, or otherwise.

(ii) Each of the Selling Stockholders represents and warrants that certificates in negotiable form or book-entry securities entitlements representing all of the Shares to be sold by such Selling Stockholders hereunder have been placed in custody under a Custody Agreement relating to such Shares, in the form heretofore furnished to you, duly executed and delivered by or on behalf of such Selling Stockholder to [●], as custodian (the "Custodian"), and that such Selling Stockholder has duly executed and delivered Powers of Attorney, in the form heretofore furnished to you, appointing the

person or persons indicated in Schedule 2 hereto, and each of them, as such Selling Stockholder's Attorneys-in-fact (the "Attorneys-in-Fact" or any one of them the "Attorney-in Fact") with authority to execute and deliver this Agreement on behalf of such Selling Stockholder, to determine the purchase price to be paid by the Underwriters to the Selling Stockholders as provided herein, to authorize the delivery of the Shares to be sold by such Selling Stockholder hereunder and otherwise to act on behalf of such Selling Stockholder in connection with the transactions contemplated by this Agreement and the Custody Agreement.

(iii) Each of the Selling Stockholders specifically agrees that the Shares represented by the certificates or book-entry securities entitlements held in custody for such Selling Stockholder under the Custody Agreement, are subject to the interests of the Underwriters hereunder, and that the arrangements made by such Selling Stockholder for such custody, and the appointment by such Selling Stockholder of the Attorneys-in-Fact by the Power of Attorney, are to that extent irrevocable. Each of the Selling Stockholders specifically agrees that the obligations of such Selling Stockholder hereunder shall not be terminated by operation of law, whether by the death or incapacity of any individual Selling Stockholder, or, in the case of an estate or trust, by the death or incapacity of any executor or trustee or the termination of such estate or trust, or in the case of a partnership, corporation or similar organization, by the dissolution of such partnership, corporation or organization, or by the occurrence of any other event. If any individual Selling Stockholder or any such executor or trustee should die or become incapacitated, or if any such estate or trust should be terminated, or if any such partnership, corporation or similar organization should be dissolved, or if any other such event should occur, before the delivery of the Shares hereunder, certificates representing such Shares shall be delivered by or on behalf of such Selling Stockholder in accordance with the terms and conditions of this Agreement and the Custody Agreement, and actions taken by the Attorneys-in-Fact pursuant to the Powers of Attorney shall be as valid as if such death, incapacity, termination, dissolution or other event had not occurred, regardless of whether or not the Custodian, the Attorneys-in-Fact, or any of them, shall have received notice of such death, incapacity, termination, dissolution or other event.

5. Further Agreements of the Company. The Company covenants and agrees with each Underwriter that:

(a) *Required Filings.* The Company will file the final Prospectus with the Commission within the time periods specified by Rule 424(b) and Rule 430A, 430B or 430C under the Securities Act, will file any Issuer Free Writing Prospectus to the extent required by Rule 433 under the Securities Act; and the Company will furnish copies of the Prospectus and each Issuer Free Writing Prospectus (to the extent not previously delivered) to the Underwriters in New York City prior to 10:00 A.M., New York City time, on the business day next succeeding the date of this Agreement in such quantities as the Representatives may reasonably request.

(b) *Delivery of Copies.* The Company will deliver, without charge, (i) to the Representatives, if requested, three signed copies of the Registration Statement as originally filed and each amendment thereto, in each case including all exhibits and consents filed therewith; and (ii) to each Underwriter (A) a conformed copy of the Registration Statement as originally filed and each amendment thereto (without exhibits) and (B) during the Prospectus Delivery Period (as defined below), as many copies of the Prospectus (including all amendments and supplements thereto and each Issuer Free Writing Prospectus) as the Representatives may reasonably request. As used herein, the term "Prospectus Delivery Period" means such period of time after the first date of the public offering of the Shares as in the opinion of counsel for the Underwriters a prospectus relating to the Shares is required by law to be delivered (or required to be delivered but for Rule 172 under the Securities Act) in connection with sales of the Shares by any Underwriter or dealer.

(c) *Amendments or Supplements, Issuer Free Writing Prospectuses.* Before making, preparing, using, authorizing, approving, referring to or filing any Issuer Free Writing Prospectus, and before filing any amendment or supplement to the Registration Statement, the Pricing Disclosure Package or the Prospectus, the Company will furnish to the Representatives and counsel for the Underwriters a copy of the proposed Issuer Free Writing Prospectus, amendment or supplement for review and will not make, prepare, use, authorize, approve, refer to or file any such Issuer Free Writing Prospectus or file any such proposed amendment or supplement to which the Representatives reasonably object.

(d) *Notice to the Representatives.* The Company will advise the Representatives promptly, and confirm such advice in writing (which may be by electronic mail), (i) when the Registration Statement has become effective; (ii) when any amendment to the Registration Statement has been filed or becomes effective; (iii) when any supplement to the Pricing Disclosure Package, the Prospectus, any Issuer Free Writing Prospectus, any Written Testing-the-Waters Communication or any amendment to the Prospectus has been filed or distributed; (iv) of any request by the Commission for any amendment to the Registration Statement or any amendment or supplement to the Prospectus or the receipt of any comments from the Commission relating to the Registration Statement or any other request by the Commission for any additional information including, but not limited to, any request for information concerning any Testing-the-Waters Communication; (v) of the issuance by the Commission or any other governmental or regulatory authority of any order suspending the effectiveness of the Registration Statement or preventing or suspending the use of any Preliminary Prospectus, any of the Pricing Disclosure Package, the Prospectus or any Written Testing-the-Waters Communication or the initiation or, to the knowledge of the Company, threatening of any proceeding for that purpose or pursuant to Section 8A of the Securities Act; (vi) of the occurrence of any event or development within the Prospectus Delivery Period as a result of which the Prospectus, any of the Pricing Disclosure Package or any Issuer Free Writing Prospectus or any Written Testing-the-Waters Communication as then amended or supplemented would include any untrue statement of a material fact or omit to state a material fact necessary in order to make the statements therein, in the light of the circumstances existing when the Prospectus, the Pricing Disclosure Package, or any such Issuer Free Writing Prospectus or any Written Testing-the-Waters Communication is delivered to a purchaser, not misleading; and (vii) of the receipt by the Company of any notice with respect to any suspension of the qualification of the Shares for offer and sale in any jurisdiction or the initiation or, to the knowledge of the Company, threatening of any proceeding for such purpose; and the Company will use its reasonable best efforts to prevent the issuance of any such order suspending the effectiveness of the Registration Statement, preventing or suspending the use of any Preliminary Prospectus, any of the Pricing Disclosure Package or the Prospectus or any Written Testing-the-Waters Communication or suspending any such qualification of the Shares and, if any such order is issued, will use its reasonable best efforts to obtain as soon as possible the withdrawal thereof.

(e) *Ongoing Compliance.* (1) If during the Prospectus Delivery Period (i) any event or development shall occur or condition shall exist as a result of which the Prospectus as then amended or supplemented would include any untrue statement of a material fact or omit to state any material fact necessary in order to make the statements therein, in the light of the circumstances existing when the Prospectus is delivered to a purchaser, not misleading or (ii) it is necessary to amend or supplement the Prospectus to comply with law, the Company will promptly notify the Underwriters thereof and forthwith prepare and, subject to paragraph (c) above, file with the Commission and furnish to the Underwriters and to such dealers as the Representatives may designate such amendments or supplements to the Prospectus as may be necessary so that the statements in the Prospectus as so amended or supplemented will not, in the light of the circumstances existing when the Prospectus is delivered to a purchaser, be misleading or so that the Prospectus will comply with law and (2) if at any time prior to the Closing Date (i) any event

or development shall occur or condition shall exist as a result of which the Pricing Disclosure Package as then amended or supplemented would include any untrue statement of a material fact or omit to state any material fact necessary in order to make the statements therein, in the light of the circumstances existing when the Pricing Disclosure Package is delivered to a purchaser, not misleading or (ii) it is necessary to amend or supplement the Pricing Disclosure Package to comply with law, the Company will promptly notify the Underwriters thereof and forthwith prepare and, subject to paragraph (c) above, file with the Commission (to the extent required) and furnish to the Underwriters and to such dealers as the Representatives may designate such amendments or supplements to the Pricing Disclosure Package as may be necessary so that the statements in the Pricing Disclosure Package as so amended or supplemented will not, in the light of the circumstances existing when the Pricing Disclosure Package is delivered to a purchaser, be misleading or so that the Pricing Disclosure Package will comply with law.

(f) *Blue Sky Compliance*. If required by applicable law, the Company will qualify the Shares for offer and sale under the securities or Blue Sky laws of such jurisdictions as the Representatives shall reasonably request and will continue such qualifications in effect so long as required for distribution of the Shares; provided that the Company shall not be required to (i) qualify as a foreign corporation or other entity or as a dealer in securities in any such jurisdiction where it would not otherwise be required to so qualify, (ii) file any general consent to service of process in any such jurisdiction or (iii) subject itself to taxation in any such jurisdiction if it is not otherwise so subject.

(g) *Earning Statement.* The Company will make generally available to its security holders and the Representatives as soon as practicable an earning statement that satisfies the provisions of Section 11(a) of the Securities Act and Rule 158 of the Commission promulgated thereunder covering a period of at least twelve months beginning with the first fiscal quarter of the Company occurring after the "effective date" (as defined in Rule 158) of the Registration Statement; provided that the Company will be deemed to have furnished such statements to its security holders and the Representatives to the extent they are filed on the Commission's Electronic Data Gathering, Analysis and Retrieval system ("EDGAR").

(h) *Clear Market.* For a period of 180 days after the date of the Prospectus (the "Restricted Period"), the Company will not (i) 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, hedge, lend, or otherwise transfer or dispose of, directly or indirectly, or submit to, or file with, the Commission a registration statement under the Securities Act relating to, any shares of Stock or any securities convertible into or exercisable or exchangeable for Stock, or publicly disclose the intention to undertake any of the foregoing, or (ii) enter into any swap, hedging, or other agreement that transfers, in whole or in part, any of the economic consequences of ownership of the Stock or any such other securities, whether any such transaction described in clause (i) or (ii) above is to be settled by delivery of Stock or such other securities, in cash or otherwise, without the prior written consent of J.P. Morgan Securities LLC other than the Shares to be sold hereunder.

The restrictions described above do not apply to (i) the issuance of shares of Stock or securities convertible into or exercisable for shares of Stock pursuant to the conversion or exchange of convertible or exchangeable securities or the exercise of warrants or options (including net exercise) or the settlement of RSUs (including net settlement), in each case outstanding on the date of this Agreement and described in the Prospectus; (ii) the issuance of shares of LT10 common stock, par value $0.0001 per share, and LT50 common stock, par value $0.0001 per share, pursuant to the Exchange Offer (as defined in the Registration Statement, the Pricing Disclosure Package and the Prospectus), and the issuance of shares of Stock or securities convertible into or exercisable for shares of Stock pursuant to the conversion of such securities, provided that any recipients of such securities shall enter into lock-up agreements with the

Underwriters; (iii) grants of stock options, stock awards, restricted stock, RSUs, or other equity awards and the issuance of shares of Stock or securities convertible into or exercisable or exchangeable for shares of Stock (whether upon the exercise of stock options or otherwise) to the Company's employees, officers, directors, advisors, or consultants pursuant to the terms of an equity compensation plan in effect as of the Closing Date and described in the Prospectus, provided that such recipients enter into a lock-up agreement with the Underwriters; (iv) the issuance of up to 5% of the outstanding shares of Stock, or securities convertible into, exercisable for, or which are otherwise exchangeable for, Stock, immediately following the Closing Date, in acquisitions or other similar strategic transactions, provided that such recipients enter into a lock-up agreement with the Underwriters; or (v) the filing of any registration statement on Form S-8 relating to securities granted or to be granted pursuant to any plan in effect on the date of this Agreement and described in the Prospectus or any assumed benefit plan pursuant to an acquisition or similar strategic transaction.

(i) If J.P. Morgan Securities LLC, in its sole discretion, agrees to release or waive the restrictions set forth in a lock-up letter described in Section 8(m) hereof for an officer or director of the Company and provide the Company with notice of the impending release or waiver substantially in the form of Exhibit B hereto at least three business days before the effective date of the release or waiver, the Company agrees to announce the impending release or waiver substantially in the form of Exhibit C hereto through a major news service at least two business days before the effective date of the release or waiver.

(j) *Use of Proceeds*. The Company will apply the net proceeds from the sale of the Shares as described in each of the Registration Statement, the Pricing Disclosure Package and the Prospectus under the heading "Use of proceeds".

(k) *No Stabilization.* Neither the Company nor its subsidiaries or affiliates will take, directly or indirectly, any action designed to or that could reasonably be expected to cause or result in any stabilization or manipulation of the price of the Stock.

(l) *Exchange Listing.* The Company will use its reasonable best efforts to list, subject to notice of issuance, the Shares on the Nasdaq Market.

(m) *Reports.* During a period of three years from the date of this Agreement, the Company will furnish to the Representatives, as soon as commercially reasonable after the date they are available, copies of all reports or other communications (financial or other) furnished to holders of the Shares, and copies of any reports and financial statements furnished to or filed with the Commission or any national securities exchange or automatic quotation system; provided the Company will be deemed to have furnished such reports and financial statements to the Representatives to the extent they are filed on EDGAR.

(n) *Record Retention*. The Company will, pursuant to reasonable procedures developed in good faith, retain copies of each Issuer Free Writing Prospectus that is not filed with the Commission in accordance with Rule 433 under the Securities Act.

(o) *Filings.* The Company will file with the Commission such reports as may be required by Rule 463 under the Securities Act.

(p) *Emerging Growth Company*. 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 Shares within the meaning of the Securities Act and (ii) completion of the 180-day restricted period referred to in Section 5(h) hereof.

(q) *Transfer Restrictions*. The Company will take reasonable efforts to enforce the terms of all existing agreements, plans and arrangements restricting the transfer by any holder of such holder's shares of Class A Common Stock or securities convertible into or exercisable or exchangeable for Class A Common Stock (the "Securities") following the offering of the Shares contemplated hereby. The Company will issue stop-transfer instructions to the transfer agent with respect to any transaction that would constitute a breach of, or default under, such provisions. During the Restricted Period, the Company will enforce, and not waive or amend, such stop-transfer instructions and any transfer restriction, including any "market standoff," "holdback" or similar agreement or provision, applicable to any Securities unless the Company shall have obtained the prior written consent of J.P. Morgan Securities LLC; provided that this Section 5(q) shall not prohibit the Company from effecting such a waiver or amendment to permit a transfer of securities which is permissible under the terms of the lock-up letters described in Section 8(m).

6. Further Agreements of the Selling Stockholders. Each of the Selling Stockholders severally covenants and agrees with each Underwriter that:

(a) *No Stabilization.* Such Selling Stockholder will not take, directly or indirectly, any action designed to or that could reasonably be expected to cause or result in any stabilization or manipulation of the price of the Stock.

(b) *Tax Form.* It will deliver to the Representatives prior to or at the Closing Date a properly completed and executed United States Treasury Department Form W-9 (or other applicable form or statement specified by the Treasury Department regulations in lieu thereof) in order to facilitate the Underwriters' documentation of their compliance with the reporting and withholding provisions of the Tax Equity and Fiscal Responsibility Act of 1982 with respect to the transactions herein contemplated.

(c) *Use of Proceeds*. It will not directly or indirectly use the proceeds of the offering of the Shares hereunder, or lend, contribute or otherwise make available such proceeds to a subsidiary, joint venture partner or other person or entity (i) to fund or facilitate any activities of or business with any person that, at the time of such funding or facilitation, is the subject of target of Sanctions, (ii) to fund or facilitate any activities of or business in any Sanctioned Country or (iii) 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.

7. Certain Agreements of the Underwriters. Each Underwriter hereby severally represents and agrees that:

(a) It has not used, authorized use of, referred to or participated in the planning for use of, and will not use, authorize use of, refer to or participate in the planning for use of, any "free writing prospectus", as defined in Rule 405 under the Securities Act (which term includes use of any written information furnished to the Commission by the Company and not incorporated by reference into the Registration Statement and any press release issued by the Company) other than (i) a free writing prospectus that contains no "issuer information" (as defined in Rule 433(h)(2) under the Securities Act) that was not included (including through incorporation by reference) in the Preliminary Prospectus or a previously filed Issuer Free Writing Prospectus, (ii) any Issuer Free Writing Prospectus listed on Annex A or prepared pursuant to Section 3(c) or Section 5(c) above (including any electronic road show), or (iii) any free writing prospectus prepared by such underwriter and approved by the Company in advance in writing (each such free writing prospectus referred to in clauses (i) or (iii), an "Underwriter Free Writing Prospectus").

(b) It has not and will not, without the prior written consent of the Company, use any free writing prospectus that contains the final terms of the Shares unless such terms have previously been included in a free writing prospectus filed with the Commission; provided that Underwriters may use a term sheet substantially in the form of Annex C hereto without the consent of the Company; provided further that any Underwriter using such term sheet shall notify the Company, and provide a copy of such term sheet to the Company, prior to, or substantially concurrently with, the first use of such term sheet.

(c) It is not subject to any pending proceeding under Section 8A of the Securities Act with respect to the offering (and will promptly notify the Company and the Selling Stockholders if any such proceeding against it is initiated during the Prospectus Delivery Period).

8. Conditions of Underwriters' Obligations. The obligation of each Underwriter to purchase the Underwritten Shares on the Closing Date or the Option Shares on the Additional Closing Date, as the case may be, as provided herein is subject to the performance by the Company and each of the Selling Stockholders of their respective covenants and other obligations hereunder and to the following additional conditions:

(a) *Registration Compliance; No Stop Order.* No order suspending the effectiveness of the Registration Statement shall be in effect, and no proceeding for such purpose or pursuant to Section 8A under the Securities Act shall be pending before or, to the Company's knowledge, threatened by the Commission; the Prospectus and each Issuer Free Writing Prospectus shall have been timely filed with the Commission under the Securities Act (in the case of an Issuer Free Writing Prospectus, to the extent required by Rule 433 under the Securities Act) and in accordance with Section 5(a) hereof; and all requests by the Commission for additional information shall have been complied with to the reasonable satisfaction of the Representatives.

(b) *Representations and Warranties.* The respective representations and warranties of the Company and the Selling Stockholders contained herein shall be true and correct on the date hereof and on and as of the Closing Date or the Additional Closing Date, as the case may be; and the statements of the Company and its officers and of each of the Selling Stockholders and their officers made in any certificates delivered pursuant to this Agreement shall be true and correct on and as of the Closing Date or the Additional Closing Date, as the case may be.

(c) *No Material Adverse Change.* No event or condition of a type described in Section 3(h) hereof shall have occurred or shall exist, which event or condition is not described in the Pricing Disclosure Package (excluding any amendment or supplement thereto) and the Prospectus (excluding any amendment or supplement thereto) and the effect of which in the judgment of the Representatives makes it impracticable or inadvisable to proceed with the offering, sale or delivery of the Shares on the Closing Date or the Additional Closing Date, as the case may be, on the terms and in the manner contemplated by this Agreement, the Pricing Disclosure Package and the Prospectus.

(d) *Officer's Certificate.* The Representatives shall have received on and as of the Closing Date or the Additional Closing Date, as the case may be, (x) a certificate of the chief financial officer or chief accounting officer of the Company and one additional senior executive officer of the Company who is satisfactory to the Representatives (i) confirming that such officers have carefully reviewed the Registration Statement, the Pricing Disclosure Package and the Prospectus and, to the knowledge of such officers, the representations of the Company set forth in Sections 3(b) and 3(f) hereof are true and correct, (ii) confirming that the other representations and warranties of the Company in this Agreement are true and correct and that the Company has complied with all agreements and satisfied all conditions on its part to be performed or satisfied hereunder at or prior to the Closing Date or the Additional Closing Date, as the case may be, and (iii) to the effect set forth in paragraphs (a), (b) and (c)

above and (y) a certificate of each of the Selling Stockholders, in form and substance reasonably satisfactory to the Representatives, (A) confirming that the representations of such Selling Stockholder set forth in Sections 4(e), 4(f) and 4(g) hereof is true and correct and (B) confirming that the other representations and warranties of such Selling Stockholder in this agreement are true and correct and that the such Selling Stockholder has complied with all agreements and satisfied all conditions on their part to be performed or satisfied hereunder at or prior to such Closing Date.

(e) *Comfort Letters*.

(i) On the date of this Agreement and on the Closing Date or the Additional Closing Date, as the case may be, Ernst & Young LLP shall have furnished to the Representatives, at the request of the Company, letters, dated the respective dates of delivery thereof and addressed to the Underwriters, in form and substance reasonably satisfactory to the Representatives, containing statements and information of the type customarily included in accountants' "comfort letters" to underwriters with respect to the financial statements and certain financial information contained in the Registration Statement, the Pricing Disclosure Package and the Prospectus; provided, that the letter delivered on the Closing Date or the Additional Closing Date, as the case may be, shall use a "cut-off" date no more than two business days prior to such Closing Date or such Additional Closing Date, as the case may be.

(ii) On the date of this Agreement and on the Closing Date or the Additional Closing Date, as the case may be, the Company shall have furnished to the Representatives a certificate, dated the respective dates of delivery thereof and addressed to the Underwriters, of its chief financial officer with respect to certain financial data contained in the Pricing Disclosure Package and the Prospectus, providing "management comfort" with respect to such information, in form and substance reasonably satisfactory to the Representatives.

(f) *Opinion and 10b-5 Statement of Counsel for the Company*. Latham & Watkins LLP, counsel for the Company, shall have furnished to the Representatives, at the request of the Company, their written opinion and 10b-5 statement, dated the Closing Date or the Additional Closing Date, as the case may be, and addressed to the Underwriters, in form and substance reasonably satisfactory to the Representatives.

(g) *Opinion of Counsel for the Selling Stockholders*. Whalen LLP, counsel for the Selling Stockholders, shall have furnished to the Representatives, at the request of the Selling Stockholders, their written opinion, dated the Closing Date or the Additional Closing Date, as the case may be, and addressed to the Underwriters, in form and substance reasonably satisfactory to the Representatives.

(h) *Opinion and 10b-5 Statement of Counsel for the Underwriters.* The Representatives shall have received on and as of the Closing Date or the Additional Closing Date, as the case may be, an opinion and 10b-5 statement, addressed to the Underwriters, of Cooley LLP, counsel for the Underwriters, with respect to such matters as the Representatives may reasonably request, and such counsel shall have received such documents and information as they may reasonably request to enable them to pass upon such matters.

(i) *Opinion of Counsel for the Company*. Silicon Legal Strategy, P.C., counsel for the Company, shall have furnished to the Representatives, at the request of the Company, their written opinion, dated the Closing Date or the Additional Closing Date, as the case may be, and addressed to the Underwriters, in form and substance reasonably satisfactory to the Representatives, as to certain legal matters.

(j) *No Legal Impediment to Issuance and Sale*. No action shall have been taken and no statute, rule, regulation or order shall have been enacted, adopted or issued by any federal, state or foreign governmental or regulatory authority that would, as of the Closing Date or the Additional Closing Date, as the case may be, prevent the issuance or sale of the Shares by the Company or the sale of the Shares by the Selling Stockholders; and no injunction or order of any federal, state or foreign court shall have been issued that would, as of the Closing Date or the Additional Closing Date, as the case may be, prevent the issuance or sale of the Shares by the Company or the sale of the Shares by the Selling Stockholders.

(k) *Good Standing*. The Representatives shall have received on and as of the Closing Date or the Additional Closing Date, as the case may be, satisfactory evidence of the good standing of the Company and its subsidiaries in their respective jurisdictions of organization and their good standing in such other jurisdictions as the Representatives may reasonably request, in each case in writing or any standard form of telecommunication from the appropriate governmental authorities of such jurisdictions.

(l) *Exchange Listing.* The Shares to be delivered on the Closing Date or the Additional Closing Date, as the case may be, shall have been approved for listing on the Nasdaq Market, subject to official notice of issuance.

(m) *Lock-up Agreements*. The "lock-up" agreements, each substantially in the form of Exhibit A hereto, between you and the officers, directors and substantially all of the shareholders of the Company, including the Selling Stockholders, relating to sales and certain other dispositions of shares of Stock or certain other securities, delivered to you on or before the date hereof, shall be full force and effect on the Closing Date or the Additional Closing Date, as the case may be.

(n) *Additional Documents*. On or prior to the Closing Date or the Additional Closing Date, as the case may be, the Company and the Selling Stockholders shall have furnished to the Representatives such further certificates and documents as the Representatives may reasonably request.

All opinions, letters, certificates and evidence mentioned above or elsewhere in this Agreement shall be deemed to be in compliance with the provisions hereof only if they are in form and substance reasonably satisfactory to counsel for the Underwriters.

9. Indemnification and Contribution.

(a) *Indemnification of the Underwriters by the Company.* The Company agrees to indemnify and hold harmless each Underwriter, its affiliates, directors and officers and each person, if any, who controls such Underwriter within the meaning of Section 15 of the Securities Act or Section 20 of the Exchange Act, from and against any and all losses, claims, damages and liabilities (including, without limitation, reasonably incurred legal fees and other reasonably incurred expenses incurred in connection with any suit, action or proceeding or any claim asserted, as such fees and expenses are incurred), joint or several, that arise out of, or are based upon, (i) the Rule 135 video released by the Company on May 3, 2021; (ii) any untrue statement or alleged untrue statement of a material fact contained in the Registration Statement or caused by any omission or alleged omission to state therein a material fact required to be stated therein or necessary in order to make the statements therein, not misleading or (iii) any untrue statement or alleged untrue statement of a material fact contained in the Prospectus (or any amendment or supplement thereto), any Preliminary Prospectus, any Issuer Free Writing Prospectus, any "issuer information" filed or required to be filed pursuant to Rule 433(d) under the Securities Act, any Written Testing-the-Waters Communication, any road show as defined in Rule 433(h) under the Securities Act (a "road show") or any Pricing Disclosure Package (including any Pricing

Disclosure Package that has subsequently been amended), or caused by any omission or alleged omission to state therein a material fact necessary in order to make the statements therein, in light of the circumstances under which they were made, not misleading, in each case except insofar as such losses, claims, damages or liabilities arise out of, or are based upon, any untrue statement or omission or alleged untrue statement or omission made in reliance upon and in conformity with any information relating to any Underwriter furnished to the Company in writing by such Underwriter through the Representatives expressly for use therein, it being understood and agreed that the only such information furnished by any Underwriter consists of the information described as such in paragraph (c) below.

(b) *Indemnification of the Underwriters by the Selling Stockholders.* Each of the Selling Stockholders severally in proportion to the number of Shares to be sold by such Selling Stockholder hereunder agrees to indemnify and hold harmless each Underwriter, its affiliates, directors and officers and each person, if any, who controls such Underwriter within the meaning of Section 15 of the Securities Act or Section 20 of the Exchange Act to the same extent as the indemnity set forth in paragraph (a) above, in each case except insofar as such losses, claims, damages or liabilities arise out of, or are based upon, any untrue statement or omission or alleged untrue statement or omission made in reliance upon and in conformity with any information relating to any Underwriter furnished to the Company in writing by such Underwriter through the Representatives expressly for use in the Registration Statement, the Prospectus (or any amendment or supplement thereto), any Preliminary Prospectus, any Issuer Free Writing Prospectus, any Written Testing-the-Waters Communication or the Pricing Disclosure Package, it being understood and agreed that the only such information furnished by any Underwriter consists of the information described as such in paragraph (c) below; provided that each Selling Stockholder shall be liable only to the extent that such untrue statement or alleged untrue statement or omission or alleged omission has been made in reliance upon and in conformity with the Selling Stockholder Information; provided, further, that the aggregate liability under this paragraph (b) and the contribution provisions of paragraph (e) below of each Selling Stockholder shall be limited to an amount equal to the initial public offering price of the Securities sold by such Selling Stockholder to the Underwriters (after deducting underwriting commissions and discounts, but before expenses) (the "Selling Stockholder Proceeds").

(c) *Indemnification of the Company and the Selling Stockholders.* Each Underwriter agrees, severally and not jointly, to indemnify and hold harmless the Company, its directors, its officers who signed the Registration Statement and each person, if any, who controls the Company within the meaning of Section 15 of the Securities Act or Section 20 of the Exchange Act and each of the Selling Stockholders to the same extent as the indemnity set forth in paragraph (a) above, but only with respect to any losses, claims, damages or liabilities that arise out of, or are based upon, any untrue statement or omission or alleged untrue statement or omission made in reliance upon and in conformity with any information relating to such Underwriter furnished to the Company in writing by such Underwriter through the Representatives expressly for use in the Registration Statement, the Prospectus (or any amendment or supplement thereto), any Preliminary Prospectus, any Issuer Free Writing Prospectus, any Written Testing-the-Waters Communication, any road show or any Pricing Disclosure Package (including any Pricing Disclosure Package that has subsequently been amended), it being understood and agreed upon that the only such information furnished by any Underwriter consists of the following information in the Prospectus furnished on behalf of each Underwriter: the concession and reallowance figures appearing in the third paragraph under the caption "Underwriting" and the information contained in the sixteenth and seventeenth paragraphs under the caption "Underwriting" relating to price stabilization, short positions and penalty bids.

(d) *Notice and Procedures.* If any suit, action, proceeding (including any governmental or regulatory investigation), claim or demand shall be brought or asserted against any

person in respect of which indemnification may be sought pursuant to the preceding paragraphs of this Section 9, such person (the "Indemnified Person") shall promptly notify the person against whom such indemnification may be sought (the "Indemnifying Person") in writing; provided that the failure to notify the Indemnifying Person shall not relieve it from any liability that it may have under the preceding paragraphs of this Section 9 except to the extent that it has been materially prejudiced (through the forfeiture of substantive rights or defenses) by such failure; and provided, further, that the failure to notify the Indemnifying Person shall not relieve it from any liability that it may have to an Indemnified Person otherwise than under the preceding paragraphs of this Section 9. If any such proceeding shall be brought or asserted against an Indemnified Person and it shall have notified the Indemnifying Person thereof, the Indemnifying Person shall retain counsel reasonably satisfactory to the Indemnified Person (who shall not, without the consent of the Indemnified Person, be counsel to the Indemnifying Person) to represent the Indemnified Person and any others entitled to indemnification pursuant to this Section that the Indemnifying Person may designate in such proceeding and shall pay the reasonably incurred fees and expenses in such proceeding and shall pay the reasonably incurred fees and expenses of such counsel related to such proceeding, as incurred. In any such proceeding, any Indemnified Person shall have the right to retain its own counsel, but the fees and expenses of such counsel shall be at the expense of such Indemnified Person unless (i) the Indemnifying Person and the Indemnified Person shall have mutually agreed to the contrary; (ii) the Indemnifying Person has failed within a reasonable time to retain counsel reasonably satisfactory to the Indemnified Person; (iii) the Indemnified Person shall have reasonably concluded that there may be legal defenses available to it that are different from or in addition to those available to the Indemnifying Person; or (iv) the named parties in any such proceeding (including any impleaded parties) include both the Indemnifying Person and the Indemnified Person and representation of both parties by the same counsel would be inappropriate due to actual or potential differing interests between them. It is understood and agreed that the Indemnifying Person shall not, in connection with any proceeding or related proceedings in the same jurisdiction, be liable for the reasonably incurred fees and expenses of more than one separate firm (in addition to any local counsel) for all Indemnified Persons, and that all such reasonably incurred fees and expenses shall be paid or reimbursed as they are incurred. Any such separate firm for any Underwriter, its affiliates, directors and officers and any control persons of such Underwriter shall be designated in writing by the Representatives and any such separate firm for the Company, its directors, its officers who signed the Registration Statement and any control persons of the Company shall be designated in writing by the Company and any such separate firm for the Selling Stockholders shall be designated in writing by the Attorneys-in-Fact or any one of them. The Indemnifying Person shall not be liable for any settlement of any proceeding effected without its written consent, but if settled with such consent, the Indemnifying Person agrees to indemnify each Indemnified Person from and against any loss or liability by reason of such settlement. Notwithstanding the foregoing sentence, if at any time an Indemnified Person shall have requested that an Indemnifying Person reimburse the Indemnified Person for reasonably incurred fees and expenses of counsel as contemplated by this paragraph, the Indemnifying Person shall be liable for any settlement of any proceeding effected without its written consent if (i) such settlement is entered into more than 30 days after receipt by the Indemnifying Person of such request and (ii) the Indemnifying Person shall not have reimbursed the Indemnified Person in accordance with such request prior to the date of such settlement. No Indemnifying Person shall, without the written consent of the Indemnified Person, effect any settlement of any pending or threatened proceeding in respect of which any Indemnified Person is or could have been a party and indemnification could have been sought hereunder by such Indemnified Person, unless such settlement (x) includes an unconditional release of such Indemnified Person, in form and substance reasonably satisfactory to such Indemnified Person, from all liability on claims that are the subject matter of such proceeding and (y) does not include any statement as to or any admission of fault, culpability or a failure to act by or on behalf of any Indemnified Person.

(e) *Contribution.* If the indemnification provided for in paragraphs (a), (b) or (c) above is unavailable to an Indemnified Person or insufficient in respect of any losses, claims, damages or liabilities referred to therein, then each Indemnifying Person under such paragraph, in lieu of indemnifying such Indemnified Person thereunder, shall contribute to the amount paid or payable by such Indemnified Person as a result of such losses, claims, damages or liabilities (i) in such proportion as is appropriate to reflect the relative benefits received by the Company and the Selling Stockholders, on the one hand, and the Underwriters on the other, from the offering of the Shares 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) but also the relative fault of the Company and the Selling Stockholders, on the one hand, and the Underwriters on the other, in connection with the statements or omissions that resulted in such losses, claims, damages or liabilities, as well as any other relevant equitable considerations. The relative benefits received by the Company and the Selling Stockholders, on the one hand, and the Underwriters on the other, shall be deemed to be in the same respective proportions as the net proceeds (before deducting expenses) received by the Company and the Selling Stockholders from the sale of the Shares and the total underwriting discounts and commissions received by the Underwriters in connection therewith, in each case as set forth in the table on the cover of the Prospectus, bear to the aggregate offering price of the Shares. The relative fault of the Company and the Selling Stockholders, on the one hand, and the Underwriters on the other, shall be determined by reference to, among other things, whether the untrue or alleged untrue statement of a material fact or the omission or alleged omission to state a material fact relates to information supplied by the Company and the Selling Stockholders or by the Underwriters and the parties' relative intent, knowledge, access to information and opportunity to correct or prevent such statement or omission. Notwithstanding the foregoing provisions, the liability of the Selling Stockholder to contribute pursuant to this Section 9(e) shall be limited in the aggregate to an amount equal to the Selling Stockholder Proceeds less any amounts that the Selling Stockholder is obligated to pay under Section 9(b).

(f) *Limitation on Liability.* The Company and the Selling Stockholders and the Underwriters agree that it would not be just and equitable if contribution pursuant to paragraph (e) above were determined by pro rata allocation (even if the Selling Stockholders or the Underwriters were treated as one entity for such purpose) or by any other method of allocation that does not take account of the equitable considerations referred to in paragraph (e) above. The amount paid or payable by an Indemnified Person as a result of the losses, claims, damages and liabilities referred to in paragraph (e) above shall be deemed to include, subject to the limitations set forth above, any reasonably incurred legal or other expenses incurred by such Indemnified Person in connection with any such action or claim. Notwithstanding the provisions of paragraphs (e) and (f), (i) in no event shall an Underwriter be required to contribute any amount in excess of the amount by which the total underwriting discounts and commissions received by such Underwriter with respect to the offering of the Shares exceeds the amount of any damages that such Underwriter has otherwise been required to pay by reason of such untrue or alleged untrue statement or omission or alleged omission and (ii) the aggregate liability of each Selling Stockholder under the contribution provisions contained in this paragraph (f) and the indemnification provisions contained in paragraph (b) above shall be limited to an amount equal to the Selling Stockholder Proceeds. No person guilty of fraudulent misrepresentation (within the meaning of Section 11(f) of the Securities Act) shall be entitled to contribution from any person who was not guilty of such fraudulent misrepresentation. The Underwriters' obligations to contribute pursuant to paragraphs (e) and (f) are several in proportion to their respective purchase obligations hereunder and not joint. The Selling Stockholder's obligations to contribute pursuant to paragraphs (e) and (f) are several in proportion to the number of shares sold by such Selling Stockholder and not joint.

(g) *Non-Exclusive Remedies.* The remedies provided for in this Section 9 are not exclusive and shall not limit any rights or remedies which may otherwise be available to any Indemnified Person at law or in equity.

10. Effectiveness of Agreement. This Agreement shall become effective as of the date first written above.

11. Termination. This Agreement may be terminated in the absolute discretion of the Representatives, by notice to the Company and the Selling Stockholders, if after the execution and delivery of this Agreement and on or prior to the Closing Date or, in the case of the Option Shares, prior to the Additional Closing Date: (i) trading generally shall have been suspended or materially limited on or by any of the New York Stock Exchange or The Nasdaq Stock Market; (ii) trading of any securities issued or guaranteed by the Company shall have been suspended on any exchange or in any over-the-counter market; (iii) a general moratorium on commercial banking activities shall have been declared by federal or New York State authorities; or (iv) there shall have occurred any outbreak or escalation of hostilities or any change in financial markets or any calamity or crisis, either within or outside the United States, that, in the judgment of the Representatives, is material and adverse and makes it impracticable or inadvisable to proceed with the offering, sale or delivery of the Shares on the Closing Date or the Additional Closing Date, as the case may be, on the terms and in the manner contemplated by this Agreement, the Pricing Disclosure Package and the Prospectus.

12. Defaulting Underwriter.

(a) If, on the Closing Date or the Additional Closing Date, as the case may be, any Underwriter defaults on its obligation to purchase the Shares that it has agreed to purchase hereunder on such date, the non-defaulting Underwriters may in their discretion arrange for the purchase of such Shares by other persons satisfactory to the Company and the Selling Stockholders on the terms contained in this Agreement. If, within 36 hours after any such default by any Underwriter, the non-defaulting Underwriters do not arrange for the purchase of such Shares, then the Company and the Selling Stockholders shall be entitled to a further period of 36 hours within which to procure other persons satisfactory to the non-defaulting Underwriters to purchase such Shares on such terms. If other persons become obligated or agree to purchase the Shares of a defaulting Underwriter, either the non-defaulting Underwriters or the Company and the Selling Stockholders may postpone the Closing Date or the Additional Closing Date, as the case may be, for up to five full business days in order to effect any changes that in the opinion of counsel for the Company, counsel for the Selling Stockholders, or counsel for the Underwriters may be necessary in the Registration Statement and the Prospectus or in any other document or arrangement, and the Company agrees to promptly prepare any amendment or supplement to the Registration Statement and the Prospectus that effects any such changes. As used in this Agreement, the term "Underwriter" includes, for all purposes of this Agreement unless the context otherwise requires, any person not listed in Schedule 1 hereto that, pursuant to this Section 12, purchases Shares that a defaulting Underwriter agreed but failed to purchase.

(b) If, after giving effect to any arrangements for the purchase of the Shares of a defaulting Underwriter or Underwriters by the non-defaulting Underwriters, the Company and the Selling Stockholders as provided in paragraph (a) above, the aggregate number of Shares that remain unpurchased on the Closing Date or the Additional Closing Date, as the case may be, does not exceed one-eleventh of the aggregate number of Shares to be purchased on such date, then the Company and the Selling Stockholders shall have the right to require each non-defaulting Underwriter to purchase the number of Shares that such Underwriter agreed to purchase hereunder on such date plus such Underwriter's pro rata share (based on the number of Shares that such Underwriter agreed to purchase on

such date) of the Shares of such defaulting Underwriter or Underwriters for which such arrangements have not been made.

(c) If, after giving effect to any arrangements for the purchase of the Shares of a defaulting Underwriter or Underwriters by the non-defaulting Underwriters, the Company and the Selling Stockholders as provided in paragraph (a) above, the aggregate number of Shares that remain unpurchased on the Closing Date or the Additional Closing Date, as the case may be, exceeds one-eleventh of the aggregate amount of Shares to be purchased on such date, or if the Company and the Selling Stockholders shall not exercise the right described in paragraph (b) above, then this Agreement or, with respect to any Additional Closing Date, the obligation of the Underwriters to purchase Shares on the Additional Closing Date, as the case may be, shall terminate without liability on the part of the non-defaulting Underwriters. Any termination of this Agreement pursuant to this Section 12 shall be without liability on the part of the Company, except that the Company and the Selling Stockholders will continue to be liable for the payment of expenses as set forth in Section 13 hereof and except that the provisions of Section 9 hereof shall not terminate and shall remain in effect.

(d) Nothing contained herein shall relieve a defaulting Underwriter of any liability it may have to the Company, the Selling Stockholders or any non-defaulting Underwriter for damages caused by its default.

13. Payment of Expenses.

(a) Whether or not the transactions contemplated by this Agreement are consummated or this Agreement is terminated, the Company will pay or cause to be paid all costs and expenses incident to the performance of its obligations hereunder, including without limitation, (i) the costs incident to the authorization, issuance, sale, preparation and delivery of the Shares and any taxes payable in that connection; (ii) the costs incident to the preparation, printing and filing under the Securities Act of the Registration Statement, the Preliminary Prospectus, any Issuer Free Writing Prospectus, any Pricing Disclosure Package and the Prospectus (including all exhibits, amendments and supplements thereto) and the distribution thereof; (iii) the fees and expenses of the Company's counsel and independent accountants; (iv) the fees and expenses incurred in connection with the registration or qualification and determination of eligibility for investment of the Shares under the laws of such jurisdictions as the Representatives may designate and the preparation, printing and distribution of a Blue Sky Memorandum (including the related fees and expenses of counsel for the Underwriters); (v) the cost of preparing stock certificates; (vi) the costs and charges of any transfer agent and any registrar; (vii) all expenses and application fees incurred in connection with any filing with, and clearance of the offering by, FINRA (including the fees and expenses of counsel for the Underwriters), provided that the fees and expenses pursuant to clauses (iv) and (vii) shall not, in the aggregate, exceed $35,000; (viii) all expenses incurred by the Company in connection with any "road show" presentation to potential investors (provided, however, that the Underwriters and the Company shall each pay one-half of the cost of chartering any aircraft or other transportation to be used in connection with the road show by both the Company and the Underwriters); and (ix) all expenses and application fees related to the listing of the Shares on the Nasdaq Market. It is understood, however, that except as provided in this Section 13 or Section 9 hereof, the Underwriters will pay their own costs and expenses, including the fees of their counsel, stock transfer taxes on the resale of any of the Shares owned by them, any advertising expenses connected with any offers they may make and all travel (except as set forth in clause (viii) above), lodging and other expenses of the Underwriters, any of their employees, their representatives and counsel.

(b) If (i) this Agreement is terminated pursuant to Section 11, (ii) the Company or the Selling Stockholders for any reason fail to tender the Shares for delivery to the Underwriters or (iii)

the Underwriters decline to purchase the Shares for any reason permitted under this Agreement, the Company agrees to reimburse the Underwriters for all reasonable and documented out-of-pocket costs and expenses (including the reasonable fees and expenses of their counsel) reasonably incurred by the Underwriters in connection with this Agreement and the offering contemplated hereby. For the avoidance of doubt, it is understood that the Company shall not pay or reimburse any costs, fees or expenses incurred by any Underwriter that defaults on its obligations to purchase the Shares.

14. Persons Entitled to Benefit of Agreement. This Agreement shall inure to the benefit of and be binding upon the parties hereto and their respective successors and the officers and directors and any controlling persons referred to herein, and the affiliates of each Underwriter referred to in Section 9 hereof. Nothing in this Agreement is intended or shall be construed to give any other person any legal or equitable right, remedy or claim under or in respect of this Agreement or any provision contained herein. No purchaser of Shares from any Underwriter shall be deemed to be a successor merely by reason of such purchase.

15. Survival. The respective indemnities, rights of contribution, representations, warranties and agreements of the Company, the Selling Stockholders and the Underwriters contained in this Agreement or made by or on behalf of the Company, the Selling Stockholders or the Underwriters pursuant to this Agreement or any certificate delivered pursuant hereto shall survive the delivery of and payment for the Shares and shall remain in full force and effect, regardless of any termination of this Agreement or any investigation made by or on behalf of the Company, the Selling Stockholders or the Underwriters or the directors, officers, controlling persons or affiliates referred to in Section 9 hereof.

16. Certain Defined Terms. For purposes of this Agreement, (a) except where otherwise expressly provided, the term "affiliate" has the meaning set forth in Rule 405 under the Securities Act; (b) the term "business day" means any day other than a day on which banks are permitted or required to be closed in New York City; (c) the term "subsidiary" has the meaning set forth in Rule 405 under the Securities Act; and (d) the term "significant subsidiary" has the meaning set forth in Rule 1-02 of Regulation S-X under the Exchange Act. In the event that the Company has no subsidiaries, or only one subsidiary, then all references herein to "subsidiaries" of the Company shall be deemed to refer to no subsidiary, or such single subsidiary, mutatis mutandis

17. Compliance with USA Patriot Act. In accordance with the requirements of the USA Patriot Act (Title III of Pub. L. 107-56 (signed into law October 26, 2001)), the Underwriters are required to obtain, verify and record information that identifies their respective clients, including the Company and the Selling Stockholders, which information may include the name and address of their respective clients, as well as other information that will allow the Underwriters to properly identify their respective clients.

18. Miscellaneous.

(a) *Notices.* All notices and other communications hereunder shall be in writing and shall be deemed to have been duly given if mailed or transmitted and confirmed by any standard form of telecommunication. Notices to the Underwriters shall be given to the Representatives c/o J.P. Morgan Securities LLC, 383 Madison Avenue, New York, New York 10179 (fax: (212) 622-8358), Attention: Equity Syndicate Desk; c/o Citigroup Global Markets Inc., General Counsel (fax no.: (646) 291-1469) and confirmed to the General Counsel, Citigroup Global Markets Inc., at 388 Greenwich Street, New York, New York, 10013, Attention: General Counsel, facsimile number: +1 (646) 291-1469 and c/o BofA Securities, Inc., One Bryant Park, New York, New York 10036, Facsimile: (646) 855 3073, Attention: Syndicate Department with a copy to: Facsimile: (212) 230-8730, Attention: ECM Legal. Notices to the Company shall be given to it at Expensify, Inc., 401 SW 5th Avenue, Portland, Oregon 97204; Attention: Legal. Notices to the Selling Stockholders shall be given to the Attorneys-in-Fact named in the Power of

Attorney, c/o the Company at the address set forth on the cover of the Registration Statement, Attention: General Counsel with a copy, which shall not constitute notice, to Whalen LLP, 1601 Dove Street, Suite 270, Newport Beach, California 92660.

(b) *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.

(c) *Submission to Jurisdiction.* Each of the Company and the Selling Stockholders hereby submit to the exclusive jurisdiction of the U.S. federal and New York state courts in the Borough of Manhattan in The City of New York in any suit or proceeding arising out of or relating to this Agreement or the transactions contemplated hereby. Each of the Company and the Selling Stockholders waive any objection which it may now or hereafter have to the laying of venue of any such suit or proceeding in such courts. Each of the Company and the Selling Stockholders agree that final judgment in any such suit, action or proceeding brought in such court shall be conclusive and binding upon the Company and each Selling Stockholder, as applicable, and may be enforced in any court to the jurisdiction of which Company and each Selling Stockholder, as applicable, is subject by a suit upon such judgment.

(d) *Waiver of Jury Trial*. Each of the parties hereto hereby waives any right to trial by jury in any suit or proceeding arising out of or relating to this Agreement.

(e) *Recognition of the U.S. Special Resolution Regimes*.

(i) 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.

(ii) 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.

As used in this Section 18(e):

"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.

(f) *Counterparts.* This Agreement may be signed in counterparts (which may include counterparts delivered by any standard form of telecommunication), each of which shall be an original and all of which together shall constitute one and the same instrument. Counterparts may be delivered via facsimile, electronic mail (including any electronic signature covered by the U.S. federal ESIGN Act of 2000, Uniform Electronic Transactions Act, the Electronic Signatures and Records Act or other applicable law, e.g., www.docusign.com) or other transmission method and any counterpart so delivered shall be deemed to have been duly and validly delivered and be valid and effective for all purposes.

(g) *Amendments or Waivers.* No amendment or waiver of any provision of this Agreement, nor any consent or approval to any departure therefrom, shall in any event be effective unless the same shall be in writing and signed by the parties hereto.

(h) *Headings.* The headings herein are included for convenience of reference only and are not intended to be part of, or to affect the meaning or interpretation of, this Agreement.

[Signature Page Follows]

If the foregoing is in accordance with your understanding, please indicate your acceptance of this Agreement by signing in the space provided below.

Very truly yours,

EXPENSIFY, INC.

By: _____
Name:
Title:

SELLING STOCKHOLDERS, acting severally

By: _____
Name:
Title:

As Attorney-in-Fact acting on behalf of each of the Selling Stockholders named in Schedule 2 to this Agreement.

Accepted: As of the date first written above

J.P. MORGAN SECURITIES LLC
CITIGROUP GLOBAL MARKETS INC.
BOFA SECURITIES, INC.

For themselves and on behalf of the several Underwriters listed in Schedule 1 hereto.

J.P. MORGAN SECURITIES LLC

By: _____
Authorized Signatory

CITIGROUP GLOBAL MARKETS INC.

By: _____
Authorized Signatory

BOFA SECURITIES, INC.

By: _____
Authorized Signatory

Schedule 1

Underwriter	Number of Shares
J.P. Morgan Securities LLC	
Citigroup Global Markets Inc.	
BofA Securities, Inc.	
Piper Sandler & Co.	
JMP Securities LLC	
Loop Capital Markets LLC	
Total	

Schedule 1

Schedule 2

Selling Stockholders:	Number of Underwritten Shares:	Number of Option Shares:

Schedule 2

a. **Pricing Disclosure Package**

[●]

b. **Pricing Information**

Number of Underwritten Shares: [●]

Number of Option Shares: [●]

Public Offering Price: $[●] per Share

[●]

Annex A

Annex B

Written Testing-the-Waters Communications

[To list each TTW presentation used in TTW meetings.]

Annex B

Annex C

Expensify, Inc.

Pricing Term Sheet

[None.]

Annex C

Exhibit A

FORM OF LOCK-UP AGREEMENT

LOCK-UP AGREEMENT

, 2021

J.P. Morgan Securities LLC
Citigroup Global Markets Inc.
BofA Securities, Inc.
As Representatives of
the several Underwriters listed in
Schedule 1 to the Underwriting
Agreement referred to below

c/o J.P. Morgan Securities LLC
383 Madison Avenue
New York, NY 10179

c/o Citigroup Global Markets Inc.
388 Greenwich Street
New York, NY 10013

c/o BofA Securities, Inc.
One Bryant Park
New York, NY 10036

Re: Expensify, Inc. --- Initial Public Offering

Ladies and Gentlemen:

The undersigned understands that you, as Representatives of the several Underwriters, propose to enter into an underwriting agreement (the "Underwriting Agreement") with Expensify, Inc., a Delaware corporation (the "Company") and the Selling Stockholders listed on Schedule 2 to the Underwriting Agreement, providing for the initial public offering (the "Public Offering") by the several Underwriters named in Schedule 1 to the Underwriting Agreement (the "Underwriters"), of Class A common stock, par value $0.0001 per share the ("Class A Common Stock"), of the Company (the "Securities"). Capitalized terms used herein and not otherwise defined shall have the meanings set forth in the Underwriting Agreement.

In consideration of the Underwriters' agreement to purchase and make the Public Offering of the Securities, and for other good and valuable consideration receipt of which is hereby acknowledged, the undersigned hereby agrees that, without the prior written consent of J.P. Morgan Securities LLC on behalf of the Underwriters, the undersigned will not, and will not cause any direct or indirect affiliate to, during the period beginning on the date of this letter agreement (this "Letter Agreement") and ending at the close of business 180 days after the date of the final prospectus relating to the Public Offering (the "Prospectus") (such period, the "Restricted Period"), (1) offer, pledge, sell, contract to sell, sell any option or contract to purchase, purchase any option or contract to sell, grant any option, right or warrant to purchase, lend, or otherwise transfer or dispose of, directly or indirectly, any shares of Class A Common Stock or any securities convertible into or exercisable or exchangeable for Class A Common Stock (including without limitation, Class A Common Stock, the Company's LT10 common stock, par

value $0.0001 per share ("LT10 Common Stock"), LT50 common stock, par value $0.0001 per share ("LT50 Common Stock" and together, with the LT 10 Common Stock and Class A Common Stock, the "Common Stock") or such other securities which may be deemed to be beneficially owned by the undersigned in accordance with the rules and regulations of the Securities and Exchange Commission and securities which may be issued upon exercise of a stock option, restricted stock unit or warrant) (collectively with the Common Stock, the "Lock-Up Securities"), (2) enter into any hedging, swap or other agreement or transaction that transfers, in whole or in part, any of the economic consequences of ownership of the Lock-Up Securities, whether any such transaction described in clause (1) or (2) above is to be settled by delivery of Lock-Up Securities, in cash or otherwise, (3) make any demand for or exercise any right with respect to the registration of any Lock-Up Securities, or (4) publicly disclose the intention to do any of the foregoing. The undersigned acknowledges and agrees that the foregoing precludes the undersigned from engaging in any hedging or other transactions or arrangements (including, without limitation, any short sale or the purchase or sale of, or entry into, any put or call option, or combination thereof, forward, swap or any other derivative transaction or instrument, however described or defined) designed or intended, or which could reasonably be expected to lead to or result in, a sale or disposition or transfer (whether by the undersigned or any other person) of any economic consequences of ownership, in whole or in part, directly or indirectly, of any Lock-Up Securities, whether any such transaction or arrangement (or instrument provided for thereunder) would be settled by delivery of Lock-Up Securities, in cash or otherwise. The undersigned further confirms that it has furnished the Representatives with the details of any transaction the undersigned, or any of its affiliates, is a party to as of the date hereof, which transaction would have been restricted by this Letter Agreement if it had been entered into by the undersigned during the Restricted Period.

Notwithstanding the foregoing, if the undersigned is a current employee of the Company or its subsidiaries (including a current contractor, consultant or other service provider of the Company or its subsidiaries, but excluding any director, director nominee or "officer" of the Company (as defined in Rule 16a-1(f) under the Exchange Act)) (each such person, an "Employee Stockholder"), the prohibitions in the second paragraph of this Letter Agreement shall not apply to a number of shares of Common Stock equal to 15% of the Lock-Up Securities owned by undersigned on the date of the preliminary prospectus relating to the Public Offering.

Notwithstanding the foregoing, in addition to, and not by way of limitation of, any transfers by the undersigned that are permitted pursuant to the third paragraph of this Letter Agreement, the undersigned may:

(a) transfer the undersigned's Lock-Up Securities:

(i) as a bona fide gift or gifts, or for bona fide estate planning purposes,

(ii) by will or intestacy,

(iii) to any trust for the direct or indirect benefit of the undersigned or the immediate family of the undersigned, or if the undersigned is a trust, to a trustor or beneficiary of the trust or to the estate of a beneficiary of such trust (for purposes of this Letter Agreement, "immediate family" shall mean any relationship by blood, current or former marriage, domestic partnership or adoption, not more remote than first cousin),

(iv) to a partnership, limited liability company or other entity of which the undersigned and the immediate family of the undersigned are the legal and beneficial owner of all of the outstanding equity securities or similar interests,

(v) to a nominee or custodian of a person or entity to whom a disposition or transfer would be permissible under clauses (i) through (iv) above,

(vi) if the undersigned is a corporation, partnership, limited liability company, trust or other business entity, (A) to another corporation, partnership, limited liability company, trust or other business entity that is an affiliate (as defined in Rule 405 promulgated under the Securities Act of 1933, as amended) of the undersigned, or to any investment fund or other entity controlling, controlled by, managing or managed by or under common control with the undersigned or affiliates of the undersigned (including, for the avoidance of doubt, where the undersigned is a partnership, to its general partner or a successor partnership or fund, or any other funds managed by such partnership), or (B) as part of a distribution to members or shareholders of the undersigned,

(vii) by operation of law, such as pursuant to a qualified domestic order, divorce settlement, divorce decree or separation agreement; provided that each donee, devisee, transferee or distributee shall execute and deliver to the Representatives a lock-up letter in the form of this Letter Agreement,

(viii) to the Company from an employee of the Company upon death, disability or termination of employment, in each case, of such employee,

(ix) as part of a sale of the undersigned's Lock-Up Securities acquired in open market transactions after the closing date for the Public Offering,

(x) to the Company in connection with the vesting, settlement, or exercise of restricted stock units, options, warrants or other rights to purchase shares of Common Stock (including, in each case, by way of "net" or "cashless" exercise), including for the payment of exercise price and tax and remittance payments due as a result of the vesting, settlement, or exercise of such restricted stock units, options, warrants or rights, provided that any such shares of Common Stock received upon such exercise, vesting or settlement shall be subject to the terms of this Letter Agreement, and provided further that any such restricted stock units, options, warrants or rights are held by the undersigned pursuant to an agreement or equity awards granted under a stock incentive plan or other equity award plan, each such agreement or plan which is described in the Registration Statement, the Pricing Disclosure Package and the Prospectus,

(xi) pursuant to a bona fide third-party tender offer, merger, consolidation or other similar transaction that is approved by the Board of Directors of the Company and made to all holders of the Company's capital stock involving a Change of Control (as defined below) of the Company (for purposes hereof, "Change of Control" shall mean the transfer (whether by tender offer, merger, consolidation or other similar transaction), in one transaction or a series of related transactions, to a person or group of affiliated persons, of shares of capital stock if, after such transfer, such person or group of affiliated persons would hold more than 90% of the outstanding voting securities of the Company (or the surviving entity)); provided that in the event that such tender offer, merger, consolidation or other similar transaction is not completed, the undersigned's Lock-Up Securities shall remain subject to the provisions of this Letter Agreement,

(xii) to the Company in connection with the Exchange Offer, as described in the Registration Statement, the Pricing Disclosure Package and the Prospectus; provided that the Lock-Up Securities received by the undersigned in connection with an LT Exchange shall remain subject to the provisions of this Letter Agreement,

(xiii) to the Expensify Voting Trust, as described in the Registration Statement, the Pricing Disclosure Package and the Prospectus; provided that any Lock-Up Securities held directly by the

Expensify Voting Trust and indirectly beneficially owned by the undersigned shall remain subject to the provisions of this Letter Agreement, or

(xiv) pursuant to an LT Exchange, as defined in the Registration Statement, the Pricing Disclosure Package and the Prospectus; provided that the Lock-Up Securities received by the undersigned in connection with an LT Exchange shall remain subject to the provisions of this Letter Agreement;

provided that (A) in the case of any transfer or distribution pursuant to clause (a)(i), (ii), (iii), (iv), (v) and (vi), such transfer shall not involve a disposition for value and each donee, devisee, transferee or distributee shall execute and deliver to the Representatives a lock-up letter in the form of this Letter Agreement, (B) in the case of any transfer or distribution pursuant to clause (a) (i), (ii), (iii), (iv), (v), (vi) and (ix), no filing by any party (donor, donee, devisee, transferor, transferee, distributer or distributee) under the Securities Exchange Act of 1934, as amended (the "Exchange Act"), or other public announcement shall be required or shall be made voluntarily in connection with such transfer or distribution (other than a filing on a Form 5 made after the expiration of the Restricted Period referred to above or the filing of a required Schedule 13F or 13G that is required to be filed during the Restricted Period), and (C) in the case of any transfer or distribution pursuant to clause (a) (vii), (viii), (x), (xii), (xiii) and (xiv), it shall be a condition to such transfer that no public filing, report or announcement shall be voluntarily made and if any filing under Section 16(a) of the Exchange Act, or other public filing, report or announcement reporting a reduction in beneficial ownership of shares of Common Stock in connection with such transfer or distribution shall be legally required during the Restricted Period, such filing, report or announcement shall clearly indicate in the footnotes thereto the nature and conditions of such transfer;

(b) exercise outstanding options, settle restricted stock units or other equity awards or exercise warrants pursuant to plans described in the Registration Statement, the Pricing Disclosure Package and the Prospectus; provided that any Lock-Up Securities received upon such exercise, vesting or settlement shall be subject to the terms of this Letter Agreement;

(c) convert outstanding preferred stock, warrants to acquire preferred stock or convertible securities into shares of Common Stock or warrants to acquire shares of Common Stock; provided that any such shares of Common Stock or warrants received upon such conversion shall be subject to the terms of this Letter Agreement;

(d) provide written notice of conversion or transfer to the Company with respect to shares of LT10 Common Stock and/or LT50 Common Stock; provided that if the applicable notice period is waived or otherwise expires prior to the expiration of the Restricted Period, any Lock-Up Securities received in connection with the resulting LT Exchange or upon conversion shall be subject to the terms of this Letter Agreement; and provided further that no public filing, report or announcement shall be voluntarily made and if any filing under Section 16(a) of the Exchange Act, or other public filing, report or announcement reporting a reduction in beneficial ownership of shares of Common Stock in connection with such transfer or distribution shall be legally required during the Restricted Period, such filing, report or announcement shall clearly indicate in the footnotes thereto the nature and conditions of such transfer;

(e) establish trading plans pursuant to Rule 10b5-1 under the Exchange Act for the transfer of shares of Lock-Up Securities; provided that (1) such plans do not provide for the transfer of Lock-Up Securities during the Restricted Period and (2) no filing by any party under the Exchange Act or other public announcement shall be required or made voluntarily in connection with such trading plan; and

(f) sell the Securities to be sold by the undersigned pursuant to the terms of the Underwriting Agreement.

Additionally, notwithstanding the provisions of the second paragraph of this Letter Agreement and, in addition to, and not by way of limitation of, any transfers by the undersigned that are permitted pursuant to the third paragraph of this Letter Agreement, if (i) at least 120 days have elapsed since the date of the Public Offering and (ii) the Restricted Period is scheduled to end during a Blackout Period (as defined below) or within five Trading Days (as defined below) prior to a Blackout Period, the Lock-Up Period shall end 10 Trading Days prior to the commencement of the Blackout Period (the "Blackout-Related Release"), provided, that promptly upon the Company's determination of the date of the Blackout-Related Release and in any event at least two Trading Days in advance of the date of the Blackout-Related Release, the Company shall notify the Representatives of the date of the impending Blackout-Related Release, and shall announce the date of the expected Blackout-Related Release through a major news service, or on a Form 8-K, at least two Trading Days in advance of the Blackout-Related Release. For purposes of this paragraph, a "Trading Day" is a day on which the New York Stock Exchange and the Nasdaq Stock Market are open for the buying and selling of securities. For purposes of this Letter Agreement, "Blackout Period" shall mean a broadly applicable period during which trading in the Company's securities would not be permitted under the Company's insider trading policy. For the avoidance of doubt, notwithstanding anything to the contrary contained herein, in no event shall the Restricted Period end earlier than 120 days after the date of the Public Offering.

If the undersigned is not a natural person, the undersigned represents and warrants that no single natural person, entity or "group" (within the meaning of Section 13(d)(3) of the Securities Exchange Act of 1934, as amended (the "Exchange Act")) beneficially owns, directly or indirectly, 50% or more of the common equity interests, or 50% or more of the voting power, in the undersigned.

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 Company-directed Securities the undersigned may purchase in the Public Offering.

If the undersigned is an officer or director of the Company, (i) J.P. Morgan Securities LLC on behalf of the Underwriters 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 Lock-Up Securities, J.P. Morgan Securities LLC on behalf of the Underwriters will notify the Company of the impending release or waiver, and (ii) the Company has agreed in the Underwriting Agreement to announce the impending release or waiver through a major news service at least two business days before the effective date of the release or waiver. Any release or waiver granted by J.P. Morgan Securities LLC on behalf of the Underwriters hereunder to any such officer or director shall only be effective two business days after the publication date of such announcement. The provisions of this paragraph will not apply if (a) the release or waiver is effected solely to permit a transfer not for consideration or that is to an immediate family member as defined in FINRA Rule 5130(i)(5) and (b) the transferee has agreed in writing to be bound by the same terms described in this Letter Agreement to the extent and for the duration that such terms remain in effect at the time of the transfer.

In furtherance of the foregoing, the Company, and any duly appointed transfer agent for the registration or transfer of the securities described herein, are hereby authorized to decline to make any transfer of securities if such transfer would constitute a violation or breach of this Letter Agreement.

The undersigned hereby represents and warrants that the undersigned has full power and authority to enter into this Letter Agreement. All authority herein conferred or agreed to be conferred and any obligations of the undersigned shall be binding upon the successors, assigns, heirs or personal representatives of the undersigned.

The undersigned acknowledges and agrees that the Underwriters have not provided any recommendation or investment advice nor have the Underwriters solicited any action from the undersigned with respect to the Public Offering of the Securities and the undersigned has consulted their own legal, accounting, financial, regulatory and tax advisors to the extent deemed appropriate. The undersigned further acknowledges and agrees that, although the Representatives may be required or choose to provide certain Regulation Best Interest and Form CRS disclosures to you in connection with the Public Offering, the Representatives and the other Underwriters are not making a recommendation to you to participate in the Public Offering, enter into this Letter Agreement, or sell any Securities at the price determined in the Public Offering, and nothing set forth in such disclosures is intended to suggest that the Representatives or any Underwriter is making such a recommendation.

The undersigned understands that, if (1) the Underwriting Agreement does not become effective by January 31, 2022 (provided, however, that the undersigned agrees that this Letter Agreement shall be automatically extended by three months if the Company provides written notice to the undersigned that the Company is still pursuing the Public Offering contemplated by the Underwriting Agreement), (2) the Underwriting Agreement (other than the provisions thereof which survive termination) shall terminate or be terminated prior to payment for and delivery of the Common Stock to be sold thereunder, (3) the Company advises the Representatives, in writing, prior to the execution of the Underwriting Agreement, that it has determined not to proceed with the Public Offering; or (4) the Company withdraws the Registration Statement related to the Public Offering before the execution of the Underwriting Agreement, the undersigned shall automatically be released from all obligations under this Letter Agreement. The undersigned understands that the Underwriters are entering into the Underwriting Agreement and proceeding with the Public Offering in reliance upon this Letter Agreement.

[Signature page follows]

This Letter Agreement and any claim, controversy or dispute arising under or related to this Letter Agreement shall be governed by and construed in accordance with the laws of the State of New York.

Very truly yours,

_____

Name of Security Holder *(Print exact name)*

By: _____

Signature

If not signing in an individual capacity:

_____

Name of Authorized Signatory *(Print)*

_____

Title of Authorized Signatory *(Print)*

(indicate capacity of person signing if signing as custodian, trustee, or on behalf of an entity)

[Signature page to Lock-up Agreement]

Exhibit A

Exhibit B

Form of Waiver of Lock-up

J.P. MORGAN SECURITIES LLC
Expensify, Inc.
Public Offering of Class A Common Stock

[●], 2021

[Name and Address of
Officer or Director
Requesting Waiver]

Dear Mr./Ms. [Name]:

This letter is being delivered to you in connection with the offering by Expensify, Inc. (the "Company") of shares of Class A common stock, $0.0001 par value per share (the "Class A Common Stock"), of the Company and the lock-up letter dated [●], 2021 (the "Lock-up Letter"), executed by you in connection with such offering, and your request for a [waiver] [release] dated [●], 2021, with respect to shares of Class A Common Stock (the "Shares").

J.P. Morgan Securities LLC hereby agrees to [waive] [release] the transfer restrictions set forth in the Lock-up Letter, but only with respect to the Shares, effective , 2021; provided, however, that such [waiver] [release] is conditioned on the Company announcing the impending [waiver] [release] by press release through a major news service at least two business days before effectiveness of such [waiver] [release]. This letter will serve as notice to the Company of the impending [waiver] [release].

Except as expressly [waived] [released] hereby, the Lock-up Letter shall remain in full force and effect.

[Signature Page Follows]

Yours very truly,

J.P. MORGAN SECURITIES LLC

By: _____
Name:
Title:

cc: Company

Form of Press Release

Expensify, Inc.
[Date], 2021

Expensify, Inc. (the "Company") announced today that J.P. Morgan Securities LLC, a lead book-running manager in the Company's recent public sale of shares of Class A common stock, is [waiving] [releasing] a lock-up restriction with respect to shares of the Company's Class A common stock held by [certain officers or directors] [an officer or director] of the Company. The [waiver] [release] will take effect on , 2021, 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.

Exhibit D

[Company Letterhead]

[To come]

Exhibit D

AMENDED AND RESTATED
CERTIFICATE OF INCORPORATION

OF

EXPENSIFY, INC.

The undersigned, David Barrett, hereby certifies that:

1. He is the duly elected and acting President of Expensify, Inc., a Delaware corporation.

2. The Certificate of Incorporation of this corporation was originally filed with the Secretary of State of Delaware on April 29, 2009.

3. The Amended and Restated Certificate of Incorporation of this corporation shall be amended and restated to read in full as follows:

ARTICLE I

The name of this corporation is Expensify, Inc. (the "Corporation").

ARTICLE II

The address of the Corporation's registered office in the State of Delaware is 3500 South DuPont Highway, Dover, Delaware, County of Kent, 19901. The name of its registered agent at such address is Incorporating Services, Ltd.

ARTICLE III

The purpose of the Corporation is to engage in any lawful act or activity for which corporations may be organized under the Delaware General Corporation Law.

ARTICLE IV

(A) **Classes of Stock.** The Corporation is authorized to issue two classes of stock to be designated, respectively, "Common Stock" and "Preferred Stock." The total number of shares which the Corporation is authorized to issue is 14,574,049 shares, each with a par value of $0.0001 per share. 9,500,000 shares shall be Common Stock and 5,074,049 shares shall be Preferred Stock.

(B) **Rights, Preferences and Restrictions of Preferred Stock**. 1,090,868 shares of the Preferred Stock authorized by this Amended and Restated Certificate of Incorporation (the "Restated Certificate") shall be designated "Series A Preferred Stock," 2,143,025 shares of the Preferred Stock authorized by this Restated Certificate shall be designated "Series B Preferred Stock," 716,037 shares of the Preferred Stock authorized by this Restated Certificate shall be designated "Series B-1 Preferred Stock," and 1,124,119 shares of the Preferred Stock authorized

by this Restated Certificate shall be designated "Series C Preferred Stock,". The rights, preferences, privileges, and restrictions granted to and imposed on the Preferred Stock are as set forth below in this Article IV(B).

1. **Dividend Provisions.** The holders of shares of Preferred Stock shall be entitled to receive dividends, out of any assets legally available therefor, prior and in preference to any declaration or payment of any dividend (payable other than in Common Stock or other securities and rights convertible into or entitling the holder thereof to receive, directly or indirectly, additional shares of Common Stock of the Corporation, provided that an adjustment to the respective Conversion Price (as defined below) of such other securities or rights has been made in accordance with Section 4(d)(ii) below) on the Common Stock of the Corporation, at the rate of (i) in the case of the Series A Preferred Stock, $0.07334 per share (as adjusted for stock splits, stock dividends, reclassification and the like) per annum on each outstanding share, (ii) in the case of the Series B Preferred Stock, $0.21432 per share (as adjusted for stock splits, stock dividends, reclassification and the like) per annum on each outstanding share, (iii) in the case of the Series B-1 Preferred Stock, $0.4437 per share (as adjusted for stock splits, stock dividends, reclassification and the like), and (iv) in the case of the Series C Preferred Stock, $1.2454 per share (as adjusted for stock splits, stock dividends, reclassification and the like) in each case payable when, as and if declared by the Board of Directors of the Corporation (the "Board of Directors"). Such dividends shall not be cumulative. After payment of such dividends, any additional dividends or distributions shall be distributed among the holders of Preferred Stock and Common Stock pro rata based on the number of shares of Common Stock then held by each holder (assuming conversion of all such Preferred Stock into Common Stock).

2. **Liquidation.**

(a) **Preference.** In the event of any liquidation, dissolution or winding up of the Corporation, either voluntary or involuntary, the holders of the Preferred Stock shall be entitled to receive, prior and in preference to any distribution of any of the assets, funds or proceeds (the "Proceeds") available for distribution from a Liquidation Transaction (as defined below) of the Corporation to the holders of Common Stock by reason of their ownership thereof, an amount equal to (i) in the case of the Series A Preferred Stock, $0.9167 per share (as adjusted for stock splits, stock dividends, reclassification and the like) for each share then held by them, (ii) in the case of the Series B Preferred Stock, $2.67903 per share (as adjusted for stock splits, stock dividends, reclassification and the like) for each share then held by them (iii) in the case of the Series B-1 Preferred Stock, $5.54619 per share (as adjusted for stock splits, stock dividends, reclassification and the like) for each share then held by them, and (iv) in the case of the Series C Preferred Stock, $15.56770 per share (as adjusted for stock splits, stock dividends, reclassification and the like) for each share then held by them, plus declared but unpaid dividends. If, upon the occurrence of such event, the Proceeds available for distribution to stockholders shall be insufficient to permit the payment to the holders of the Preferred Stock of the full aforesaid preferential amounts, the entire Proceeds legally available for distribution shall be distributed ratably among the holders of the Preferred Stock in proportion to the full preferential amount each such holder is otherwise entitled to receive under this subsection (a).

(b) **Remaining Assets.** Upon the completion of the distribution required by Section 2(a) above, if Proceeds remain, the holders of the Common Stock of the Corporation shall receive all of the remaining Proceeds available for distribution to stockholders which shall be distributed ratably among such holders in proportion to their respective number of issued and outstanding shares of Common Stock then held.

Notwithstanding the above, for purposes of determining the amount each holder of shares of Preferred Stock is entitled to receive with respect to a Liquidation Transaction each such holder of shares of Preferred Stock shall be deemed to have converted (regardless of whether such holder actually converted) such holder's shares of Preferred Stock into shares of Common Stock immediately prior to the Liquidation Transaction if, as a result of an actual conversion, such holder would receive, in the aggregate, an amount greater than the amount that would be distributed to such holder if such holder did not convert such Preferred Stock into shares of Common Stock. If any such holder shall be deemed to have converted shares of Preferred Stock into Common Stock pursuant to this paragraph, then such holder shall not be entitled to receive any distribution that would otherwise be made to holders of Preferred Stock that have not converted (or have not been deemed to have converted) into shares of Common Stock.

(c) **Certain Acquisitions**.

(i) **Deemed Liquidation.** For purposes of this Section 2, a liquidation, dissolution, or winding up of the Corporation shall be deemed to occur if the Corporation shall (x) sell, convey, or otherwise dispose of all or substantially all of its assets, property or business, grant an exclusive and irrevocable license of all or substantially all of the Corporation's intellectual property to a third party or (y) merge with or into or consolidate with any other corporation, limited liability company or other entity (other than a wholly-owned subsidiary of the Corporation) (any such transaction a "Liquidation Transaction"), *provided*, *however*, that none of the following shall be considered a Liquidation Transaction: (A) a merger effected exclusively for the purpose of changing the domicile of the Corporation, (B) an equity financing in which the Corporation is the surviving corporation, or (C) a transaction in which the stockholders of the Corporation existing immediately prior to the transaction own 50% or more of the voting stock of the surviving corporation following the transaction (taking into account only stock of the Corporation held by such stockholders prior to the transaction); and *provided further*, that the treatment of any particular transaction or series of related transactions as a Liquidation Transaction may be waived by the vote or written consent of the holders of (1) at least a majority of the outstanding Preferred Stock (voting together as a single class and on an as-converted basis) and (2) at least a majority of the outstanding Series C Preferred Stock (voting as a separate series on an as-converted basis).

(ii) **Mechanics of Payment.** In the event of a Liquidation Transaction effected by a merger or consolidation of the Corporation with or into any other entity (a "Merger Liquidation"), payment to the holders of Common Stock and Preferred Stock of the Corporation shall be made in the form of consideration specified in the definitive agreement evidencing such Merger Liquidation (with Proceeds allocated as set forth above in paragraphs 2(a) and 2(b)). In the event of a Liquidation Transaction that is effected other than by Merger

Liquidation, or in the event that the definitive agreement evidencing a Merger Liquidation does not specify the form in which payment of the consideration should be made, the payment to the holders of Preferred Stock or required by this Section 2(c) shall be made 100% in cash unless the Board of Directors (including the Preferred Directors (as defined below)) determines otherwise, provided, however, that (i) all holders of Preferred Stock must receive the same form or forms of consideration (and, if more than one form, in the same proportion) and (ii) all holders of Common Stock must receive the same form or forms of consideration (and, if more than one form, in the same proportion), unless the holders of a majority in interest of the Preferred Stock then outstanding and the holders of a majority in interest of the Series C Preferred Stock then outstanding, each voting as a separate class on an as-converted basis, elect otherwise.

(iii) **Valuation of Consideration.** In the event of a Liquidation Transaction, if all or a portion of the consideration received by the Corporation is other than cash, its value will be deemed its fair market value as determined in good faith by the Board of Directors (including the Preferred Directors), provided that any securities shall be valued as follows:

(A) Securities not subject to investment letter or other similar restrictions on free marketability:

(1) If traded on a securities exchange, the value shall be based on the formula specified in the definitive agreements for the Liquidation Transaction, or if no such formula exists, then the value shall be based on a formula approved by the Board of Directors (including the Preferred Directors) and derived from the closing prices of the securities on such exchange over a specified time period;

(2) If actively traded over-the-counter, the value shall be based on the formula specified in the definitive agreements for the Liquidation Transaction or, if no such formula exists, then the value of such securities shall be based on a formula approved by the Board of Directors (including the Preferred Directors) and derived from the closing bid or sales prices (whichever is applicable) of such securities over a specified time period; and

(3) If there is no active public market, the value shall be the fair market value thereof, as determined in good faith by the Board of Directors (including the Preferred Directors).

(B) The method of valuation of securities subject to investment letter or other restrictions on free marketability (other than restrictions arising solely by virtue of a stockholder's status as an affiliate or former affiliate) shall be to make an appropriate discount from the market value determined as specified above in Section 2(c)(iii)(A) to reflect the approximate fair market value thereof, as determined in good faith by the Board of Directors (including the Preferred Directors).

(iv) **Notice of Liquidation Transaction.** The Corporation shall give each holder of record of Preferred Stock written notice of any impending Liquidation

Transaction not later than ten (10) days prior to the stockholders' meeting called to approve such Liquidation Transaction, or ten (10) days prior to the closing of such Liquidation Transaction, whichever is earlier, and shall also notify such holders in writing of the final approval of such Liquidation Transaction. The first of such notices shall describe the material terms and conditions of the impending Liquidation Transaction and the provisions of this Section 2, and the Corporation shall thereafter give such holders prompt notice of any material changes. Unless such notice requirements are waived, the Liquidation Transaction shall not take place sooner than ten (10) days after the Corporation has given the first notice provided for herein or sooner than ten (10) days after the Corporation has given notice of any material changes provided for herein. Notwithstanding the other provisions of this Restated Certificate, all notice periods or requirements in this Restated Certificate may be shortened or waived, either before or after the action for which notice is required, upon the written consent of the holders of a majority of the Preferred Stock and the holders of a majority of the Series C Preferred Stock, each voting as a separate class on an as-converted basis, that are entitled to such notice rights. In the event of a Liquidation Transaction referred to in Section 2(c)(i)(x), if the Corporation does not effect a dissolution of the Corporation under the Delaware General Corporation Law within one hundred twenty (120) days after such Liquidation Transaction and if the holders of a majority of the then outstanding shares of Preferred Stock so request in a written instrument delivered to the Corporation not later than one hundred twenty (120) days after the closing of such Liquidation Transaction, the Corporation shall use the Proceeds received by the Corporation for such Liquidation Transaction (net of any retained liabilities associated with the assets sold or technology licensed, as determined in good faith by the Board of Directors), together with any other assets of the Corporation available for distribution to its stockholders, all to the extent permitted by the Delaware General Corporation Law governing distributions to stockholders (the "Available Proceeds"), on the one hundred fiftieth (150^{th}) day after the closing of such Liquidation Transaction, to redeem all outstanding shares of Preferred Stock with such Available Proceeds allocated to the stockholders in accordance with Sections 2(a) and 2(b) above. Notwithstanding the foregoing, in the event of a redemption pursuant to the preceding sentence, if the Available Proceeds are not sufficient to redeem all outstanding shares of Preferred Stock, the Corporation shall ratably redeem each holder's shares of Preferred Stock to the fullest extent of such Available Proceeds, and shall redeem the remaining shares as soon as it may lawfully do so under the Delaware General Corporation Law governing distributions to stockholders.

(v) **Effect of Noncompliance.** In the event the requirements of this Section 2(c) are not complied with, the Corporation shall forthwith either cause the closing of the Liquidation Transaction to be postponed until the requirements of this Section 2 have been complied with, or cancel such Liquidation Transaction, in which event the rights, preferences, privileges and restrictions of the holders of Preferred Stock shall revert to and be the same as such rights, preferences, privileges and restrictions existing immediately prior to the date of the first notice referred to in Section 2(c)(iv).

(vi) **Allocation of Escrow**. In the event of a Deemed Liquidation Event, if any portion of the consideration payable to the stockholders of the Corporation is placed into escrow and/or is payable to the stockholders of the Corporation

subject to contingencies, the definitive agreement for such Deemed Liquidation Event shall provide that (a) the portion of such consideration that is not placed in escrow and not subject to any contingencies (the "Initial Consideration") shall be allocated among the holders of capital stock of the Corporation in accordance with Sections 2(a) and 2(b) as if the Initial Consideration were the only consideration payable in connection with such Deemed Liquidation Event and (b) any additional consideration which becomes payable to the stockholders of the Corporation upon release from escrow or satisfaction of contingencies shall be allocated among the holders of capital stock of the Corporation in accordance with Section 2(a) and 2(b) after taking into account the previous payment of the Initial Consideration as part of the same transaction.

3. **Redemption.** Except as set forth in Section 2(c)(iv) above, the Preferred Stock is not redeemable at the option of the holder.

4. **Conversion.** The holders of the Preferred Stock shall have conversion rights as follows (the "Conversion Rights"):

(a) **Right to Convert**.

(i) Subject to Section 4(c), each share of Series A Preferred Stock shall be convertible, at the option of the holder thereof, at any time after the date of issuance of such share, at the office of the Corporation or any transfer agent for such stock, into such number of fully paid and nonassessable shares of Common Stock as is determined by dividing $0.9167 by the Conversion Price applicable to such share, determined as hereafter provided, in effect on the date the certificate is surrendered for conversion. The initial Conversion Price per share of Series A Preferred Stock shall be $0.9167 (as adjusted for stock splits, stock dividends, reclassification and the like). Such initial Conversion Price shall be subject to adjustment as set forth in Section 4(d).

(ii) Subject to Section 4(c), each share of Series B Preferred Stock shall be convertible, at the option of the holder thereof, at any time after the date of issuance of such share, at the office of the Corporation or any transfer agent for such stock, into such number of fully paid and nonassessable shares of Common Stock as is determined by dividing $2.67903 by the Conversion Price applicable to such share, determined as hereafter provided, in effect on the date the certificate is surrendered for conversion. The initial Conversion Price per share of Series B Preferred Stock shall be $2.67903 (as adjusted for stock splits, stock dividends, reclassification and the like). Such initial Conversion Price shall be subject to adjustment as set forth in Section 4(d).

(iii) Subject to Section 4(c), each share of Series B-1 Preferred Stock shall be convertible, at the option of the holder thereof, at any time after the date of issuance of such share, at the office of the Corporation or any transfer agent for such stock, into such number of fully paid and nonassessable shares of Common Stock as is determined by dividing $5.54619 by the Conversion Price applicable to such share, determined as hereafter provided, in effect on the date the certificate is surrendered for conversion. The initial Conversion Price per share of Series B-1 Preferred Stock shall be $5.54619 (as adjusted for stock

splits, stock dividends, reclassification and the like). Such initial Conversion Price shall be subject to adjustment as set forth in Section 4(d).

(iv) Subject to Section 4(c), each share of Series C Preferred Stock shall be convertible, at the option of the holder thereof, at any time after the date of issuance of such share, at the office of the Corporation or any transfer agent for such stock, into such number of fully paid and nonassessable shares of Common Stock as is determined by dividing $15.56770 by the Conversion Price applicable to such share, determined as hereafter provided, in effect on the date the certificate is surrendered for conversion. The initial Conversion Price per share of Series C Preferred Stock shall be $15.56770 (as adjusted for stock splits, stock dividends, reclassification and the like). Such initial Conversion Price shall be subject to adjustment as set forth in Section 4(d).

(b) **Automatic Conversion.** Each share of Preferred Stock shall automatically be converted into shares of Common Stock at the applicable Conversion Price at the time in effect for such share upon the earlier of (i) except as provided below in Section 4(c), immediately prior to the closing of the Corporation's sale of its Common Stock in a firm commitment underwritten public offering pursuant to a registration statement under the Securities Act of 1933, as amended (the "Securities Act") at a price per share equal to at least $46.70310 (as adjusted for stock splits, stock dividends, reclassification and the like) which results in aggregate cash proceeds to the Corporation of not less than $50 million (net of underwriting discounts and commissions) (a "Qualified IPO") or (ii) the date specified by written consent or agreement of the holders of a majority of the then outstanding shares of Preferred Stock (voting together as a single class on an as-converted basis), *provided*, *however*, that the automatic conversion of the Series C Preferred Stock shall also require the written consent or agreement of the holders of a majority of the then outstanding shares of Series C Preferred Stock (voting as a separate series on an as-converted basis).

(c) **Mechanics of Conversion.** Before any holder of Preferred Stock shall be entitled to voluntarily convert such Preferred Stock into shares of Common Stock, the holder shall surrender the certificate or certificates therefor, duly endorsed (or a reasonably acceptable affidavit and indemnity undertaking in the case of a lost, stolen or destroyed certificate), at the office of the Corporation or of any transfer agent for such series of Preferred Stock, and shall give written notice to the Corporation at its principal corporate office, of the election to convert the same and shall state therein the name or names in which the certificate or certificates for shares of Common Stock are to be issued. The Corporation shall, as soon as practicable thereafter, issue and deliver at such office to such holder of Preferred Stock, or to the nominee or nominees of such holder, a certificate or certificates for the number of shares of Common Stock to which such holder shall be entitled as aforesaid and a certificate for the remaining number of shares of Preferred Stock if less than all of the Preferred Stock evidenced by the certificate were surrendered. Such conversion shall be deemed to have been made immediately prior to the close of business on (i) the date of such surrender of the shares of Preferred Stock to be converted or (ii) if applicable, the date of automatic conversion specified in Section 4(b) above, and the person or persons entitled to receive the shares of Common Stock issuable upon such conversion shall be treated for all purposes as the record holder or holders of

such shares of Common Stock as of such date. If the conversion is in connection with an underwritten public offering of securities registered pursuant to the Securities Act or a Liquidation Transaction the conversion may, at the option of any holder tendering such Preferred Stock for conversion, be conditioned upon the closing with the underwriters of the sale of securities pursuant to such offering or the closing of such Liquidation Transaction, in which event any persons entitled to receive Common Stock upon conversion of such Preferred Stock shall not be deemed to have converted such Preferred Stock until immediately prior to the closing of such sale of securities or such Liquidation Transaction.

(d) **Conversion Price Adjustments of Preferred Stock for Certain Dilutive Issuances, Splits and Combinations.** The Conversion Price of the Preferred Stock shall be subject to adjustment from time to time as follows:

(i) **Issuance of Additional Stock below Purchase Price.** If the Corporation should issue, at any time after the date upon which this Restated Certificate of Incorporation is accepted for filing by the Secretary of State of Delaware (the "Filing Date"), any Additional Stock (as defined below) without consideration or for a consideration per share less than the Conversion Price for such series in effect immediately prior to the issuance of such Additional Stock, the Conversion Price for such series in effect immediately prior to each such issuance shall automatically be adjusted as set forth in this Section 4(d)(i), unless otherwise provided in this Section 4(d)(i).

(A) **Adjustment Formula.** Whenever the Conversion Price is adjusted pursuant to this Section (4)(d)(i), the new Conversion Price shall be determined by multiplying the Conversion Price then in effect by a fraction, (x) the numerator of which shall be the number of shares of Common Stock outstanding immediately before such issuance (the "Outstanding Common") plus the number of shares of Common Stock that the aggregate consideration received by the Corporation for such issuance would purchase at such Conversion Price; and (y) the denominator of which shall be the number of shares of Outstanding Common plus the number of shares of such Additional Stock. For purposes of the foregoing calculation, the term "Outstanding Common" shall include shares of Common Stock deemed issued pursuant to Section 4(d)(i)(E) below.

(B) **Definition of "Additional Stock".** For purposes of this Section 4(d)(i), "Additional Stock" shall mean any shares of Common Stock issued (or deemed to have been issued pursuant to Section 4(d)(i)(E)) by the Corporation after the Filing Date) other than:

(1) Shares of Common Stock issued or issuable upon conversion of the Series C Preferred Stock sold pursuant to that certain Series C Preferred Stock Purchase Agreement dated on or about the Filing Date (the "Purchase Agreement"), as may be amended from time to time;

(2) Shares of Common Stock issued or issuable upon conversion of Preferred Stock outstanding on the Filing Date;

(3) Up to 1,649,515 shares of Common Stock (as adjusted for stock splits, stock dividends, reclassification and the like) issued or issuable to employees, officers, consultants or directors of the Corporation or other persons performing services for the Corporation, pursuant to a stock option plan or restricted stock plan approved by the Board of Directors, (including the Preferred Directors);

(4) Common Stock issued upon exercise of options, warrants or convertible securities outstanding on the filing date;

(5) Common Stock issued pursuant to stock dividends, stock splits or similar transactions, as described in Section 4(d)(ii) hereof;

(6) Capital stock, or warrants or options to purchase capital stock, issued in connection with bona fide acquisitions, mergers or similar transactions, the terms of which are approved by the Board of Directors (including the Preferred Directors);

(7) Capital stock, or warrants or options to purchase capital stock, issued to financial institutions or lessors in connection with commercial credit arrangements, equipment financings, commercial property lease transactions or similar transactions, the terms of which are approved by the Board of Directors (including the Preferred Directors) and primarily for non-equity financing purposes;

(8) Capital stock, or warrants or options to purchase capital stock, issued or issuable to an entity as a component of any business relationship with such entity for the purposes of sponsored research, collaboration, technology license, development, OEM, marketing or other similar arrangements or strategic partnerships approved by the Board of Directors (including the Preferred Directors) and primarily for non-equity financing purposes;

(9) Shares of Common Stock issued or issuable in a public offering approved by the Board of Directors (including the Preferred Directors) in which all shares of the Preferred Stock is converted to Common Stock; and

(10) Common Stock issued or deemed issued pursuant to Section 4(d)(i)(E) as a result of a decrease in the Conversion Price of any series of Preferred Stock resulting from the operation of Section 4(d).

(C) **No Fractional Adjustments.** No adjustment of the Conversion Price for the Preferred Stock shall be made in an amount less than one cent per share, provided that any adjustments which are not required to be made by reason of this sentence shall be carried forward and shall be either taken into account in any subsequent adjustment made prior to three years from the date of the event giving rise to the adjustment being carried forward, or shall be made at the end of three years from the date of the event giving rise to the adjustment being carried forward or at such earlier date as all outstanding shares of Preferred Stock shall be converted into Common Stock.

(D) **Determination of Consideration.** In the case of the issuance of Common Stock for cash, the consideration shall be deemed to be the amount of cash paid therefor before deducting any reasonable discounts, commissions or other expenses allowed, paid or incurred by the Corporation for any underwriting or otherwise in connection with the issuance and sale thereof. In the case of the issuance of the Common Stock for a consideration in whole or in part other than cash, the consideration other than cash shall be deemed to be the fair value thereof as determined by the Board of Directors including the Preferred Directors, irrespective of any accounting treatment.

(E) **Deemed Issuances of Common Stock.** In the case of the issuance (whether before, on or after the Filing Date) of securities or rights convertible into, or exchangeable or exercisable for, or entitling the holder thereof to receive, directly or indirectly, additional shares of Common Stock (the "Common Stock Equivalents"), the following provisions shall apply for all purposes of this Section 4(d)(i):

(1) The aggregate maximum number of shares of Common Stock deliverable upon conversion, exchange or exercise (assuming the satisfaction of any conditions to convertibility, exchangeability or exercisability, including, without limitation, the passage of time, and including the effect of antidilution adjustments that have already been made) of any Common Stock Equivalents and subsequent conversion, exchange or exercise thereof shall be deemed to have been issued at the time such securities were issued or such Common Stock Equivalents were issued and for a consideration equal to the consideration, if any, received by the Corporation for any such securities and related Common Stock Equivalents (excluding any cash received on account of accrued interest or accrued dividends), plus the minimum additional consideration, if any, to be received by the Corporation (but including the effect of antidilution adjustments that have already been made) upon the conversion, exchange or exercise of any Common Stock Equivalents (the consideration in each case to be determined in the manner provided in Section 4(d)(i)(D)).

(2) In the event of any change in the number of shares of Common Stock deliverable or in the consideration payable to the Corporation upon conversion, exchange or exercise of any Common Stock Equivalents, other than a change resulting from the antidilution provisions thereof, the applicable Conversion Price of a series of Preferred Stock, to the extent in any way affected by or computed using such Common Stock Equivalents, shall be recomputed to reflect such change, but no further adjustment shall be made for the actual issuance of Common Stock or any payment of such consideration upon the conversion, exchange or exercise of such Common Stock Equivalents.

(3) Upon the termination or expiration of the convertibility, exchangeability or exercisability of any Common Stock Equivalents, the applicable Conversion Price of a series of Preferred Stock, to the extent in any way affected by or computed using such Common Stock Equivalents, shall be recomputed to reflect the issuance of only the number of shares of Common Stock (and Common Stock Equivalents that remain convertible, exchangeable or exercisable) actually issued upon the conversion, exchange or exercise of such Common Stock Equivalents.

(4) The number of shares of Common Stock deemed issued and the consideration deemed paid therefor pursuant to Section 4(d)(i)(E)(1) shall be appropriately adjusted to reflect any change, termination or expiration of the type described in either Section 4(d)(i)(E)(2) or 4(d)(i)(E)(3).

(F) **No Increased Conversion Price.** Notwithstanding any other provisions of this Section (4)(d)(i), except to the limited extent provided for in Sections 4(d)(i)(E)(2) and 4(d)(i)(E)(3), no adjustment of the Conversion Price pursuant to this Section 4(d)(i) shall have the effect of increasing the Conversion Price above the Conversion Price in effect immediately prior to such adjustment.

(ii) **Stock Splits and Dividends.** In the event the Corporation should at any time after the Filing Date fix a record date for the effectuation of a split or subdivision of the outstanding shares of Common Stock or the determination of holders of Common Stock entitled to receive a dividend or other distribution payable in additional shares of Common Stock or Common Stock Equivalents without payment of any consideration by such holder other than in the form of Corporation securities, for the additional shares of Common Stock or the Common Stock Equivalents (including the additional shares of Common Stock issuable upon conversion or exercise thereof), then, as of such record date (or the date of such dividend distribution, split or subdivision if no record date is fixed), the applicable Conversion Price of the Preferred Stock shall be appropriately decreased so that the number of shares of Common Stock issuable on conversion of each share of such series shall be increased in proportion to such increase of the aggregate of shares of Common Stock outstanding and those issuable with respect to such Common Stock Equivalents with, if applicable, the number of shares issuable with respect to Common Stock Equivalents determined from time to time in the manner provided for deemed issuances in Section 4(d)(i)(E).

(iii) **Reverse Stock Splits.** If the number of shares of Common Stock outstanding at any time after the Filing Date is decreased by a reverse stock split or combination of the outstanding shares of Common Stock, then, following the record date of such combination, the applicable Conversion Price for the Preferred Stock shall be appropriately increased so that the number of shares of Common Stock issuable on conversion of each share of such series shall be decreased in proportion to such decrease in outstanding shares of Common Stock.

(e) **Other Distributions.** In the event the Corporation shall declare a distribution (other than a subdivision, combination or merger or sale of assets transaction provided for elsewhere in this Section 4 or in Section 2 of this Article IV(B)) payable in securities of other persons, evidences of indebtedness issued by the Corporation or other persons, assets (excluding cash dividends) or options or rights not referred to in Section 4(d)(ii), then, in each such case for the purpose of this Section 4(e), the holders of Preferred Stock shall be entitled to a proportionate share of any such distribution as though they were the holders of the number of shares of Common Stock of the Corporation into which their shares of Preferred Stock are convertible as of the record date fixed for the determination of the holders of Common Stock of the Corporation entitled to receive such distribution.

(f) **Recapitalizations.** If at any time or from time to time there shall be a recapitalization of the Common Stock (other than a subdivision, combination or merger or sale of assets transaction provided for elsewhere in this Section 4 or in Section 2 of this Article IV(B)) provision shall be made so that the holders of the Preferred Stock shall thereafter be entitled to receive upon conversion of such Preferred Stock the number of shares of stock or other securities or property of the Corporation or otherwise, to which a holder of Common Stock deliverable upon conversion would have been entitled on such recapitalization. In any such case, appropriate adjustment shall be made in the application of the provisions of this Section 4 with respect to the rights of the holders of such Preferred Stock after the recapitalization to the end that the provisions of this Section 4 (including adjustment of the Conversion Price then in effect and the number of shares purchasable upon conversion of such Preferred Stock) shall be applicable after that event and be as nearly equivalent as practicable.

(g) **No Impairment.** The Corporation will not, without the appropriate vote of the stockholders under the General Corporation law or Section 6 of this Article IV(B), by amendment of its Certificate of Incorporation or through any reorganization, recapitalization, transfer of assets, consolidation, merger, dissolution, issue or sale of securities or any other voluntary action, avoid or seek to avoid the observance or performance of any of the terms to be observed or performed hereunder by the Corporation, but will at all times in good faith assist in the carrying out of all the provisions of this Section 4 and in the taking of all such action as may be necessary or appropriate in order to protect the Conversion Rights of the holders of Preferred Stock against impairment.

(h) **No Fractional Shares and Certificate as to Adjustments**.

(i) No fractional shares shall be issued upon the conversion of any share or shares of the Preferred Stock, and the number of shares of Common Stock to be issued shall be rounded down to the nearest whole share. The number of shares issuable upon such conversion shall be determined on the basis of the total number of shares of Preferred Stock the holder is at the time converting into Common Stock and the number of shares of Common Stock issuable upon such aggregate conversion. If the conversion would result in any fractional share, the Corporation shall, in lieu of issuing any such fractional share, pay the holder thereof an amount in cash equal to the fair market value of such fractional share on the date of conversion, as determined in good faith by the Board of Directors (including the Preferred Directors).

(ii) Upon the occurrence of each adjustment or readjustment of the Conversion Price of a series of Preferred Stock pursuant to this Section 4, the Corporation, at its expense, shall promptly compute such adjustment or readjustment in accordance with the terms hereof and prepare and furnish to each holder of such Preferred Stock a certificate setting forth such adjustment or readjustment and showing in detail the facts upon which such adjustment or readjustment is based. The Corporation shall, upon the written request at any time of any holder of Preferred Stock, furnish or cause to be furnished to such holder a like certificate setting forth (A) such adjustment and readjustment, (B) the applicable Conversion Price for the Preferred Stock at the time in effect, and (C) the number of shares of Common Stock and the

amount, if any, of other property which at the time would be received upon the conversion of a share of the Preferred Stock.

(i) **Notices of Record Date.** In the event of any taking by the Corporation of a record of the holders of any class of securities for the purpose of determining the holders thereof who are entitled to receive any dividend (other than a cash dividend) or other distribution, any right to subscribe for, purchase or otherwise acquire any shares of stock of any class or any other securities or property, or to receive any other right, the Corporation shall mail to each holder of Preferred Stock, at least 10 days prior to the date specified therein, a notice specifying the date on which any such record is to be taken for the purpose of such dividend, distribution or right, and the amount and character of such dividend, distribution or right.

(j) **Reservation of Stock Issuable Upon Conversion.** The Corporation shall at all times reserve and keep available out of its authorized but unissued shares of Common Stock, solely for the purpose of effecting the conversion of the shares of the Preferred Stock, such number of its shares of Common Stock as shall from time to time be sufficient to effect the conversion of all outstanding shares of such series of Preferred Stock; and if at any time the number of authorized but unissued shares of Common Stock shall not be sufficient to effect the conversion of all then outstanding shares of such series of Preferred Stock, in addition to such other remedies as shall be available to the holder of such Preferred Stock, the Corporation will take such corporate action as may, in the opinion of its counsel, be necessary to increase its authorized but unissued shares of Common Stock to such number of shares as shall be sufficient for such purposes, including, without limitation, engaging in best efforts to obtain the requisite stockholder approval of any necessary amendment to this Restated Certificate.

(k) **Notices.** Any notice required by the provisions of this Section 4 to be given to the holders of shares of Preferred Stock shall be deemed given if deposited in the United States mail, postage prepaid, and addressed to each holder of record at his address appearing on the books of the Corporation.

(l) **Waiver of Adjustment to Conversion Price.** Notwithstanding anything herein to the contrary, any downward adjustment of the Conversion Price of any series of Preferred Stock may be waived, either prospectively or retroactively and either generally or in a particular instance, by the consent or vote of the holders of a majority of the outstanding shares of such series of Preferred Stock. Any such waiver shall bind all future holders of shares of such series of Preferred Stock.

5. **Voting Rights**.

(a) **General Voting Rights.** Except as expressly provided by this Restated Certificate or as provided by law, the holders of Preferred Stock shall have the same voting rights as the holders of Common Stock and shall be entitled to notice of any stockholders' meeting in accordance with the Bylaws of the Corporation, and the holders of Common Stock and the Preferred Stock shall vote together as a single class on as as-converted basis on all such matters. Each holder of Common Stock shall be entitled to one vote for each share of Common Stock held, and each holder of Preferred Stock shall be entitled to the number of votes equal to

the number of shares of Common Stock into which such shares of Preferred Stock could then be converted. Fractional votes shall not, however, be permitted and any fractional voting rights available on an as-converted basis (after aggregating all shares into which shares of Preferred Stock held by each holder could be converted) shall be rounded to the nearest whole number (with one-half being rounded upward).

(b) **Election of Directors.** For so long as at least 500,000 shares of Series A Preferred Stock and 500,000 shares of Series B Preferred Stock are outstanding (each as adjusted for stock splits, stock dividends, reclassification and the like), the holders of Series A Preferred Stock and Series B Preferred Stock shall be entitled to elect one (1) director (the "Series A/B Preferred Director") of the Corporation at any election of directors. For so long as at least 500,000 shares of Series C Preferred Stock are outstanding (as adjusted for stock splits, stock dividends, reclassification and the like), the holders of Series C Preferred Stock shall be entitled to elect one (1) director (the "Series C Preferred Director" and together with the Series A/B Preferred Director, the "Preferred Directors") of the Corporation at any election of directors. The holders of Common Stock shall be entitled to elect two (2) directors of the Corporation at any election of directors. The holders of a majority of the Preferred Stock and Common Stock (voting together as a single class on an as-converted basis) shall be entitled to elect any remaining directors.

(c) Notwithstanding the provisions of Section 223(a)(1) and 223(a)(2) of the Delaware General Corporation Law, any vacancy, including newly created directorships resulting from any increase in the authorized number of directors or amendment of this Amended and Restated Certificate of Incorporation, and vacancies created by removal or resignation of a director, may be filled by a majority of the directors then in office, though less than a quorum, or by a sole remaining director, and the directors so chosen shall hold office until the next annual election and until their successors are duly elected and shall qualify, unless sooner displaced; *provided*, *however*, that where such vacancy occurs among the directors elected by the holders of a class or series of stock, the holders of shares of such class or series may override the Board's action to fill such vacancy by (i) voting for their own designee to fill such vacancy at a meeting of the applicable class or series of the Corporation's stockholders or (ii) written consent of the applicable class or series of the Corporation's stockholders, if the consenting stockholders hold a sufficient number of shares to elect their designee at a meeting of such stockholders. Any director may be removed during his or her term of office, either with or without cause, by, and only by, the affirmative vote of the holders of the shares of the class or series of stock entitled to elect such director or directors, given either at a special meeting of such stockholders duly called for that purpose or pursuant to a written consent of stockholders, and any vacancy thereby created may be filled by the holders of that class or series of stock represented at the meeting or pursuant to written consent.

6. **Protective Provisions.**

(a) So long as at least 1,000,000 shares of Preferred Stock are outstanding (as adjusted for stock splits, stock dividends, reclassification and the like), the Corporation shall not (by amendment, merger, reclassification, consolidation or otherwise, either

directly or indirectly by subsidiary) without first obtaining the approval (by vote or written consent, as provided by law) of the holders of a majority of the then outstanding shares of Preferred Stock, voting together as a class on an as-converted basis:

(i) amend this Corporation's Certificate of Incorporation or Bylaws;

(ii) increase or decrease (other than by conversion) the total number of authorized shares of Common Stock or Preferred Stock;

(iii) authorize or issue, or obligate itself to issue, any other equity security, including any security (other than Series C Preferred Stock sold pursuant to the Purchase Agreement) convertible into or exercisable for any equity security, having a preference over, or being on a parity with, any series of Preferred Stock with respect to voting (other than the pari passu voting rights of Common Stock), dividends, redemption, conversion or upon liquidation;

(iv) redeem, purchase or otherwise acquire (or pay into or set funds aside for a sinking fund for such purpose) any share or shares of Preferred Stock or Common Stock; provided, however, that this restriction shall not apply to (i) the repurchase of shares of Common Stock at cost from employees, officers, directors, consultants or other persons performing services for the Corporation or any subsidiary pursuant to agreements approved by the Board of Directors (including the Preferred Directors) or (ii) the exercise by this Corporation of contractual rights of first refusal over such shares approved by the Board of Directors (including the consent of the Preferred Directors);

(v) effect a liquidation, dissolution or winding up, or Liquidation Transaction, or any other merger or consolidation of the Corporation or a subsidiary of the Corporation with or into any other entity, or any other reclassification or recapitalization of the capital stock of the Corporation;

(vi) incur any indebtedness in excess of $1,500,000, unless approved by the Board of Directors (including the Preferred Directors); or

(vii) increase or decrease the size of the Board of Directors; or

(viii) declare or pay any dividend or other distribution on any shares of Common Stock or Preferred Stock.

(b) So long as at least 550,000 shares of Series A Preferred Stock are outstanding (as adjusted for stock splits, stock dividends, reclassification and the like), the Corporation shall not (by amendment, merger, reclassification, consolidation or otherwise, either directly or indirectly by subsidiary) without first obtaining the approval (by vote or written

consent, as provided by law) of the holders of a majority of the then outstanding shares of Series A Preferred Stock, voting as a class:

(i) perform any action that adversely affects the rights, preferences or privileges of the Series A Preferred Stock in a manner different from the Series B Preferred Stock, the Series B-1 Preferred Stock, or the Series C Preferred Stock;

(ii) amend the Corporation's Certificate of Incorporation or Bylaws so as to adversely impact the powers, designations, preferences and restrictions of the Series A Preferred Stock; or

(iii) increase or decrease the authorized shares of Series A Preferred Stock.

(c) So long as at least 1,070,000 shares of Series B Preferred Stock are outstanding (as adjusted for stock splits, stock dividends, reclassification and the like), the Corporation shall not (by amendment, merger, reclassification, consolidation or otherwise, either directly or indirectly by subsidiary) without first obtaining the approval (by vote or written consent, as provided by law) of the holders of a majority of the then outstanding shares of Series B Preferred Stock, voting as a class:

(i) perform any action that adversely affects the rights, preferences or privileges of the Series B Preferred Stock in a manner different from the Series A Preferred Stock, the Series B-1 Preferred Stock, or the Series C Preferred Stock;

(ii) amend the Corporation's Certificate of Incorporation or Bylaws so as to adversely impact the powers, designations, preferences and restrictions of the Series B Preferred Stock; or

(iii) increase or decrease the authorized shares of Series B Preferred Stock.

(d) So long as at least 360,000 shares of Series B-1 Preferred Stock are outstanding (as adjusted for stock splits, stock dividends, reclassification and the like), the Corporation shall not (by amendment, merger, reclassification, consolidation or otherwise, either directly or indirectly by subsidiary) without first obtaining the approval (by vote or written consent, as provided by law) of the holders of a majority of the then outstanding shares of Series B-1 Preferred Stock, voting as a class:

(i) perform any action that adversely affects the rights, preferences or privileges of the Series B-1 Preferred Stock in a manner different from the Series A Preferred Stock, the Series B Preferred Stock, or the Series C Preferred Stock;

(ii) amend the Corporation's Certificate of Incorporation or Bylaws so as to adversely impact the powers, designations, preferences and restrictions of the Series B-1 Preferred Stock; or

(iii) increase or decrease the authorized shares of Series B-1 Preferred Stock.

(e) So long as at least 560,000 shares of Series C Preferred Stock are outstanding (as adjusted for stock splits, stock dividends, reclassification and the like), the Corporation shall not (by amendment, merger, reclassification, consolidation or otherwise, either directly or indirectly by subsidiary) without first obtaining the approval (by vote or written consent, as provided by law) of the holders of a majority of the then outstanding shares of Series C Preferred Stock, voting as a class on an as-converted basis:

(i) perform any action that adversely affects the rights, preferences or privileges of the Series C Preferred Stock in a manner different from the Series A Preferred Stock, the Series B Preferred Stock, or the Series B-1 Preferred Stock;

(ii) amend the Corporation's Certificate of Incorporation or Bylaws so as to adversely impact the powers, designations, preferences and restrictions of the Series C Preferred Stock; or

(iii) increase or decrease the authorized shares of Series C Preferred Stock.

7. **Status of Converted Stock.** In the event any shares of Preferred Stock shall be converted pursuant to Section 4 hereof, the shares so converted shall be cancelled and shall not be issuable by the Corporation. This Restated Certificate shall be appropriately amended to effect the corresponding reduction in the Corporation's authorized capital stock.

(C) **Common Stock**.

1. **Dividend Rights.** Subject to the prior rights of holders of all classes of stock at the time outstanding having prior rights as to dividends, the holders of the Common Stock shall be entitled to receive, when and as declared by the Board of Directors, out of any assets of the Corporation legally available therefor, such dividends as may be declared from time to time by the Board of Directors.

2. **Liquidation Rights.** Upon the liquidation, dissolution or winding up of the Corporation, or the occurrence of a Liquidation Transaction, the assets of the Corporation shall be distributed as provided in Section 2 of Article IV(B).

3. **Redemption.** The Common Stock is not redeemable at the option of the holder.

4. **Voting Rights.** Each holder of Common Stock shall have the right to one vote per share of Common Stock, and shall be entitled to notice of any stockholders' meeting in accordance with the Bylaws of the Corporation, and shall be entitled to vote upon such matters and in such manner as may be provided by law. The number of authorized shares of Common Stock may be increased or decreased (but not below the number of shares thereof

then outstanding) by the affirmative vote of the holders of shares of stock of the Corporation representing a majority of the votes represented by all outstanding shares of stock of the Corporation entitled to vote (voting together as a single class and not as separate series, and on an as-converted basis), irrespective of the provisions of Section 242(b)(2) of the Delaware General Corporation Law.

ARTICLE V

Except as otherwise provided in this Restated Certificate, the Board of Directors of the Corporation is expressly authorized to make, alter or repeal the Bylaws of the Corporation.

ARTICLE VI

Elections of directors need not be by written ballot unless otherwise provided in the Bylaws of the Corporation. The authorized number of directors shall be set forth in the Corporation's Bylaws.

ARTICLE VII

(A) To the fullest extent permitted by the Delaware General Corporation Law, as the same exists or as may hereafter be amended, a director of the Corporation shall not be personally liable to the Corporation or its stockholders for monetary damages for breach of fiduciary duty as a director.

(B) The Corporation shall indemnify to the fullest extent permitted by law any person made or threatened to be made a party to an action or proceeding, whether criminal, civil, administrative or investigative, by reason of the fact that he, his testator or intestate is or was a director or officer of the Corporation or any predecessor of the Corporation, or serves or served at any other enterprise as a director or officer at the request of the Corporation or any predecessor to the Corporation.

(C) Neither any amendment nor repeal of this Article VII, nor the adoption of any provision of the Corporation's Certificate of Incorporation inconsistent with this Article VII, shall eliminate or reduce the effect of this Article VII in respect of any matter occurring, or any action or proceeding accruing or arising or that, but for this Article VII, would accrue or arise, prior to such amendment, repeal or adoption of an inconsistent provision.

ARTICLE VIII

Meetings of stockholders may be held within or without the State of Delaware, as the Bylaws of this corporation may provide. The books of the Corporation may be kept (subject to any provision contained in the statutes) outside the State of Delaware at such place or places as

may be designated from time to time by the Board of Directors or in the Bylaws of this corporation.

ARTICLE IX

To the extent one or more sections of any other state corporations code setting forth minimum requirements for this Corporation's retained earnings and/or net assets are applicable to this Corporation's repurchase of shares of Common Stock, such code sections shall not apply, to the greatest extent permitted by applicable law, in whole or in part with respect to repurchases by this Corporation of its Common Stock from employees, officers, directors, advisors, consultants or other persons performing services for this Corporation or any subsidiary pursuant to agreements under which this Corporation has the right to repurchase such shares at cost upon the occurrence of certain events, such as the termination of employment. In the case of any such repurchases, distributions by this Corporation may be made without regard to the "preferential dividends arrears amount" or any "preferential rights amount," as such terms may be defined in such other state's corporations code."

ARTICLE X

The Corporation renounces, to the fullest extent permitted by law, any interest or expectancy of the Corporation in, or in being offered an opportunity to participate in, any Excluded Opportunity. An "**Excluded Opportunity**" is any matter, transaction or interest that is presented to, or acquired, created or developed by, or which otherwise comes into the possession of (i) any director of the Corporation who is not an employee of the Corporation or any of its subsidiaries, or (ii) any holder of Preferred Stock or any partner, member, director, stockholder, employee or agent of any such holder, other than someone who is an employee of the Corporation or any of its subsidiaries (collectively, "**Covered Persons**"), unless such matter, transaction or interest is presented to, or acquired, created or developed by, or otherwise comes into the possession of, a Covered Person expressly and solely in such Covered Person's capacity as a director of the Corporation.

ARTICLE XI

Unless the Corporation consents in writing to the selection of an alternative forum, the Court of Chancery in the State of Delaware shall be the sole and exclusive forum for any stockholder (including a beneficial owner) to bring (i) any derivative action or proceeding brought on behalf of the Corporation, (ii) any action asserting a claim of breach of fiduciary duty owed by any director, officer or other employee of the Corporation to the Corporation or the Corporation's stockholders, (iii) any action asserting a claim against the Corporation, its directors, officers or employees arising pursuant to any provision of the Delaware General Corporation Law or the Corporation's certificate of incorporation or bylaws or (iv) any action asserting a claim against the Corporation, its directors, officers or employees governed by the internal affairs doctrine, except for, as to each of (i) through (iv) above, any claim as to which the Court of Chancery determines that there is an indispensable party not subject to the jurisdiction of the Court of Chancery (and the indispensable party does not consent to the personal jurisdiction of the Court of Chancery within ten days following such determination), which is

vested in the exclusive jurisdiction of a court or forum other than the Court of Chancery, or for which the Court of Chancery does not have subject matter jurisdiction. If any provision or provisions of this Article Eleventh shall be held to be invalid, illegal or unenforceable as applied to any person or entity or circumstance for any reason whatsoever, then, to the fullest extent permitted by law, the validity, legality and enforceability of such provisions in any other circumstance and of the remaining provisions of this Article Eleventh (including, without limitation, each portion of any sentence of this Article Eleventh containing any such provision held to be invalid, illegal or unenforceable that is not itself held to be invalid, illegal or unenforceable) and the application of such provision to other persons or entities and circumstances shall not in any way be affected or impaired thereby.

* * *

The foregoing Amended and Restated Certificate of Incorporation has been duly adopted by this corporation's Board of Directors and stockholders in accordance with the applicable provisions of Sections 228, 242 and 245 of the Delaware General Corporation Law.

Executed at San Francisco, California, on January 22, 2015.

/s/ David Barrett

David Barrett, President

CERTIFICATE OF AMENDMENT OF
THE AMENDED AND RESTATED
CERTIFICATE OF INCORPORATION

OF

EXPENSIFY, INC.

Expensify, Inc. (the "Corporation"), a corporation organized and existing under and by virtue of the provisions of the General Corporation Law of the State of Delaware (the "General Corporation Law"),

DOES HEREBY CERTIFY:

1. That the name of this Corporation is Expensify, Inc., and that this Corporation was originally incorporated pursuant to the General Corporation Law on April 29, 2009.

2. That the Board of Directors duly adopted resolutions proposing to amend the Amended and Rested Certificate of Incorporation of this Corporation, declaring said amendment to be advisable and in the best interests of this Corporation and its stockholders, and authorizing the appropriate officers of this Corporation to solicit the consent of the stockholders therefor, which resolution setting forth the proposed amendment is as follows:

RESOLVED, that Subsection 4(d)(i)(B)(3) of Section B of Article 4 of the Amended and Restated Certificate of Incorporation of the Corporation shall be amended to read in its entirety as follows:

> "Up to 1,703,028 shares of Common Stock (as adjusted for stock splits, stock dividends, reclassification and the like) issued or issuable to employees, officers, consultants or directors of the Corporation or other persons performing services for the Corporation, pursuant to a stock option plan or restricted stock plan approved by the Board of Directors, (including the Preferred Directors)"

3. That thereafter said amendment was duly adopted in accordance with the provisions of Section 242 of the General Corporation Law by written consent of the stockholders holding the requisite number of shares required by statute given in accordance with and pursuant to Section 228 of the General Corporation Law.

IN WITNESS WHEREOF, this Certificate of Amendment of the Amended and Rested Certificate of Incorporation has been executed by a duly authorized officer of this Corporation as of January 16, 2018.

/s/ David Barrett

David Barrett, CEO

CERTIFICATE OF AMENDMENT OF
THE AMENDED AND RESTATED
CERTIFICATE OF INCORPORATION

OF

EXPENSIFY, INC.

Expensify, Inc. (the "Corporation"), a corporation organized and existing under and by virtue of the provisions of the General Corporation Law of the State of Delaware (the "General Corporation Law"),

DOES HEREBY CERTIFY:

1. That the name of this Corporation is Expensify, Inc., and that this Corporation was originally incorporated pursuant to the General Corporation Law on April 29, 2009.

2. That the Board of Directors duly adopted resolutions proposing to amend the Amended and Rested Certificate of Incorporation of this Corporation, declaring said amendment to be advisable and in the best interests of this Corporation and its stockholders, and authorizing the appropriate officers of this Corporation to solicit the consent of the stockholders therefor, which resolution setting forth the proposed amendment is as follows:

RESOLVED, that Section A of Article 4 of the Amended and Restated Certificate of Incorporation of the Corporation shall be amended to read in its entirety as follows:

"**Classes of Stock.** The Corporation is authorized to issue two classes of stock to be designated, respectively, "Common Stock" and "Preferred Stock." The total number of shares which the Corporation is authorized to issue is 16,208,837 shares, each with a par value of $0.0001 per share. 10,317,394 shares shall be Common Stock and 5,891,443 shares shall be Preferred Stock."

RESOLVED, that the first paragraph of Section B of Article 4 of the Amended and Restated Certificate of Incorporation of the Corporation shall be amended to read in its entirety as follows:

"Rights, Preferences and Restrictions of Preferred Stock. 1,090,868 shares of the Preferred Stock authorized by this Amended and Restated Certificate of Incorporation (the "Restated Certificate") shall be designated "Series A Preferred Stock," 2,884,647 shares of the Preferred Stock authorized by this Restated Certificate shall be designated "Series B Preferred Stock," 737,572 shares of the Preferred Stock authorized by this Restated Certificate shall be designated "Series B-1 Preferred Stock," and 1,178,356 shares of the Preferred Stock authorized by this Restated Certificate shall be designated "Series C Preferred Stock,". The rights, preferences, privileges, and restrictions granted to and imposed on the Preferred Stock are as set forth below in this Article IV(B)."

3. That thereafter said amendment was duly adopted in accordance with the provisions of Section 242 of the General Corporation Law by written consent of the stockholders holding the requisite number of shares required by statute given in accordance with and pursuant to Section 228 of the General Corporation Law.

IN WITNESS WHEREOF, this Certificate of Amendment of the Amended and Rested Certificate of Incorporation has been executed by a duly authorized officer of this Corporation as of April 16, 2018.

/s/ David Barrett

David Barrett, CEO

CERTIFICATE OF AMENDMENT OF
THE AMENDED AND RESTATED
CERTIFICATE OF INCORPORATION

OF

EXPENSIFY, INC.

Expensify, Inc. (the "Corporation"), a corporation organized and existing under and by virtue of the provisions of the General Corporation Law of the State of Delaware (the "General Corporation Law"),

DOES HEREBY CERTIFY:

1. That the name of this Corporation is Expensify, Inc., and that this Corporation was originally incorporated pursuant to the General Corporation Law on April 29, 2009.

2. That the Board of Directors duly adopted resolutions proposing to amend the Amended and Rested Certificate of Incorporation of this Corporation, declaring said amendment to be advisable and in the best interests of this Corporation and its stockholders, and authorizing the appropriate officers of this Corporation to solicit the consent of the stockholders therefor, which resolution setting forth the proposed amendment is as follows:

RESOLVED, that Section A of Article 4 of the Amended and Restated Certificate of Incorporation of the Corporation shall be amended to read in its entirety as follows:

"**Classes of Stock.** The Corporation is authorized to issue two classes of stock to be designated, respectively, "Common Stock" and "Preferred Stock." The total number of shares which the Corporation is authorized to issue is 13,703,139 shares, each with a par value of $0.0001 per share. 9,500,000 shares shall be Common Stock and 4,203,139 shares shall be Preferred Stock."

RESOLVED, that the first paragraph of Section B of Article 4 of the Amended and Restated Certificate of Incorporation of the Corporation shall be amended to read in its entirety as follows:

"Rights, Preferences and Restrictions of Preferred Stock. 1,090,868 shares of the Preferred Stock authorized by this Amended and Restated Certificate of Incorporation (the "Restated Certificate") shall be designated "Series A Preferred Stock," 1,401,399 shares of the Preferred Stock authorized by this Restated Certificate shall be designated "Series B Preferred Stock," 644,541 shares of the Preferred Stock authorized by this Restated Certificate shall be designated "Series B-1 Preferred Stock," and 1,066,331 shares of the Preferred Stock authorized by this Restated Certificate shall be designated "Series C Preferred Stock,". The rights, preferences, privileges, and restrictions granted to and imposed on the Preferred Stock are as set forth below in this Article IV(B)."

3. That thereafter said amendment was duly adopted in accordance with the provisions of Section 242 of the General Corporation Law by written consent of the stockholders holding the requisite number of shares required by statute given in accordance with and pursuant to Section 228 of the General Corporation Law.

IN WITNESS WHEREOF, this Certificate of Amendment of the Amended and Rested Certificate of Incorporation has been executed by a duly authorized officer of this Corporation as of May 3, 2018.

/s/ David Barrett

David Barrett, CEO

CERTIFICATE OF AMENDMENT OF
THE AMENDED AND RESTATED
CERTIFICATE OF INCORPORATION

OF

EXPENSIFY, INC.

Expensify, Inc. (the "Corporation"), a corporation organized and existing under and by virtue of the provisions of the General Corporation Law of the State of Delaware (the "General Corporation Law"),

DOES HEREBY CERTIFY:

1. That the name of this Corporation is Expensify, Inc., and that this Corporation was originally incorporated pursuant to the General Corporation Law on April 29, 2009.

2. That the Board of Directors duly adopted resolutions proposing to amend the Amended and Rested Certificate of Incorporation of this Corporation, declaring said amendment to be advisable and in the best interests of this Corporation and its stockholders, and authorizing the appropriate officers of this Corporation to solicit the consent of the stockholders therefor, which resolution setting forth the proposed amendment is as follows:

RESOLVED, that Section 4(d)(B)(3) of Article IV of the Amended and Restated Certificate of Incorporation of the Corporation shall be amended to read in its entirety as follows:

"(3) Up to 2,520,425 shares of Common Stock (as adjusted for stock splits, stock dividends, reclassification and the like) issued or issuable to employees, officers, consultants or directors of the Corporation or other persons performing services for the Corporation, pursuant to a stock option plan or restricted stock plan approved by the Board of Directors, (including the Preferred Directors)."

3. That thereafter said amendment was duly adopted in accordance with the provisions of Section 242 of the General Corporation Law by written consent of the stockholders holding the requisite number of shares required by statute given in accordance with and pursuant to Section 228 of the General Corporation Law.

IN WITNESS WHEREOF, this Certificate of Amendment of the Amended and Rested Certificate of Incorporation has been executed by a duly authorized officer of this Corporation as of April 22, 2019.

/s/ David Barrett

David Barrett, CEO

CERTIFICATE OF AMENDMENT
TO THE
AMENDED AND RESTATED CERTIFICATE OF INCORPORATION
OF
EXPENSIFY, INC.

Expensify, Inc. (the "Corporation"), a corporation organized and existing under and by virtue of the General Corporation Law of the State of Delaware (the "DGCL"),

DOES HEREBY CERTIFY:

FIRST: That the Amended and Restated Certificate of Incorporation of the Corporation, as amended, is hereby amended by deleting Article IV, Section (A) in its entirety and replacing the same to read as follows:

"**ARTICLE IV**

(A) The Corporation is authorized to issue two classes of stock to be designated, respectively, "Common Stock" and "Preferred Stock." The total number of shares which the Corporation is authorized to issue is 99,203,139 shares, each with a par value of $0.0001 per share. 95,000,000 shares shall be Common Stock and 4,203,139 shares shall be Preferred Stock.

Effective upon the filing of this Certificate of Amendment with the Secretary of State of the State of Delaware (the "Effective Time"), each share of Common Stock issued and outstanding or held by the Corporation in treasury as of immediately prior to the Effective Time hereby is automatically, without any action on the part of the Corporation or any holder thereof, reclassified into ten (10) shares of Common Stock (the "Stock Split"). From and after the Effective Time, certificates representing shares of Common Stock issued and outstanding immediately prior to the Effective Time shall thereafter represent the number of whole shares of Common Stock into which such shares have been reclassified at the Effective Time pursuant to this Certificate of Amendment (as well as the right to receive any applicable payment of cash in lieu of fractional shares of Common Stock as provided for herein); *provided*, *however*, that each holder of record of a stock certificate or certificates that represents shares of Common Stock issued and outstanding immediately prior to the Effective Time shall be entitled to receive, upon surrender of such certificate or certificates, a new certificate evidencing the number of whole shares of Common Stock to which such person is entitled pursuant to this paragraph (as well as any applicable payment of cash in lieu of fractional shares of Common Stock as provided for herein)."

SECOND: That the foregoing amendment was duly adopted in accordance with Section 242 of the DGCL, with the stockholders acting by written consent in lieu of a meeting in accordance with Section 228 of the DGCL.

[Remainder of Page Intentionally Blank – Signature Page Follows.]

IN WITNESS WHEREOF, the undersigned officer of the Corporation does hereby execute this Certificate of Amendment this 27th day of October, 2021.

/s/ David Barrett

By: _____

Name: David Barrett

Title: Chief Executive Officer

CERTIFICATE OF AMENDMENT

TO

AMENDED AND RESTATED CERTIFICATE OF INCORPORATION

OF

EXPENSIFY, INC.

Pursuant to Section 242 of the
General Corporation Law of the State of Delaware

_____

EXPENSIFY, INC., a corporation organized and existing under and by virtue of the General Corporation Law of the State of Delaware (the "Corporation"), does hereby certify that:

1. The name of the Corporation is Expensify, Inc.

2. The Certificate of Incorporation of the Corporation was originally filed with the Secretary of the State of Delaware on April 29, 2009. The Amended and Restated Certificate of Incorporation of the Corporation was filed with the Secretary of State of the State of Delaware on January 22, 2015 and amended on January 16, 2018, April 16, 2018, May 3, 2018, April 22, 2019 and __, 2021 (as amended, the "Restated Certificate").

3. This amendment (the "Amendment") of the Restated Certificate herein certified was duly adopted in accordance with the applicable provisions of Section 242 of the General Corporation Law of the State of Delaware (the "DGCL"). The Board of Directors of the Corporation has adopted a resolution approving and declaring advisable the Amendment in accordance with the provisions of Section 242 of the DGCL and the Corporation's stockholders, acting by their written consent in lieu of a meeting, have duly adopted the Amendment in accordance with Sections 228 and 242 of the DGCL.

4. Article IV(A) of the Restated Certificate is hereby amended and restated in its entirety to read as follows:

(A) **Classes of Stock.** The Corporation is authorized to issue two classes of stock to be designated, respectively, "Common Stock" and "Preferred Stock." The total number of shares which the Corporation is authorized to issue is 1,054,203,139 shares, each with a par value of $0.0001 per share. 1,050,000,000 shares shall be Common Stock, consisting of one billion (1,000,000,000) shares of Class A Common Stock, par value $0.0001 per share ("Class A Common Stock"), 25 million (25,000,000) shares of LT10 Common Stock, par value $0.0001 per share ("LT10 Common Stock"), 25 million (25,000,000) shares of LT50 Common Stock, par value $0.0001 per share ("LT50 Common Stock," and together with the LT10 Common Stock, the "LT Common Stock"), and 4,203,139 shares shall be Preferred Stock. Subject to the rights of holders of any series of Preferred Stock, the number of authorized shares of Class A Common Stock, LT10 Common Stock and LT50 Common Stock or Preferred Stock may be increased or decreased (but not below (i) the number of shares thereof then outstanding and (ii) with respect to the Class A Common Stock, the number of shares of Class A Common Stock reserved

pursuant to Section (C)7(g) of this Article IV) by the affirmative vote of the holders of capital stock representing a majority of the voting power of all the then-outstanding shares of capital stock of the Corporation entitled to vote thereon irrespective of the provisions of Section 242(b)(2) of the Delaware General Corporation Law.

Immediately upon the effectiveness of this Amendment pursuant to the DGCL (the "Effective Time"), automatically and without further action on the part of the holders of capital stock of the Corporation, each share of common stock, par value $0.0001 per share, of the Corporation (the "Old Common Stock") issued and outstanding or held by the Corporation as treasury stock immediately prior to the Effective Time shall be reclassified as and become one validly issued, fully paid and nonassessable share of Class A Common Stock (the "Reclassification"). The Reclassification shall occur automatically as of the Effective Time without any further action by the Corporation or the holders of the shares affected thereby and whether or not any certificates representing such shares are surrendered to the Corporation. Upon the Effective Time, each stock certificate (if any) that as of immediately prior to the Effective Time represented shares of Old Common Stock shall be deemed to represent an equivalent number of shares of Class A Common Stock, *provided*, *however*, that each person holding of record a stock certificate or certificates that represented shares of Old Common Stock shall be entitled to receive, upon surrender of such certificate or certificates, a new certificate or certificates evidencing and representing an equivalent number of shares of Class A Common Stock. The Reclassification shall also apply to any outstanding securities or rights convertible into, or exchangeable or exercisable for, Old Common Stock and all references to the Old Common Stock in agreements, arrangements, documents and plans relating thereto or any option or right to purchase or acquire shares of Old Common Stock shall be deemed to be references to the Class A Common Stock or options or rights to purchase or acquire shares of Class A Common Stock, as the case may be.

****

5. Article IV(B)(4)(d)(i)(B)(3) of the Restated Certificate is hereby amended and restated in its entirety to read as follows:

"(3) Up to 20,662,660 shares of Class A Common Stock (as adjusted for stock splits, stock dividends, reclassification and the like) issued or issuable to employees, officers, consultants or directors of the Corporation or other persons performing services for the Corporation, pursuant to a stock option plan or restricted stock plan approved by the Board of Directors, (including the Preferred Directors)."

****

6. Article IV(C) of the Restated Certificate is hereby amended and restated in its entirety to read as follows:

(C) **Common Stock**.

1. **Equal Status.** Except as otherwise required by law or as expressly set forth in this Section (C) of Article IV, shares of Class A Common Stock, LT10 Common Stock and LT50 Common Stock shall have the same rights, privileges and powers, rank equally, share ratably and be identical in all respects as to all matters. The voting, dividend, liquidation and other rights, powers and preferences of the holders of Class A Common Stock, LT10 Common Stock and LT50 Common Stock are subject to, and qualified by, the rights, powers and preferences of holders of the Preferred Stock of any series as may be designated by the Board upon any issuance of the Preferred Stock of any series.

2. **Voting.** Except as otherwise required by applicable law, at all meetings of stockholders and on all matters submitted to a vote of stockholders of the Corporation generally, each holder of Class A Common Stock, as such, shall have the right to one (1) vote per share of Class A Common Stock held of record by such holder. Except as otherwise required by applicable law, at all meetings of stockholders and on all matters submitted to a vote of stockholders of the Corporation generally, each holder of LT10 Common Stock and LT50 Common Stock, as such, shall have the right to one (1) vote per share of LT10 Common Stock or LT50 Common Stock, respectively, held of record by such holder; *provided* that, from and after the time that is immediately prior to the closing of the initial sale of the Corporation's Class A Common Stock in a firm commitment underwritten public offering pursuant to a registration statement under the Securities Act (a "Class A IPO"), each holder of LT10 Common Stock, as such, shall have the right to ten (10) votes per share of LT10 Common Stock held of record by such holder, and each holder of LT50 Common Stock, as such, shall have the right to fifty (50) votes per share of LT50 Common Stock held of record by such holder. Except as otherwise required by applicable law or provided in this Restated Certificate, the holders of shares of Class A Common Stock, LT10 Common Stock and LT50 Common Stock, as such, shall (i) at all times vote together as a single class on all matters (including the election of directors) submitted to a vote of the stockholders of the Corporation generally, (ii) be entitled to notice of any stockholders' meeting in accordance with the bylaws of the Corporation (as the same may be amended and/or restated from time to time, the "Bylaws"), and (iii) be entitled to vote upon such matters and in such manner as may be provided by applicable law; *provided, however*, that, except as otherwise required by applicable law, holders of Class A Common Stock, LT10 Common Stock and LT50 Common Stock, as such, shall not be entitled to vote on any amendment to this Restated Certificate that relates solely to the terms of one or more outstanding series of Preferred Stock if the holders of such affected series are entitled, either separately or together with the holders of one or more other such series, to vote thereon pursuant to this Restated Certificate or applicable law. There shall be no cumulative voting.

3. **Dividend Rights.** Subject to applicable law and the rights, if any, of the holders of any outstanding series of Preferred Stock or any class or series of stock having a preference over or the right to participate with the Class A Common Stock, LT10 Common

Stock or LT50 Common Stock with respect to the payment of dividends in cash, property or shares of capital stock of the Corporation, dividends may be declared and paid on the shares of Class A Common Stock, LT10 Common Stock or LT50 Common Stock out of any assets of the Corporation legally available therefore at such times and in such amounts as the Board in its discretion shall determine; *provided, however,* that in the event a dividend is paid in the form of shares of Class A Common Stock, LT10 Common Stock or LT50 Common Stock (or in rights to acquire, or securities convertible into or exchangeable for, such shares), then holders of Class A Common Stock shall be entitled to receive shares of Class A Common Stock (or rights to acquire, or securities convertible into or exchangeable for, such shares, as the case may be), holders of LT10 Common Stock shall be entitled to receive shares of LT10 Common Stock (or rights to acquire, or securities convertible into or exchangeable for, such shares, as the case may be), and holders of LT50 Common Stock shall be entitled to receive shares of LT50 Common Stock (or rights to acquire, or securities convertible into or exchangeable for, such shares, as the case may be), with holders of shares of Class A Common Stock, LT10 Common Stock and LT50 Common Stock receiving, on a per share basis, an identical number of shares of Class A Common Stock, LT10 Common Stock or LT50 Common Stock as the case may be (or rights to acquire, or securities convertible into or exchangeable for, such shares, as the case may be), as applicable. Notwithstanding the foregoing, the Board may declare and the Corporation may pay a disparate dividend per share of Class A Common Stock, LT10 Common Stock or LT50 Common Stock (whether the disparity shall be in the amount of such dividend payable per share, the form in which such dividend is payable (whether it shall be payable in cash, shares of capital stock of the Corporation, other securities of the Corporation, or any combination of the foregoing), the timing of the payment, or otherwise).

4. **Subdivisions, Combinations or Reclassifications.** Shares of Class A Common Stock, LT10 Common Stock and LT50 Common Stock may not be subdivided, combined or reclassified unless the shares of the other classes are concurrently therewith proportionately subdivided, combined or reclassified in a manner that maintains the same proportionate equity ownership between the holders of the outstanding Class A Common Stock, LT10 Common Stock and LT50 Common Stock on the record date for such subdivision, combination or reclassification; *provided, however*, that shares of one such class may be subdivided, combined or reclassified in a different or disproportionate manner if such subdivision, combination or reclassification is approved by the affirmative vote of the holders of a majority of the outstanding shares of Class A Common Stock, LT10 Common Stock and LT50 Common Stock, each voting separately as a class.

5. **Liquidation, Dissolution or Winding Up.** Subject to the preferential or other rights of any holders of Preferred Stock then outstanding, upon the dissolution, distribution of assets, liquidation or winding up of the Corporation, whether voluntary or involuntary, holders of Class A Common Stock, LT10 Common Stock and LT50 Common Stock will be entitled to receive ratably all assets of the Corporation available for distribution to its stockholders unless disparate or different treatment of the shares of each such class with respect to distributions upon any such liquidation, dissolution, distribution of assets or winding up is approved by the affirmative vote of the holders of a majority of the outstanding shares of Class A Common Stock, LT10 Common Stock and LT50 Common Stock, each voting separately as a class.

6. **Restrictions on Transfers of Shares of LT Common Stock.** From and after the time that is immediately prior to the closing of the Class A IPO:

(a) To the maximum extent permitted under applicable law, no holder of LT Common Stock shall Transfer any shares of LT Common Stock to any person or entity unless the requirements set forth in Section (C)8 of this Article IV have been satisfied. "Transfer" of a share of LT Common Stock means any sale, contract to sell, assignment, transfer, conveyance, hypothecation, pledge, sale of any option or contract to purchase, purchase of any option or contract to sell, grant of any option, right or warrant to purchase, hedging, swap or other agreement or transaction that transfers, in whole or in part, any of the economic consequences of ownership, (including, without limitation, any short sale or the purchase or sale of, or entry into, any put or call option, or combination thereof, forward, swap or any other derivative transaction or instrument, however described or defined), loan, or other transfer or disposition of such share or any legal or beneficial interest in such share, whether or not for value, whether direct or indirect, whether any such transaction is to be settled by delivery of such share of LT Common Stock, in cash or otherwise, and whether voluntary or involuntary or by operation of law, and shall include, without limitation, (a) a transfer of a share of LT Common Stock to a broker or other nominee (regardless of whether or not there is a corresponding change in beneficial ownership) or (b) the transfer of, or entering into a binding agreement with respect to, the exclusive power (whether directly or indirectly) to vote or direct the voting of such share of LT Common Stock, including by proxy, voting agreement or otherwise; *provided, however,* that a "Transfer" shall not include: (1) the grant of a proxy to officers or directors of the Corporation at the request of the Board in connection with actions to be taken at an annual or special meeting of stockholders; (2) any Transfer to or by the trust (the "Expensify Voting Trust") established under that certain Voting Trust Agreement, to be dated as of the date hereof, by and between the Company and the holders named therein (as it may be amended and/or restated from time to time in accordance with its terms, the "Voting Trust Agreement"); (3) a Transfer to a decedent's estate upon the death of a holder of LT Common Stock; (4) an Exchange as defined in and pursuant to Section (C)8(c) of this Article IV; or (5) the fact that the spouse of any holder of LT Common Stock possesses or obtains an interest in such holder's shares of LT Common Stock arising solely by reason of the application of the property transfer laws of any jurisdiction, so long as no other event or circumstance shall exist or have occurred that constitutes a Transfer of such shares of LT Common Stock.

(b) Notwithstanding the foregoing, the Board shall be able to waive, upon the affirmative vote of a majority of the members of the Board, any or all of the requirements of Section (C)8 of this Article IV with respect to the Transfer of any shares of LT Common Stock.

(c) Any Transfer of shares of LT Common Stock not made in accordance with this Section (C)6 and Section (C)8, or pursuant to Section (C)7, of this Article IV shall be void *ab initio*, and the Corporation shall not treat the transferee in such transaction as a holder of such shares for any purpose.

7. **Conversion of LT Common Stock.** From and after the time that is immediately prior to the closing of the Class A IPO:

(a) **Optional Conversion by Holder of LT Common Stock.** Each share of LT Common Stock shall be convertible into one (1) fully paid and nonassessable share of Class A Common Stock at the option of the holder thereof solely upon the satisfaction of and subject to the requirements set forth in Section (C)8 of this Article IV.

(b) **Automatic Conversion Upon Certain Transfers.** Except in the case of a Non-Converting Transfer, each share of LT Common Stock shall automatically, without further action by the Corporation or the holder thereof, convert into one (1) fully paid and nonassessable share of Class A Common Stock upon the occurrence of a Transfer of such share of LT Common Stock, *provided that* such Transfer is made in compliance with the requirements outlined in Section (C)6 and Section (C)8 of this Article IV. For the avoidance of doubt, any Transfer of shares of LT Common Stock not made in accordance with such provisions shall be void and the Corporation shall not treat the transferee in such transaction as a holder of such shares for any purposes. A "Non-Converting Transfer" means a Transfer of shares of LT Common Stock (i) to be held in trust by the Trustees of the Expensify Voting Trust; (ii) in an Exchange as defined in and pursuant to Section (C)8(c) of this Article IV; (iii) to the estate of a decedent holder of LT Common Stock, upon such holder's death; or (iv) approved in advance by the affirmative vote of a majority of the members of the Board.

(c) **Automatic Conversion Upon Reduction in Outstanding Shares.** Each outstanding share of LT Common Stock shall automatically, without further action by the Corporation or the holder thereof, convert into one (1) fully paid and nonassessable share of Class A Common Stock upon the first date on which the then-outstanding shares of LT Common Stock represent less than two percent (2%) of all then-outstanding shares of Common Stock.

(d) **Policies and Procedures.** The Corporation may, from time to time, establish such policies and procedures, not in violation of applicable law or the other provisions of this Restated Certificate, relating to the conversion of the LT Common Stock into Class A Common Stock and the general administration of this multi-class stock structure, including the issuance of stock certificates with respect thereto, as it may deem necessary or advisable, and may from time to time request that holders of shares of LT Common Stock furnish such certifications, affidavits or other proof to the Corporation as it deems necessary to verify the ownership of LT Common Stock and to confirm that a conversion to Class A Common Stock has not previously occurred. A determination by the Board that a Transfer has resulted or will result in a conversion of the LT Common Stock to Class A Common Stock shall be conclusive and binding on all persons to the fullest extent permitted by law.

(e) **Status of Converted Stock.** In the event any shares of LT Common Stock are converted into shares of Class A Common Stock pursuant to this Section (C)7 of Article IV, the shares of LT Common Stock so converted shall be retired and shall not be reissued by the Corporation.

(f) **Effect of Conversion on Payment of Dividends.** Notwithstanding anything to the contrary in this Section (C)7, if the date on which any share of LT Common Stock is converted into Class A Common Stock pursuant to the provisions of this Section (C)7 occurs after the record date for the determination of holders of LT Common Stock entitled to receive any dividend to be paid on the shares of LT Common Stock, the holder of such shares of LT Common Stock as of such record date will be entitled to receive such dividend on such payment date; *provided*, that, notwithstanding any other provision of this Restated Certificate, to the extent that any such dividend is payable in shares of LT Common Stock (or rights to acquire, or securities convertible into or exchangeable for, such shares, as the case may be), such dividend shall be deemed to have been declared, and shall be payable in, shares of Class A Common Stock (or rights to acquire, or securities convertible into or exchangeable for, such shares, as the case may be), and no shares of LT Common Stock shall be issued in payment thereof.

(g) **Shares Reserved for Issuance.** The Corporation shall at all times reserve and keep available out of its authorized but unissued shares of Class A Common Stock, solely for the purpose of effecting the conversion of the shares of LT Common Stock, such number of shares of Class A Common Stock as shall from time to time be sufficient to effect the conversion of all outstanding shares of LT Common Stock into shares of Class A Common Stock.

8. **LT Common Stock Transfer and Conversion Requirements.** From and after the time that is immediately prior to the closing of the Class A IPO:

(a) **Notice Requirement.** Before any shares of LT Common Stock shall be converted into shares of Class A Common Stock pursuant to Section (C)7(a) of this Article IV or Transferred pursuant to Section (C)6 of this Article IV, the holder of such shares, or if such shares are held in the Expensify Voting Trust, the beneficial holder of such shares, shall provide written notice of such conversion or Transfer intent, delivered simultaneously to the Trustees (as defined in the Voting Trust Agreement) of the Expensify Voting Trust in the manner set forth in the Voting Trust Agreement and to the Corporation at its principal corporate office, and shall state therein the number of shares of LT10 Common Stock and/or LT50 Common Stock to be so converted or Transferred. From and after the time that a holder of LT Common Stock is no longer an employee of or service provider to the Corporation or any of its subsidiaries, the Corporation shall have the right to submit a written notice of conversion on such holder's behalf, without the consent of such holder, delivered to the holder at the address of such holder set forth in the Company's books and records.

(b) **Notice Period.** The "Notice Period" for each share of LT10 Common Stock shall be ten (10) months, and for each share of LT50 Common Stock shall be fifty (50) months, following the receipt of notice as set forth in Section (C)8(a) of this Article IV.

(c) **Exchange.** During the applicable Notice Period, the Trustees shall attempt to identify a holder of shares of Class A Common Stock who is an employee of or service provider to the Corporation or a subsidiary and is interested in exchanging shares of Class A Common Stock (a "Class A Transferor") for the shares of LT Common Stock subject to

the notice, on a one-for-one basis (an "Exchange"). If a Class A Transferor is identified, the Trustees shall provide written notice to the holder of shares of LT Common Stock seeking to convert or Transfer shares of LT Common Stock pursuant to this Section (C)8 (the "LT Holder"), the Class A Transferor and the Corporation, at its principal corporate office, stating the names of such LT Holder and Class A Transferor, the date on which the applicable notice period expires (the "Notice Expiration Date"), and any applicable instructions to facilitate the Exchange. Prior to the Notice Expiration Date, (x) the Class A Transferor shall be required to deliver to the Corporation a written instrument or instruments of transfer with respect to the shares of Class A Common Stock that are the subject of the Exchange, in form satisfactory to the Corporation, duly executed by such Class A Transferor, as well as, if applicable, a certificate or certificates representing such shares, *provided*, *however*, that if such shares of Class A Common Stock are held in the Expensify Voting Trust, such items shall be provided by the Trustees, (y) the LT Holder shall be required to deliver to the Trustees any written instrument or instruments requested by the Trustees, and (z) if the Class A Transferor is not a party to the Voting Trust Agreement, the Class A Transferor shall deliver to the Trustees an executed joinder agreement such that following the Exchange the Class A Transferor shall be a party to the Voting Trust Agreement and the shares of LT Common Stock subject to the Exchange shall remain in the Voting Trust. The Exchange shall be deemed effective immediately prior to the close of business on the first business day following the Notice Expiration Date; *provided*, *however*, that the Corporation may extend such effective date by up to five (5) days if necessary to effectuate the Exchange (such date, the "Effective Date"). The Corporation shall, as soon as practicable after the Effective Date, issue and deliver to such LT Holder a certificate or certificates representing the number of shares of Class A Common Stock to which such holder is entitled upon the Exchange (if such shares of Class A Common Stock are certificated) or shall register such shares of Class A Common Stock in book-entry form (if such shares of Class A Common Stock are uncertificated), and the Trustees shall revise the Trust Register (as defined in the Voting Trust Agreement) accordingly, in each case effective as of the Effective Date.

(d) **Conversion of LT Common Stock if No Exchange.** If the Trustees are unable to identify a Class A Transferor to participate in an Exchange prior to the Notice Expiration Date, they shall provide written notice to the Corporation no later than one business day prior to the Notice Expiration Date, and the Corporation shall, as soon as practicable following the Notice Expiration Date, effectuate the conversion of the shares of LT Common Stock subject to the notice into shares of Class A Common Stock on a one-for-one basis in accordance with this Section (C)8(d). In the event of such a conversion, as soon as practicable following the Notice Expiration Date, the holder of record of LT Common Stock shall surrender the certificate or certificates therefor (if any), duly endorsed, at the principal corporate office of the Corporation and shall provide written notice (the "Conversion Notice") to the Corporation at its principal corporate office stating therein the name or names (i) in which the certificate or certificates representing the shares of Class A Common Stock into which the shares of LT Common Stock being converted are to be issued (if such shares of Class A Common Stock are certificated), or (ii) in which such shares of Class A Common Stock are to be registered in book-entry form (if such shares of Class A Common Stock are uncertificated). If the shares of Class A Common Stock into which shares of LT Common Stock are to be converted are to be issued in a name or names other than the name of the beneficial holder of the shares of LT

Common Stock being converted, such notice shall be accompanied by a written instrument or instruments of transfer, in form satisfactory to the Corporation, duly executed by the holder. The Corporation shall, as soon as practicable thereafter, issue and deliver to such holder, or to the nominee or nominees of such holder, a certificate or certificates representing the number of shares of Class A Common Stock to which such holder shall be entitled upon conversion (if such shares of Class A Common Stock are certificated) or shall register such shares of Class A Common Stock in book-entry form (if such shares of Class A Common Stock are uncertificated). Any such conversion shall be deemed effective immediately prior to the close of business on the date of such surrender of the shares of LT Common Stock to be converted (the "Conversion Effective Time"), which may occur following or contemporaneously with the provision of the Conversion Notice. The shares of Class A Common Stock issuable upon such conversion shall be deemed outstanding as of the Conversion Effective Time, and the person or persons entitled to receive the shares of Class A Common Stock issuable upon such conversion shall be deemed to be the record holder or holders of such shares of Class A Common Stock as of the Conversion Effective Time.

****

7. The Restated Certificate is hereby amended to add the following Article XII:

ARTICLE XII

The Corporation reserves the right to amend, alter, change, adopt or repeal any provision contained in this Restated Certificate, in the manner now or hereafter prescribed by statute, and all rights conferred upon stockholders herein are granted subject to this reservation; *provided*, *however*, that notwithstanding any other provision of this Restated Certificate or any provision of law that might otherwise permit a lesser vote or no vote, but in addition to any vote of the holders of shares of any class or series of capital stock of the Corporation required by law or by this Restated Certificate, so long as any shares of LT Common Stock remain outstanding:

(A) The Corporation shall not, without the prior affirmative vote of the holders of a majority of the outstanding shares of LT10 Common Stock, voting as a separate class, in addition to any other vote required by applicable law or this Restated Certificate, directly or indirectly, whether by amendment, or through merger, recapitalization, consolidation or otherwise, amend, alter, change, repeal or adopt any provision of this Restated Certificate (1) that alters or changes, any of the voting, conversion, dividend or liquidation provisions of the shares of LT10 Common Stock or other rights, powers, preferences or privileges of the shares of LT10 Common Stock; (2) to provide for each share of LT50 Common Stock to have more than fifty (50) votes per share or for each share of Class A Common Stock to have more than one (1) vote per share or any rights to a separate class vote of the holders of the LT50 Common Stock or the shares of Class A Common Stock other than as provided by this Restated Certificate or required by the Delaware General Corporation Law; or (3) to otherwise adversely impact the rights, powers, preferences or privileges of the shares of LT10 Common Stock in a manner that is disparate from the manner in which it affects the rights, powers, preferences or privileges of the shares of LT50 Common Stock or the shares of Class A Common Stock;

(B) The Corporation shall not, without the prior affirmative vote of the holders of a majority of the outstanding shares of LT50 Common Stock, voting as a separate class, in addition to any other vote required by applicable law or this Restated Certificate, directly or indirectly, whether by amendment, or through merger, recapitalization, consolidation or otherwise, amend, alter, change, repeal or adopt any provision of this Restated Certificate (1) that alters or changes, any of the voting, conversion, dividend or liquidation provisions of the shares of LT50 Common Stock or other rights, powers, preferences or privileges of the shares of LT50 Common Stock; (2) to provide for each share of LT10 Common Stock to have more than ten (10) votes per share or for each share of Class A Common Stock to have more than one (1) vote per share or any rights to a separate class vote of the holders of the LT10 Common Stock or the shares of Class A Common Stock other than as provided by this Restated Certificate or required by the Delaware General Corporation Law; or (3) to otherwise adversely impact the rights, powers, preferences or privileges of the shares of LT50 Common Stock in a manner that is disparate from the manner in which it affects the rights, powers, preferences or privileges of the shares of LT10 Common Stock or the shares of Class A Common Stock; and

(C) So long as any shares of Class A Common Stock remain outstanding, the Corporation shall not, without the prior affirmative vote of the holders of a majority of the outstanding shares of Class A Common Stock, voting as a separate class, in addition to any other vote required by applicable law or this Restated Certificate, directly or indirectly, whether by amendment, or through merger, recapitalization, consolidation or otherwise, amend, alter, change, repeal or adopt any provision of this Restated Certificate to provide for each share of LT10 Common Stock to have more than ten (10) votes per share or for each share of LT50 Common Stock to have more than fifty (50) votes per share or for any rights to a separate class vote of the holders of shares of LT10 Common Stock or LT50 Common Stock, or of LT10 Common Stock and LT50 Common Stock voting together as a single class, other than as provided by this Restated Certificate or required by the Delaware General Corporation Law.

****

8. All other provisions of the Restated Certificate shall remain in full force and effect.

IN WITNESS WHEREOF, this Certificate of Amendment has been executed by a duly authorized officer of the Corporation on this __ day of _____, 2021.

By: _____
Name:
Title:

AMENDED AND RESTATED

CERTIFICATE OF INCORPORATION OF

EXPENSIFY, INC.

Expensify, Inc., a corporation organized and existing under the General Corporation Law of the State of Delaware (the "DGCL"), hereby certifies as follows:

1. The name of the corporation is Expensify, Inc. The date of the filing of its original certificate of incorporation with the Secretary of State of the State of Delaware was April 29, 2009.

2. This Amended and Restated Certificate of Incorporation (this "Certificate of Incorporation"), which restates, integrates and further amends the certificate of incorporation of this corporation as heretofore amended and restated, has been duly adopted by the corporation in accordance with Sections 242 and 245 of the DGCL and has been adopted by the requisite vote of the stockholders of the corporation, acting by written consent in lieu of a meeting in accordance with Section 228 of the DGCL.

3. The certificate of incorporation of this corporation is hereby amended and restated in its entirety to read as follows:

ARTICLE I

NAME

The name of the corporation is "Expensify, Inc." (hereinafter called the "Corporation").

ARTICLE II

REGISTERED OFFICE AND AGENT

The address of the Corporation's registered office in the State of Delaware is 3500 South DuPont Highway, Dover, Delaware, 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

Section 1. Authorized Shares.

The total number of shares of all classes of capital stock which the Corporation shall have authority to issue is [1,060,000,000] shares, consisting of one billion (1,000,000,000) shares of Class A Common Stock, par value $0.0001 per share ("Class A Common Stock"), [25 million (25,000,000)] shares of LT10 Common Stock, par value $0.0001 per share ("LT10 Common Stock"), [25 million (25,000,000)] shares of LT50 Common Stock, par value $0.0001 per share ("LT50 Common Stock," and together with the LT10 Common Stock, the "LT Common Stock," and together with the Class A Common Stock, the "Common Stock"), and ten million (10,000,000) shares of Preferred Stock, par value $0.0001 per share ("Preferred Stock"). Subject to the rights of holders of any series of Preferred Stock, the number of authorized shares of Class A Common Stock, LT10 Common Stock and LT50 Common Stock or Preferred Stock may be increased or decreased (but not below (i) the number of shares thereof then outstanding and (ii) with respect to the Class A Common Stock, the number of shares of Class A Common Stock reserved pursuant to Section 3(G)(ix) of this Article IV) by the affirmative vote of the holders of capital stock representing a majority of the voting power of all the then-outstanding shares of capital stock of the Corporation entitled to vote thereon irrespective of the provisions of Section 242(b)(2) of the DGCL.

Section 2. Preferred Stock

Preferred Stock may be issued from time to time in one or more series, each of such series to have such terms as stated or expressed herein and in the resolution or resolutions providing for the issue of such series adopted by the Board of Directors of the Corporation (the "Board") as hereinafter provided. Subject to the rights of the holders of any series of Preferred Stock and except as otherwise provided by law, any shares of Preferred Stock that may be redeemed, purchased or acquired by the Corporation may be reissued by the Corporation.

Authority is hereby expressly granted to the Board from time to time to issue the Preferred Stock in one or more series and in connection with the creation of any such series, by adopting a resolution or resolutions providing for the issuance of the shares thereof and by filing a certificate of designations relating thereto in accordance with the DGCL, to determine and fix the number of shares of such series and such voting powers, full or limited, or no voting powers, and such designations, preferences and relative participating, optional or other special rights, and qualifications, limitations or restrictions thereof, including without limitation thereof, dividend rights, conversion rights, redemption privileges and liquidation preferences, as shall be stated and expressed in such resolutions, all to the full extent now or hereafter permitted by the DGCL. Without limiting the generality of the foregoing, the resolutions providing for issuance of any series of Preferred Stock may provide that such series shall be superior, equal or junior to any other series of Preferred Stock to the extent permitted by law.

Section 3. Common Stock

(A) Equal Status. Except as otherwise required by law or as expressly set forth in this Section 3 of Article IV, shares of Class A Common Stock, LT10 Common Stock and LT50 Common Stock shall have the same rights, privileges and powers, rank equally, share ratably and be identical in all respects as to all matters. The voting, dividend, liquidation and other rights, powers and preferences of the holders of Class A Common Stock, LT10 Common Stock and LT50 Common Stock are subject to, and qualified by, the rights, powers and preferences of holders of the Preferred Stock of any series as may be designated by the Board upon any issuance of the Preferred Stock of any series.

(B) Voting. Except as otherwise required by applicable law, at all meetings of stockholders and on all matters submitted to a vote of stockholders of the Corporation generally, each holder of Class A Common Stock, as such, shall have the right to one (1) vote per share of Class A Common Stock held of record by such holder, each holder of LT10 Common Stock, as such, shall have the right to ten (10) votes per share of LT10 Common Stock held of record by such holder, and each holder of LT50 Common Stock, as such, shall have the right to fifty (50) votes per share of LT50 Common Stock held of record by such holder. Except as otherwise required by applicable law or provided in this Certificate of Incorporation, the holders of shares of Class A Common Stock, LT10 Common Stock and LT50 Common Stock, as such, shall (i) at all times vote together as a single class on all matters (including the election of directors) submitted to a vote of the stockholders of the Corporation generally, (ii) be entitled to notice of any stockholders' meeting in accordance with the Amended and Restated Bylaws of the Corporation (as the same may be amended and/or restated from time to time, the "Bylaws"), and (iii) be entitled to vote upon such matters and in such manner as may be provided by applicable law; *provided*, *however*, that, except as otherwise required by applicable law, holders of Class A Common Stock, LT10 Common Stock and LT50 Common Stock, as such, shall not be entitled to vote on any amendment to this Certificate of Incorporation that relates solely to the terms of one or more outstanding series of Preferred Stock if the holders of such affected series are entitled, either separately or together with the holders of one or more other such series, to vote thereon pursuant to this Certificate of Incorporation or applicable law. There shall be no cumulative voting.

(C) Dividend Rights. Subject to applicable law and the rights, if any, of the holders of any outstanding series of Preferred Stock or any class or series of stock having a preference over or the right to participate with the Class A Common Stock, LT10 Common Stock or LT50 Common Stock with respect to the payment of dividends in cash, property or shares of capital stock of the Corporation, dividends may be declared and paid on the shares of Class A Common Stock, LT10 Common Stock or LT50 Common Stock, out of any assets of the Corporation legally available therefore at such times and in such amounts as the Board in its discretion shall determine; *provided*, *however*, that in the event a dividend is paid in the form of shares of Class A Common Stock, LT10 Common Stock or LT50 Common Stock (or in rights to acquire, or securities convertible into or exchangeable for, such shares), then holders of Class A Common Stock shall be entitled to receive shares of Class A Common Stock (or rights to acquire, or securities convertible into or exchangeable for, such shares, as the case may be), holders of LT10 Common Stock shall be entitled to receive shares of LT10 Common Stock (or rights to acquire, or securities convertible into or exchangeable for, such shares, as the case may be), and holders

of LT50 Common Stock shall be entitled to receive shares of LT50 Common Stock (or rights to acquire, or securities convertible into or exchangeable for, such shares, as the case may be), with holders of shares of Class A Common Stock, LT10 Common Stock and LT50 Common Stock receiving, on a per share basis, an identical number of shares of Class A Common Stock, LT10 Common Stock or LT50 Common Stock as the case may be (or rights to acquire, or securities convertible into or exchangeable for, such shares, as the case may be), as applicable. Notwithstanding the foregoing, the Board may declare and the Corporation may pay a disparate dividend per share of Class A Common Stock, LT10 Common Stock or LT50 Common Stock (whether the disparity shall be in the amount of such dividend payable per share, the form in which such dividend is payable (whether it shall be payable in cash, shares of capital stock of the Corporation, other securities of the Corporation, or any combination of the foregoing), the timing of the payment, or otherwise).

(D) Subdivisions, Combinations or Reclassifications. Shares of Class A Common Stock, LT10 Common Stock and LT50 Common Stock may not be subdivided, combined or reclassified unless the shares of the other classes are concurrently therewith proportionately subdivided, combined or reclassified in a manner that maintains the same proportionate equity ownership between the holders of the outstanding Class A Common Stock, LT10 Common Stock and LT50 Common Stock on the record date for such subdivision, combination or reclassification; *provided, however*, that shares of one such class may be subdivided, combined or reclassified in a different or disproportionate manner if such subdivision, combination or reclassification is approved by the affirmative vote of the holders of a majority of the outstanding shares of Class A Common Stock, LT10 Common Stock and LT50 Common Stock, each voting separately as a class.

(E) Liquidation, Dissolution or Winding Up. Subject to the preferential or other rights of any holders of Preferred Stock then outstanding, upon the dissolution, distribution of assets, liquidation or winding up of the Corporation, whether voluntary or involuntary, holders of Class A Common Stock, LT10 Common Stock and LT50 Common Stock will be entitled to receive ratably all assets of the Corporation available for distribution to its stockholders unless disparate or different treatment of the shares of each such class with respect to distributions upon any such liquidation, dissolution, distribution of assets or winding up is approved by the affirmative vote of the holders of a majority of the outstanding shares of Class A Common Stock, LT10 Common Stock and LT50 Common Stock, each voting separately as a class.

(F) Restrictions on Transfers of Shares of LT Common Stock.

(i) To the maximum extent permitted under applicable law, no holder of LT Common Stock shall Transfer any shares of LT Common Stock to any person or entity unless the requirements set forth in Section 3(H) of this Article IV have been satisfied. “Transfer” of a share of LT Common Stock means any sale, contract to sell, assignment, transfer, conveyance, hypothecation, pledge, sale of any option or contract to purchase, purchase of any option or contract to sell, grant of any option, right or warrant to purchase, hedging, swap or other agreement or transaction that transfers, in whole or in part, any of the economic consequences of ownership, (including, without limitation, any short sale or the purchase or sale of, or entry into, any put or call option, or combination thereof, forward, swap or any other derivative transaction or instrument, however described or defined), loan, or other transfer or disposition of such share

or any legal or beneficial interest in such share, whether or not for value, whether direct or indirect, whether any such transaction is to be settled by delivery of such share of LT Common Stock, in cash or otherwise, and whether voluntary or involuntary or by operation of law, and shall include, without limitation, (a) a transfer of a share of LT Common Stock to a broker or other nominee (regardless of whether or not there is a corresponding change in beneficial ownership) or (b) the transfer of, or entering into a binding agreement with respect to, the exclusive power (whether directly or indirectly) to vote or direct the voting of such share of LT Common Stock, including by proxy, voting agreement or otherwise; *provided*, *however*, that a "Transfer" shall not include: (1) the grant of a proxy to officers or directors of the Corporation at the request of the Board in connection with actions to be taken at an annual or special meeting of stockholders; (2) any Transfer to or by the trust (the "Expensify Voting Trust") established under that certain Voting Trust Agreement, dated as of ____, 2021, by and between the Company and the holders named therein (as it may be amended and/or restated from time to time in accordance with its terms, the "Voting Trust Agreement"); (3) a Transfer to a decedent's estate upon the death of a holder of LT Common Stock; (4) an Exchange as defined in and pursuant to Section 3(H)(iii) of this Article IV; or (5) the fact that the spouse of any holder of LT Common Stock possesses or obtains an interest in such holder's shares of LT Common Stock arising solely by reason of the application of the property transfer laws of any jurisdiction, so long as no other event or circumstance shall exist or have occurred that constitutes a Transfer of such shares of LT Common Stock.

(ii) Notwithstanding the foregoing, the Board shall be able to waive, upon the affirmative vote of a majority of the members of the Board, any or all of the requirements of Section 3(H) of this Article IV with respect to the Transfer of any shares of LT Common Stock.

(iii) Any Transfer of shares of LT Common Stock not made in accordance with this Section 3(F) and Section 3(H), or pursuant to Section 3(G), of this Article IV shall be void *ab initio*, and the Corporation shall not treat the transferee in such transaction as a holder of such shares for any purpose.

(G) Conversion of LT Common Stock.

(i) Optional Conversion by Holder of LT Common Stock. Each share of LT Common Stock shall be convertible into one (1) fully paid and nonassessable share of Class A Common Stock at the option of the holder thereof solely upon the satisfaction of and subject to the requirements set forth in Section 3(H) of this Article IV.

(ii) Automatic Conversion Upon Certain Transfers. Except in the case of a Non-Converting Transfer, each share of LT Common Stock shall automatically, without further action by the Corporation or the holder thereof, convert into one (1) fully paid and nonassessable share of Class A Common Stock upon the occurrence of a Transfer of such share of LT Common Stock, *provided that* such Transfer is made in compliance with the requirements outlined in Section 3(F) and Section 3(H) of this Article IV. For the avoidance of doubt, any Transfer of shares of LT Common Stock not made in accordance with such provisions shall be void and the Corporation shall not treat the transferee in such transaction as a holder of such shares for any purposes. A "Non-Converting Transfer" means a Transfer of shares of LT Common Stock (i) to be held in trust by the Trustees of the Expensify Voting Trust; (ii) in an Exchange as defined in

and pursuant to Section 3(H)(iii) of this Article IV; (iii) to the estate of a decedent holder of LT Common Stock, upon such holder's death; or (iv) approved in advance by the affirmative vote of a majority of the members of the Board.

(iii) Automatic Conversion Upon Reduction in Outstanding Shares. Each outstanding share of LT Common Stock shall automatically, without further action by the Corporation or the holder thereof, convert into one (1) fully paid and nonassessable share of Class A Common Stock upon the first date on which the then-outstanding shares of LT Common Stock represent less than two percent (2%) of all then-outstanding shares of Common Stock.

(iv) Policies and Procedures. The Corporation may, from time to time, establish such policies and procedures, not in violation of applicable law or the other provisions of this Certificate of Incorporation, relating to the conversion of the LT Common Stock into Class A Common Stock and the general administration of this multi-class stock structure, including the issuance of stock certificates with respect thereto, as it may deem necessary or advisable, and may from time to time request that holders of shares of LT Common Stock furnish such certifications, affidavits or other proof to the Corporation as it deems necessary to verify the ownership of LT Common Stock and to confirm that a conversion to Class A Common Stock has not previously occurred. A determination by the Board that a Transfer has resulted or will result in a conversion of the LT Common Stock to Class A Common Stock shall be conclusive and binding on all persons to the fullest extent permitted by law.

(v) Status of Converted Stock. In the event any shares of LT Common Stock are converted into shares of Class A Common Stock pursuant to this Section 3, the shares of LT Common Stock so converted shall be retired and shall not be reissued by the Corporation.

(vi) Effect of Conversion on Payment of Dividends. Notwithstanding anything to the contrary in this Section 3(G), if the date on which any share of LT Common Stock is converted into Class A Common Stock pursuant to the provisions of this Section 3(G) occurs after the record date for the determination of holders of LT Common Stock entitled to receive any dividend to be paid on the shares of LT Common Stock, the holder of such shares of LT Common Stock as of such record date will be entitled to receive such dividend on such payment date; *provided*, that, notwithstanding any other provision of this Certificate of Incorporation, to the extent that any such dividend is payable in shares of LT Common Stock (or rights to acquire, or securities convertible into or exchangeable for, such shares, as the case may be), such dividend shall be deemed to have been declared, and shall be payable in, shares of Class A Common Stock (or rights to acquire, or securities convertible into or exchangeable for, such shares, as the case may be), and no shares of LT Common Stock shall be issued in payment thereof.

(ix) Shares Reserved for Issuance. The Corporation shall at all times reserve and keep available out of its authorized but unissued shares of Class A Common Stock, solely for the purpose of effecting the conversion of the shares of LT Common Stock, such number of shares of Class A Common Stock as shall from time to time be sufficient to effect the conversion of all outstanding shares of LT Common Stock into shares of Class A Common Stock.

(H) LT Common Stock Transfer and Conversion Requirements.

(i) Notice Requirement. Before any shares of LT Common Stock shall be converted into shares of Class A Common Stock pursuant to Section 3(G)(i) of this Article IV or Transferred pursuant to Section 3(F) of this Article IV, the holder of such shares, or if such shares are held in the Expensify Voting Trust, the beneficial holder of such shares, shall provide written notice of such conversion or Transfer intent, delivered simultaneously to the Trustees (as defined in the Voting Trust Agreement) of the Expensify Voting Trust in the manner set forth in the Voting Trust Agreement and to the Corporation at its principal corporate office, and shall state therein the number of shares of LT10 Common Stock and/or LT50 Common Stock to be so converted or Transferred. From and after the time that a holder of LT Common Stock is no longer an employee of or other service provider to the Corporation or any of its subsidiaries, the Corporation shall have the right to submit a written notice of conversion on such holder's behalf, without the consent of such holder, delivered to the holder at the address of such holder set forth in the Company's books and records.

(ii) Notice Period. The "Notice Period" for each share of LT10 Common Stock shall be ten (10) months, and for each share of LT50 Common Stock shall be fifty (50) months, following the receipt of notice as set forth in Section 3(H)(i) of this Article IV.

(iii) Exchange. During the applicable Notice Period, the Trustees shall attempt to identify a holder of shares of Class A Common Stock who is an employee of or other service provider to the Corporation or a subsidiary and is interested in exchanging shares of Class A Common Stock (a "Class A Transferor") for the shares of LT Common Stock subject to the notice, on a one-for-one basis (an "Exchange"). If a Class A Transferor is identified, the Trustees shall provide written notice to the holder of shares of LT Common Stock seeking to convert or Transfer shares of LT Common Stock pursuant to this Section 3(H) (the "LT Holder"), the Class A Transferor and the Corporation, at its principal corporate office, stating the names of such LT Holder and Class A Transferor, the date on which the applicable notice period expires (the "Notice Expiration Date"), and any applicable instructions to facilitate the Exchange. Prior to the Notice Expiration Date, (x) the Class A Transferor shall be required to deliver to the Corporation a written instrument or instruments of transfer with respect to the shares of Class A Common Stock that are the subject of the Exchange, in form satisfactory to the Corporation, duly executed by such Class A Transferor, as well as, if applicable, a certificate or certificates representing such shares, *provided*, *however,* that if such shares of Class A Common Stock are held in the Expensify Voting Trust, such items shall be provided by the Trustees, (y) the LT Holder shall be required to deliver to the Trustees any written instrument or instruments requested by the Trustees, and (z) if the Class A Transferor is not a party to the Voting Trust Agreement, the Class A Transferor shall deliver to the Trustees an executed joinder agreement such that following the Exchange the Class A Transferor shall be a party to the Voting Trust Agreement and the shares of LT Common Stock subject to the Exchange shall remain in the Voting Trust. The Exchange shall be deemed effective immediately prior to the close of business on the first business day following the Notice Expiration Date; *provided*, *however,* that the Corporation may extend such effective date by up to five (5) days if necessary to effectuate the Exchange (such date, the "Effective Date"). The Corporation shall, as soon as practicable after the Effective Date, issue and deliver to such LT Holder a certificate or certificates representing the number of shares of Class A Common Stock to which such holder is entitled upon the Exchange (if such shares of

Class A Common Stock are certificated) or shall register such shares of Class A Common Stock in book-entry form (if such shares of Class A Common Stock are uncertificated), and the Trustees shall revise the Trust Register (as defined in the Voting Trust Agreement) accordingly, in each case effective as of the Effective Date.

(iv) Conversion of LT Common Stock if No Exchange. If the Trustees are unable to identify a Class A Transferor to participate in an Exchange prior to the Notice Expiration Date, they shall provide written notice to the Corporation no later than one business day prior to the Notice Expiration Date, and the Corporation shall, as soon as practicable following the Notice Expiration Date, effectuate the conversion of the shares of LT Common Stock subject to the notice into shares of Class A Common Stock on a one-for-one basis in accordance with this Section 3(H)(iv). In the event of such a conversion, as soon as practicable following the Notice Expiration Date, the holder of record of LT Common Stock shall surrender the certificate or certificates therefor (if any), duly endorsed, at the principal corporate office of the Corporation and shall provide written notice (the "Conversion Notice") to the Corporation at its principal corporate office stating therein the name or names (i) in which the certificate or certificates representing the shares of Class A Common Stock into which the shares of LT Common Stock being converted are to be issued (if such shares of Class A Common Stock are certificated), or (ii) in which such shares of Class A Common Stock are to be registered in book-entry form (if such shares of Class A Common Stock are uncertificated). If the shares of Class A Common Stock into which shares of LT Common Stock are to be converted are to be issued in a name or names other than the name of the beneficial holder of the shares of LT Common Stock being converted, such notice shall be accompanied by a written instrument or instruments of transfer, in form satisfactory to the Corporation, duly executed by the holder. The Corporation shall, as soon as practicable thereafter, issue and deliver to such holder, or to the nominee or nominees of such holder, a certificate or certificates representing the number of shares of Class A Common Stock to which such holder shall be entitled upon conversion (if such shares of Class A Common Stock are certificated) or shall register such shares of Class A Common Stock in book-entry form (if such shares of Class A Common Stock are uncertificated). Any such conversion shall be deemed effective immediately prior to the close of business on the date of such surrender of the shares of LT Common Stock to be converted(the "Conversion Effective Time"), which may occur following or contemporaneously with the provision of the Conversion Notice. The shares of Class A Common Stock issuable upon such conversion shall be deemed outstanding as of the Conversion Effective Time, and the person or persons entitled to receive the shares of Class A Common Stock issuable upon such conversion shall be deemed to be the record holder or holders of such shares of Class A Common Stock as of the Conversion Effective Time.

ARTICLE V

AMENDMENT OF THE CERTIFICATE OF INCORPORATION

The Corporation reserves the right to amend, alter, change, adopt or repeal any provision contained in this Certificate of Incorporation, in the manner now or hereafter prescribed by statute, and all rights conferred upon stockholders herein are granted subject to this reservation; *provided, however,* that notwithstanding any other provision of this Certificate of Incorporation or any provision of law that might otherwise permit a lesser vote or no vote, but in addition to

any vote of the holders of shares of any class or series of capital stock of the Corporation required by law or by this Certificate of Incorporation:

(A) so long as any shares of LT10 Common Stock remain outstanding, the Corporation shall not, without the prior affirmative vote of the holders of a majority of the outstanding shares of LT10 Common Stock, voting as a separate class, in addition to any other vote required by applicable law or this Certificate of Incorporation, directly or indirectly, whether by amendment, or through merger, recapitalization, consolidation or otherwise, amend, alter, change, repeal or adopt any provision of this Certificate of Incorporation (1) that alters or changes, any of the voting, conversion, dividend or liquidation provisions of the shares of LT10 Common Stock or other rights, powers, preferences or privileges of the shares of LT10 Common Stock; (2) to provide for each share of LT50 Common Stock to have more than fifty (50) votes per share or for each share of Class A Common Stock to have more than one (1) vote per share or any rights to a separate class vote of the holders of the LT50 Common Stock or the shares of Class A Common Stock other than as provided by this Certificate of Incorporation or required by the DGCL; or (3) to otherwise adversely impact the rights, powers, preferences or privileges of the shares of LT10 Common Stock in a manner that is disparate from the manner in which it affects the rights, powers, preferences or privileges of the shares of LT50 Common Stock or the shares of Class A Common Stock;

(B) so long as any shares of LT50 Common Stock remain outstanding, the Corporation shall not, without the prior affirmative vote of the holders of a majority of the outstanding shares of LT50 Common Stock, voting as a separate class, in addition to any other vote required by applicable law or this Certificate of Incorporation, directly or indirectly, whether by amendment, or through merger, recapitalization, consolidation or otherwise, amend, alter, change, repeal or adopt any provision of this Certificate of Incorporation (1) that alters or changes, any of the voting, conversion, dividend or liquidation provisions of the shares of LT50 Common Stock or other rights, powers, preferences or privileges of the shares of LT50 Common Stock; (2) to provide for each share of LT10 Common Stock to have more than ten (10) votes per share or for each share of Class A Common Stock to have more than one (1) vote per share or any rights to a separate class vote of the holders of the LT10 Common Stock or the shares of Class A Common Stock other than as provided by this Certificate of Incorporation or required by the DGCL; or (3) to otherwise adversely impact the rights, powers, preferences or privileges of the shares of LT50 Common Stock in a manner that is disparate from the manner in which it affects the rights, powers, preferences or privileges of the shares of LT10 Common Stock or the shares of Class A Common Stock; and

(C) so long as any shares of Class A Common Stock remain outstanding, the Corporation shall not, without the prior affirmative vote of the holders of a majority of the outstanding shares of Class A Common Stock, voting as a separate class, in addition to any other vote required by applicable law or this Certificate of Incorporation, directly or indirectly, whether by amendment, or through merger, recapitalization, consolidation or otherwise, amend, alter, change, repeal or adopt any provision of this Certificate of Incorporation to provide for each share of LT10 Common Stock to have more than ten (10) votes per share or for each share of LT50 Common Stock to have more than fifty (50) votes per share or for any rights to a separate class vote of the holders of shares of LT10 Common Stock or LT50 Common Stock, or of LT10 Common Stock

and LT50 Common Stock voting together as a single class, other than as provided by this Certificate of Incorporation or required by the DGCL.

ARTICLE VI

AMENDMENT OF BYLAWS

In furtherance and not in limitation of the powers conferred by the DGCL, the Board shall have the power to adopt, amend, alter or repeal the Bylaws. The stockholders shall also have the power to adopt, amend, alter or repeal the Bylaws; provided, however, that in addition to any vote of the holders of any class or series of stock of the Corporation required by law or by this Certificate of Incorporation, such action by stockholders shall require the affirmative vote of the holders of at least a majority of the voting power of all of the then-outstanding shares of capital stock of the corporation entitled to vote generally in the election of directors, voting together as a single class.

ARTICLE VII

BOARD OF DIRECTORS

Section 1. Number of Directors.

(A) The business and affairs of the Corporation shall be managed by or under the direction of the Board, except as otherwise provided by law.

(B) Subject to the rights of holders of any series of Preferred Stock to elect directors, the number of the directors of the Corporation shall be fixed from time to time by resolution of the Board, but shall initially be eight (8) members. Unless and except to the extent that the Bylaws shall so require, the election of directors of the Corporation need not be by written ballot.

Section 3. Terms of Office.

Subject to the rights of holders of any series of Preferred Stock to elect directors, each director shall serve for a term ending on the date of the next annual meeting of stockholders following the annual meeting of stockholders at which such director was elected; *provided, further,* that the term of each director shall continue until the election and qualification of his or her successor and be subject to his or her earlier death, disqualification, resignation or removal.

Section 4. Vacancies

Subject to the rights of holders of any series of Preferred Stock, any newly created directorship that results from an increase in the number of directors or any vacancies on the Board that result from the death, resignation, disqualification or removal from office or from any other cause shall be filled solely by the affirmative vote of a majority of the members of the Board then in office, even if less than a quorum of the Board, or by a sole remaining director, and shall not be filled by the stockholders. Any director so chosen shall hold office until his or her successor shall be duly elected and qualified or until his or her earlier death, disqualification, resignation or removal.

Section 5. Removal

Subject to the rights of the holders of any series of Preferred Stock, any director may be removed from office at any time, with or without cause, by the affirmative vote of stockholders holding at least a majority in voting power of the shares of capital stock of the Corporation then entitled to vote generally in the election of directors, voting together as a single class.

Section 6. Committees

For as long as the Expensify Voting Trust holds securities representing at least 50% of the voting power of outstanding capital stock of the Corporation, there shall be an Executive Committee of the Board, consisting of five (5) directors of the Corporation, which shall have and may exercise all the powers and authority of the Board in the management of the business and affairs of the Corporation, and may authorize the seal of the Corporation to be affixed to all papers that may require it; *provided* that such committee shall not have power or authority in reference to the following matters: (i) matters that must be approved by an Audit Committee of the Board, (ii) matters that must be approved by a committee qualified to grant equity to persons subject to Section 16 of the Securities and Exchange Act of 1934, as amended, for purposes of exempting transactions pursuant to Section 16b-3 thereunder, (iii) matters required under the DGCL to be approved by the full Board, or (iv) as otherwise required by SEC rules and the Stock Exchange Rules. The Executive Committee may not delegate any or all of its powers and authority to a subcommittee.

Section 7. Stockholder Nominations and Introduction of Business.

Advance notice of stockholder nominations for election of directors and other business to be brought by stockholders before a meeting of stockholders shall be given in the manner provided by the Bylaws.

Section 8. Preferred Stock Directors.

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 Article IV hereof or any certificate of designation of any series of Preferred Stock, then upon commencement and for the duration of the period during which such right continues: (i) the then otherwise total number of authorized directors of the Corporation shall automatically be increased by such specified number of directors, and the holders of such Preferred Stock shall be entitled to elect the additional directors so provided for or fixed pursuant to said provisions, and (ii) each such additional director shall serve until such director's successor shall have been duly elected and qualified, or until such director's right to hold such office terminates pursuant to said provisions, whichever occurs earlier, subject to his earlier death, disqualification, resignation or removal. Except as otherwise provided for or fixed pursuant to the provisions of Article IV hereof or any certificate of designation of any series of Preferred Stock, whenever the holders of any series of Preferred Stock having such right to elect additional directors are divested of such right pursuant to the provisions of such stock, all such additional directors elected by the holders of such stock, or elected or appointed to fill any vacancies resulting from the death, resignation, disqualification or removal of such additional directors shall automatically cease to be qualified as directors, the

terms of office of all such directors shall forthwith terminate and the total authorized number of directors of the Corporation shall be reduced accordingly.

ARTICLE VIII

LIMITATION OF DIRECTOR LIABILITY

To the fullest extent permitted by the DGCL as the same exists or as may hereafter be amended, a director of the Corporation shall not be personally liable to the Corporation or its stockholders for monetary damages for breach of fiduciary duty as a director; *provided*, *however*, that nothing contained in this Article VIII shall eliminate or limit the liability of a director (i) for any breach of the director's duty of loyalty to the Corporation or its stockholders, (ii) for acts or omissions not in good faith or which involve intentional misconduct or a knowing violation of law, (iii) pursuant to the provisions of Section 174 of the DGCL, or (iv) for any transaction from which the director derived an improper personal benefit. 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. No amendment, repeal or modification of this Article VIII shall apply to or have any adverse effect on any right or protection of, or any limitation of the liability of, a director of the Corporation existing at the time of such amendment, repeal or modification with respect to acts or omissions occurring prior to such repeal or modification.

ARTICLE IX

INDEMNIFICATION

The Corporation shall have the power to provide rights to indemnification and advancement of expenses to its current and former officers, directors, employees and agents and to any person who 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.

ARTICLE X

CONSENT OF STOCKHOLDERS IN LIEU OF MEETING

Subject to the terms of any series of Preferred Stock, (i) prior to the date on which the Expensify Voting Trust ceases to hold securities representing at least a majority of the voting power of outstanding capital stock of the Corporation, any action required or permitted to be taken by the stockholders of the Corporation may be effected by consent in lieu of a meeting and (ii) following such date, any action required or permitted to be taken by the stockholders of the Corporation must be effected at an annual or special meeting of the stockholders and may not be effected by consent in lieu of a meeting.

ARTICLE XI

SPECIAL MEETING OF STOCKHOLDERS

Subject to the terms of any series of Preferred Stock, special meetings of stockholders for any purpose or purposes may be called at any time by or at the direction of (i) the Board, (ii) the Chairman of the Board, (iii) the Chief Executive Officer of the Corporation or (iv) prior to the date on which the Expensify Voting Trust ceases to hold securities representing at least a majority of the voting power of outstanding capital stock of the Corporation, the holders of a majority of the total voting power of the outstanding shares of capital stock of the Corporation entitled to vote generally in the election of directors. Business transacted at any special meeting of stockholders shall be limited to matters relating to the purpose or purposes stated in the notice of meeting.

ARTICLE XII

FORUM SELECTION

Unless the Corporation consents in writing to the selection of an alternative forum, (a) the Court of Chancery (the "Chancery Court") of the State of Delaware (or, in the event that the Chancery Court does not have jurisdiction, the federal district court for the District of Delaware or other state courts of the State of Delaware) shall, to the fullest extent permitted by law, be the sole and exclusive forum for (i) any derivative action, suit or proceeding brought on behalf of the Corporation, (ii) any action, suit or proceeding asserting a claim of breach of a fiduciary duty owed by any current or former director, officer, other employee or stockholder of the Corporation to the Corporation or to the Corporation's stockholders, (iii) any action, suit or proceeding arising pursuant to any provision of the DGCL or the bylaws of the Corporation or this Restated Certificate (as either may be amended or restated from time to time) or as to which the DGCL confers jurisdiction on the Chancery Court or (iv) any action, suit or proceeding asserting a claim against the Corporation governed by the internal affairs doctrine of the law of the State of Delaware; and (b) subject to the preceding provisions of this Article X, the federal district courts of the United States of America shall be the exclusive forum for the resolution of any complaint asserting a cause or causes of action arising under the Securities Act of 1933, as amended. If any action the subject matter of which is within the scope of clause (a) of the immediately preceding sentence is filed in a court other than the courts in the State of Delaware (a "Foreign Action") in the name of any stockholder, such stockholder shall be deemed to have consented to (x) the personal jurisdiction of the state and federal courts in the State of Delaware in connection with any action brought in any such court to enforce the provisions of clause (a) of the immediately preceding sentence and (y) having service of process made upon such stockholder in any such action by service upon such stockholder's counsel in the Foreign Action as agent for such stockholder.

Any person or entity purchasing or otherwise acquiring or holding any interest in any security of the Corporation shall be deemed to have notice of and consented to this Article X. Notwithstanding the foregoing, the provisions of this Article X shall not apply to suits brought to enforce any liability or duty created by the Securities Exchange Act of 1934, as amended, or any other claim for which the federal courts of the United States have exclusive jurisdiction.

If any provision or provisions of this Article X shall be held to be invalid, illegal or unenforceable as applied to any circumstance for any reason whatsoever, (a) the validity, legality and enforceability of such provisions in any other circumstance and of the remaining provisions of this Article X (including, without limitation, each portion of any paragraph of this Article X 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 and (b) the application of such provision to other persons or entities and circumstances shall not in any way be affected or impaired thereby.

* * *

IN WITNESS WHEREOF, this Amended and Restated Certificate of Incorporation has been executed this ___ day of _____, 2021.

EXPENSIFY, INC.

By: _____

Name:
Title:

BYLAWS

OF

EXPENSIFY, INC.

TABLE OF CONTENTS

	Page
CORPORATE OFFICES	1
Registered Office	1
Other Offices	1
MEETINGS OF STOCKHOLDERS	1
Place Of Meetings	1
Annual Meeting	1
Special Meeting	1
Notice Of Stockholders' Meetings	2
Manner Of Giving Notice; Affidavit Of Notice	2
Quorum	2
Adjourned Meeting; Notice	2
Organization; Conduct of Business	3
Voting	3
Waiver Of Notice	3
Stockholder Action By Written Consent Without A Meeting	4
Record Date For Stockholder Notice; Voting; Giving Consents	4
Proxies	5
DIRECTORS	6
Powers	6
Number Of Directors	6
Election, Qualification And Term Of Office Of Directors	6
Resignation And Vacancies	6
Place Of Meetings; Meetings By Telephone	7
Regular Meetings	7
Special Meetings; Notice	8
Quorum	8
Waiver Of Notice	8
Board Action By Written Consent Without A Meeting	9
Fees And Compensation Of Directors	9
Approval Of Loans To Officers	9
Removal Of Directors	9
Chairman Of The Board Of Directors	10
COMMITTEES	10
Committees Of Directors	10
Committee Minutes	10
Meetings And Action Of Committees	10
OFFICERS	11
Officers	11
Appointment Of Officers	11

	Page
Subordinate Officers	11
Removal And Resignation Of Officers	11
Vacancies In Offices	12
Chief Executive Officer	12
President	12
Vice Presidents	12
Secretary	12
Chief Financial Officer	13
Representation Of Shares Of Other Corporations	13
Authority And Duties Of Officers	13
INDEMNIFICATION OF DIRECTORS, OFFICERS, EMPLOYEES, AND OTHER AGENTS	14
Indemnification Of Directors And Officers	14
Indemnification Of Others	14
Payment Of Expenses In Advance	14
Indemnity Not Exclusive	14
Insurance	15
Conflicts	15
RECORDS AND REPORTS	15
Maintenance And Inspection Of Records	15
Inspection By Directors	16
GENERAL MATTERS	16
Checks	16
Execution Of Corporate Contracts And Instruments	16
Stock Certificates; Partly Paid Shares	17
Special Designation On Certificates	17
Lost Certificates	17
Construction; Definitions	18
Dividends	18
Fiscal Year	18
Seal	18
Transfer Of Stock	18
Stock Transfer Agreements	19
Registered Stockholders	19
Facsimile Signature	19
AMENDMENTS	19

BYLAWS

OF

EXPENSIFY, INC.

ARTICLE I

CORPORATE OFFICES

1.1 **Registered Office.**

The registered office of the corporation shall be in the City of Dover, County of Kent, State of Delaware. The name of the registered agent of the corporation at such location is Incorporating Services, Ltd.

1.2 **Other Offices.**

The Board of Directors may at any time establish other offices at any place or places where the corporation is qualified to do business.

ARTICLE II

MEETINGS OF STOCKHOLDERS

2.1 **Place Of Meetings.**

Meetings of stockholders shall be held at any place, within or outside the State of Delaware, designated by the Board of Directors. In the absence of any such designation, stockholders' meetings shall be held at the registered office of the corporation.

2.2 **Annual Meeting.**

The annual meeting of stockholders shall be held on such date, time and place, either within or without the State of Delaware, as may be designated by resolution of the Board of Directors each year. At the meeting, directors shall be elected and any other proper business may be transacted.

2.3 **Special Meeting.**

A special meeting of the stockholders may be called at any time by the Board of Directors, the chairman of the board, the president or by one or more stockholders holding shares in the aggregate entitled to cast not less than ten percent of the votes at that meeting.

If a special meeting is called by any person or persons other than the Board of Directors, the president or the chairman of the board, the request shall be in writing, specifying the time of such meeting and the general nature of the business proposed to be transacted, and shall be delivered personally or sent by registered mail or by telegraphic or other facsimile

transmission to the chairman of the board, the president, any vice president, or the secretary of the corporation. No business may be transacted at such special meeting otherwise than specified in such notice. The officer receiving the request shall cause notice to be promptly given to the stockholders entitled to vote, in accordance with the provisions of Sections 2.4 and 2.5 of this Article II, that a meeting will be held at the time requested by the person or persons calling the meeting, not less than thirty-five (35) nor more than sixty (60) days after the receipt of the request. If the notice is not given within twenty (20) days after the receipt of the request, the person or persons requesting the meeting may give the notice. Nothing contained in this paragraph of this Section 2.3 shall be construed as limiting, fixing, or affecting the time when a meeting of stockholders called by action of the Board of Directors may be held.

2.4 **Notice Of Stockholders' Meetings.**

All notices of meetings with stockholders shall be in writing and shall be sent or otherwise given in accordance with Section 2.5 of these Bylaws not less than ten (10) nor more than sixty (60) days before the date of the meeting to each stockholder entitled to vote at such meeting. The notice shall specify the place (if any), date and hour of the meeting, and in the case of a special meeting, the purpose or purposes for which the meeting is called.

2.5 **Manner Of Giving Notice; Affidavit Of Notice.**

Written notice of any meeting of stockholders, if mailed, is given when deposited in the United States mail, postage prepaid, directed to the stockholder at his address as it appears on the records of the corporation. Without limiting the manner by which notice otherwise may be given effectively to stockholders, any notice to stockholders may be given by electronic mail or other electronic transmission, in the manner provided in Section 232 of the Delaware General Corporation Law. An affidavit of the secretary or an assistant secretary or of the transfer agent of the corporation that the notice has been given shall, in the absence of fraud, be prima facie evidence of the facts stated therein.

2.6 **Quorum.**

The holders of a majority of the shares of stock issued and outstanding and entitled to vote thereat, present in person or represented by proxy, shall constitute a quorum at all meetings of the stockholders for the transaction of business except as otherwise provided by statute or by the certificate of incorporation. If, however, such quorum is not present or represented at any meeting of the stockholders, then either (a) the chairman of the meeting or (b) holders of a majority of the shares of stock entitled to vote who are present, in person or by proxy, shall have power to adjourn the meeting to another place (if any), date or time.

2.7 **Adjourned Meeting; Notice.**

When a meeting is adjourned to another place (if any), date or time, unless these Bylaws otherwise require, notice need not be given of the adjourned meeting if the time and place (if any), thereof and the means of remote communications, if any, by which stockholders and proxyholders may be deemed to be present and vote at such adjourned meeting, are

announced at the meeting at which the adjournment is taken. At the adjourned meeting the corporation may transact any business that might have been transacted at the original meeting. If the adjournment is for more than 30 days, or if after the adjournment a new record date is fixed for the adjourned meeting, notice of the place (if any), date and time of the adjourned meeting and the means of remote communications, if any, by which stockholders and proxy holders may be deemed to be present in person and vote at such adjourned meeting shall be given to each stockholder of record entitled to vote at the meeting.

2.8 **Organization; Conduct of Business.**

(a) Such person as the Board of Directors may have designated or, in the absence of such a person, the President of the Corporation or, in his or her absence, such person as may be chosen by the holders of a majority of the shares entitled to vote who are present, in person or by proxy, shall call to order any meeting of the stockholders and act as Chairman of the meeting. In the absence of the Secretary of the Corporation, the Secretary of the meeting shall be such person as the Chairman of the meeting appoints.

(b) The Chairman of any meeting of stockholders shall determine the order of business and the procedure at the meeting, including the manner of voting and the conduct of business. The date and time of opening and closing of the polls for each matter upon which the stockholders will vote at the meeting shall be announced at the meeting.

2.9 **Voting.**

The stockholders entitled to vote at any meeting of stockholders shall be determined in accordance with the provisions of Section 2.12 of these Bylaws, subject to the provisions of Sections 217 and 218 of the General Corporation Law of Delaware (relating to voting rights of fiduciaries, pledgors and joint owners of stock and to voting trusts and other voting agreements).

Except as may be otherwise provided in the certificate of incorporation, each stockholder shall be entitled to one vote for each share of capital stock held by such stockholder. All elections shall be determined by a plurality of the votes cast, and except as otherwise required by law, all other matters shall be determined by a majority of the votes cast affirmatively or negatively.

2.10 **Waiver Of Notice.**

Whenever notice is required to be given under any provision of the General Corporation Law of Delaware or of the certificate of incorporation or these Bylaws, a written waiver thereof, signed by the person entitled to notice, or waiver by electronic mail or other electronic transmission by such person, whether before or after the time stated therein, shall be deemed equivalent to notice. Attendance of a person at a meeting shall constitute a waiver of notice of such meeting, except when the person attends a meeting for the express purpose of objecting, at the beginning of the meeting, to the transaction of any business because the meeting is not lawfully called or convened. Neither the business to be transacted at, nor the purpose of,

any regular or special meeting of the stockholders need be specified in any written waiver of notice, or any waiver of notice by electronic transmission, unless so required by the certificate of incorporation or these Bylaws.

2.11 **Stockholder Action By Written Consent Without A Meeting.**

Unless otherwise provided in the certificate of incorporation, any action required to be taken at any annual or special meeting of stockholders of the corporation, or any action that may be taken at any annual or special meeting of such stockholders, may be taken without a meeting, without prior notice, and without a vote if a consent in writing, setting forth the action so taken, is (i) signed by the holders of outstanding stock having not less than the minimum number of votes that would be necessary to authorize or take such action at a meeting at which all shares entitled to vote thereon were present and voted, and (ii) delivered to the Corporation in accordance with Section 228(a) of the Delaware General Corporation Law.

Every written consent shall bear the date of signature of each stockholder who signs the consent and no written consent shall be effective to take the corporate action referred to therein unless, within 60 days of the date the earliest dated consent is delivered to the Corporation, a written consent or consents signed by a sufficient number of holders to take action are delivered to the Corporation in the manner prescribed in this Section. A telegram, cablegram, electronic mail or other electronic transmission consenting to an action to be taken and transmitted by a stockholder or proxyholder, or by a person or persons authorized to act for a stockholder or proxyholder, shall be deemed to be written, signed and dated for purposes of this Section to the extent permitted by law. Any such consent shall be delivered in accordance with Section 228(d)(1) of the Delaware General Corporation Law.

Any copy, facsimile or other reliable reproduction of a consent in writing may be substituted or used in lieu of the original writing for any and all purposes for which the original writing could be used, provided that such copy, facsimile or other reproduction shall be a complete reproduction of the entire original writing.

Prompt notice of the taking of the corporate action without a meeting by less than unanimous written consent shall be given to those stockholders who have not consented in writing (including by electronic mail or other electronic transmission as permitted by law). If the action which is consented to is such as would have required the filing of a certificate under any section of the General Corporation Law of Delaware if such action had been voted on by stockholders at a meeting thereof, then the certificate filed under such section shall state, in lieu of any statement required by such section concerning any vote of stockholders, that written notice and written consent have been given as provided in Section 228 of the General Corporation Law of Delaware.

2.12 **Record Date For Stockholder Notice; Voting; Giving Consents.**

In order that the corporation may determine the stockholders entitled to notice of or to vote at any meeting of stockholders or any adjournment thereof, or entitled to express consent to corporate action in writing without a meeting, or entitled to receive payment of any

dividend or other distribution or allotment of any rights, or entitled to exercise any rights in respect of any change, conversion or exchange of stock or for the purpose of any other lawful action, the Board of Directors may fix, in advance, a record date, which shall not be more than 60 nor less than 10 days before the date of such meeting, nor more than 60 days prior to any other action.

If the Board of Directors does not so fix a record date:

(a) The record date for determining stockholders entitled to notice of or to vote at a meeting of stockholders shall be at the close of business on the day next preceding the day on which notice is given, or, if notice is waived, at the close of business on the day next preceding the day on which the meeting is held.

(b) The record date for determining stockholders entitled to consent to corporate action in writing without a meeting, when no prior action by the Board of Directors is necessary, shall be the day on which the first written consent (including consent by electronic mail or other electronic transmission as permitted by law) is delivered to the corporation.

(c) The record date for determining stockholders for any other purpose shall be at the close of business on the day on which the Board of Directors adopts the resolution relating thereto.

A determination of stockholders of record entitled to notice of or to vote at a meeting of stockholders shall apply to any adjournment of the meeting, if such adjournment is for thirty (30) days or less; provided, however, that the Board of Directors may fix a new record date for the adjourned meeting.

2.13 **Proxies.**

Each stockholder entitled to vote at a meeting of stockholders or to express consent or dissent to corporate action in writing without a meeting may authorize another person or persons to act for such stockholder by an instrument in writing or by an electronic transmission permitted by law filed with the secretary of the corporation, but no such proxy shall be voted or acted upon after three years from its date, unless the proxy provides for a longer period. A proxy shall be deemed signed if the stockholder's name is placed on the proxy (whether by manual signature, typewriting, facsimile, electronic or telegraphic transmission or otherwise) by the stockholder or the stockholder's attorney-in-fact. The revocability of a proxy that states on its face that it is irrevocable shall be governed by the provisions of Section 212(e) of the General Corporation Law of Delaware.

ARTICLE III

DIRECTORS

3.1 **Powers.**

Subject to the provisions of the General Corporation Law of Delaware and any limitations in the certificate of incorporation or these Bylaws relating to action required to be approved by the stockholders or by the outstanding shares, the business and affairs of the corporation shall be managed and all corporate powers shall be exercised by or under the direction of the Board of Directors.

3.2 **Number Of Directors.**

Upon the adoption of these bylaws, the number of directors constituting the entire Board of Directors shall be three (3). Thereafter, this number may be changed by a resolution of the Board of Directors or of the stockholders, subject to Section 3.4 of these Bylaws. No reduction of the authorized number of directors shall have the effect of removing any director before such director's term of office expires.

3.3 **Election, Qualification And Term Of Office Of Directors.**

Except as provided in Section 3.4 of these Bylaws, and unless otherwise provided in the certificate of incorporation, directors shall be elected at each annual meeting of stockholders to hold office until the next annual meeting. Directors need not be stockholders unless so required by the certificate of incorporation or these Bylaws, wherein other qualifications for directors may be prescribed. Each director, including a director elected to fill a vacancy, shall hold office until his or her successor is elected and qualified or until his or her earlier resignation or removal.

Unless otherwise specified in the certificate of incorporation, elections of directors need not be by written ballot.

3.4 **Resignation And Vacancies.**

Any director may resign at any time upon written notice to the attention of the Secretary of the corporation. When one or more directors so resigns and the resignation is effective at a future date, a majority of the directors then in office, including those who have so resigned, shall have power to fill such vacancy or vacancies, the vote thereon to take effect when such resignation or resignations shall become effective, and each director so chosen shall hold office as provided in this section in the filling of other vacancies.

Unless otherwise provided in the certificate of incorporation or these Bylaws:

(a) Vacancies and newly created directorships resulting from any increase in the authorized number of directors elected by all of the stockholders having the right to vote as a

single class may be filled by a majority of the directors then in office, although less than a quorum, or by a sole remaining director.

(b) Whenever the holders of any class or classes of stock or series thereof are entitled to elect one or more directors by the provisions of the certificate of incorporation, vacancies and newly created directorships of such class or classes or series may be filled by a majority of the directors elected by such class or classes or series thereof then in office, or by a sole remaining director so elected.

If at any time, by reason of death or resignation or other cause, the corporation should have no directors in office, then any officer or any stockholder or an executor, administrator, trustee or guardian of a stockholder, or other fiduciary entrusted with like responsibility for the person or estate of a stockholder, may call a special meeting of stockholders in accordance with the provisions of the certificate of incorporation or these Bylaws, or may apply to the Court of Chancery for a decree summarily ordering an election as provided in Section 211 of the General Corporation Law of Delaware.

If, at the time of filling any vacancy or any newly created directorship, the directors then in office constitute less than a majority of the whole board (as constituted immediately prior to any such increase), then the Court of Chancery may, upon application of any stockholder or stockholders holding at least 10% of the total number of the shares at the time outstanding having the right to vote for such directors, summarily order an election to be held to fill any such vacancies or newly created directorships, or to replace the directors chosen by the directors then in office as aforesaid, which election shall be governed by the provisions of Section 211 of the General Corporation Law of Delaware as far as applicable.

3.5 **Place Of Meetings; Meetings By Telephone.**

The Board of Directors of the corporation may hold meetings, both regular and special, either within or outside the State of Delaware.

Unless otherwise restricted by the certificate of incorporation or these Bylaws, members of the Board of Directors, or any committee designated by the Board of Directors, may participate in a meeting of the Board of Directors, or any committee, by means of conference telephone or other communications equipment by means of which all persons participating in the meeting can hear each other, and such participation in a meeting shall constitute presence in person at the meeting.

3.6 **Regular Meetings.**

Regular meetings of the Board of Directors may be held without notice at such time and at such place as shall from time to time be determined by the board.

3.7 **Special Meetings; Notice.**

Special meetings of the Board of Directors for any purpose or purposes may be called at any time by the chairman of the board, the president, any vice president, the secretary or any two directors.

Notice of the time and place of special meetings shall be delivered personally or by telephone to each director or sent by first-class mail, facsimile, electronic transmission, or telegram, charges prepaid, addressed to each director at that director's address as it is shown on the records of the corporation. If the notice is mailed, it shall be deposited in the United States mail at least four days before the time of the holding of the meeting. If the notice is delivered personally or by facsimile, electronic transmission, telephone or telegram, it shall be delivered at least 48 hours before the time of the holding of the meeting. Any oral notice given personally or by telephone may be communicated either to the director or to a person at the office of the director who the person giving the notice has reason to believe will promptly communicate it to the director. The notice need not specify the purpose of the meeting. The notice need not specify the place of the meeting, if the meeting is to be held at the principal executive office of the corporation. Unless otherwise indicated in the notice thereof, any and all business may be transacted at a special meeting.

3.8 **Quorum.**

At all meetings of the Board of Directors, a majority of the total number of directors 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 of Directors, except as may be otherwise specifically provided by statute or by the certificate of incorporation. If a quorum is not present at any meeting of the Board of Directors, then the directors present thereat may adjourn the meeting from time to time, without notice other than announcement at the meeting, until a quorum is present.

A meeting at which a quorum is initially present may continue to transact business notwithstanding the withdrawal of directors, if any action taken is approved by at least a majority of the required quorum for that meeting.

3.9 **Waiver Of Notice.**

Whenever notice is required to be given under any provision of the General Corporation Law of Delaware or of the certificate of incorporation or these Bylaws, a written waiver thereof, signed by the person entitled to notice, or waiver by electronic mail or other electronic transmission by such person, whether before or after the time stated therein, shall be deemed equivalent to notice. Attendance of a person at a meeting shall constitute a waiver of notice of such meeting, except when the person attends a meeting for the express purpose of objecting, at the beginning of the meeting, to the transaction of any business because the meeting is not lawfully called or convened. Neither the business to be transacted at, nor the purpose of, any regular or special meeting of the directors, or members of a committee of directors, need be

specified in any written waiver of notice unless so required by the certificate of incorporation or these Bylaws.

3.10 **Board Action By Written Consent Without A Meeting.**

Unless otherwise restricted by the certificate of incorporation or these Bylaws, any action required or permitted to be taken at any meeting of the Board of Directors, or of any committee thereof, may be taken without a meeting if all members of the board or committee, as the case may be, consent thereto in writing or by electronic transmission, and the writing or writings or electronic transmission or transmissions are filed with the minutes of proceedings of the board or committee. Such filing shall be in paper form if the minutes are maintained in paper form and shall be in electronic form if the minutes are maintained in electronic form.

Any copy, facsimile or other reliable reproduction of a consent in writing may be substituted or used in lieu of the original writing for any and all purposes for which the original writing could be used, provided that such copy, facsimile or other reproduction shall be a complete reproduction of the entire original writing.

3.11 **Fees And Compensation Of Directors.**

Unless otherwise restricted by the certificate of incorporation or these Bylaws, the Board of Directors shall have the authority to fix the compensation of directors. No such compensation shall preclude any director from serving the corporation in any other capacity and receiving compensation therefor.

3.12 **Approval Of Loans To Officers.**

The corporation may lend money to, or guarantee any obligation of, or otherwise assist any officer or other employee of the corporation or of its subsidiary, including any officer or employee who is a director of the corporation or its subsidiary, whenever, in the judgment of the directors, such loan, guaranty or assistance may reasonably be expected to benefit the corporation. The loan, guaranty or other assistance may be with or without interest and may be unsecured, or secured in such manner as the Board of Directors shall approve, including, without limitation, a pledge of shares of stock of the corporation. Nothing in this section shall be deemed to deny, limit or restrict the powers of guaranty or warranty of the corporation at common law or under any statute.

3.13 **Removal Of Directors.**

Unless otherwise restricted by statute, by the certificate of incorporation or by these Bylaws, any director or the entire Board of Directors may be removed, with or without cause, by the holders of a majority of the shares then entitled to vote at an election of directors; provided, however, that if the stockholders of the corporation are entitled to cumulative voting, if less than the entire Board of Directors is to be removed, no director may be removed without cause if the votes cast against his removal would be sufficient to elect him if then cumulatively voted at an election of the entire Board of Directors.

No reduction of the authorized number of directors shall have the effect of removing any director prior to the expiration of such director's term of office.

3.14 **Chairman Of The Board Of Directors.**

The corporation may also have, at the discretion of the Board of Directors, a chairman of the Board of Directors who shall not be considered an officer of the corporation.

ARTICLE IV

COMMITTEES

4.1 **Committees Of Directors.**

The Board of Directors may designate one or more committees, each committee to consist of one or more of the directors of the corporation. The Board may designate 1 or more directors as alternate members of any committee, who may replace any absent or disqualified member at any meeting of the committee. In the absence or disqualification of a member of a committee, the member or members present at any meeting and not disqualified from voting, whether or not such member or members constitute a quorum, may unanimously appoint another member of the Board of Directors to act at the meeting in the place of any such absent or disqualified member. Any such committee, to the extent provided in the resolution of the Board of Directors, or in these Bylaws, shall have and may exercise all the powers and authority of the Board of Directors in the management of the business and affairs of the corporation, and may authorize the seal of the corporation to be affixed to all papers which may require it; but no such committee shall have the power or authority in reference to the following matters: (i) approving or adopting, or recommending to the stockholders, any action or matter expressly required by the General Corporate Law of Delaware to be submitted to stockholders for approval or (ii) adopting, amending or repealing any Bylaw of the corporation.

4.2 **Committee Minutes.**

Each committee shall keep regular minutes of its meetings and report the same to the Board of Directors when required.

4.3 **Meetings And Action Of Committees.**

Meetings and actions of committees shall be governed by, and held and taken in accordance with, the provisions of Section 3.5 (place of meetings and meetings by telephone), Section 3.6 (regular meetings), Section 3.7 (special meetings and notice), Section 3.8 (quorum), Section 3.9 (waiver of notice), and Section 3.10 (action without a meeting) of these Bylaws, with such changes in the context of such provisions as are necessary to substitute the committee and its members for the Board of Directors and its members; provided, however, that the time of regular meetings of committees may be determined either by resolution of the Board of Directors or by resolution of the committee, that special meetings of committees may also be called by resolution of the Board of Directors and that notice of special meetings of committees shall also

be given to all alternate members, who shall have the right to attend all meetings of the committee. The Board of Directors may adopt rules for the government of any committee not inconsistent with the provisions of these Bylaws.

ARTICLE V

OFFICERS

5.1 **Officers.**

The officers of the corporation shall be a chief executive officer, a president, a secretary, and a chief financial officer. The corporation may also have, at the discretion of the Board of Directors, a chief executive officer, one or more vice presidents, one or more assistant secretaries, one or more assistant treasurers, and any such other officers as may be appointed in accordance with the provisions of Section 5.3 of these Bylaws. Any number of offices may be held by the same person.

5.2 **Appointment Of Officers.**

The officers of the corporation, except such officers as may be appointed in accordance with the provisions of Sections 5.3 or 5.5 of these Bylaws, shall be appointed by the Board of Directors, subject to the rights, if any, of an officer under any contract of employment.

5.3 **Subordinate Officers.**

The Board of Directors may appoint, or empower the chief executive officer or the president to appoint, such other officers and agents as the business of the corporation may require, each of whom shall hold office for such period, have such authority, and perform such duties as are provided in these Bylaws or as the Board of Directors may from time to time determine.

5.4 **Removal And Resignation Of Officers.**

Subject to the rights, if any, of an officer under any contract of employment, any officer may be removed, either with or without cause, by an affirmative vote of the majority of the Board of Directors at any regular or special meeting of the board or, except in the case of an officer chosen by the Board of Directors, by any officer upon whom the power of removal is conferred by the Board of Directors.

Any officer may resign at any time by giving written notice to the corporation. Any resignation shall take effect at the date of the receipt of that notice or at any later time specified in that notice; and, unless otherwise specified in that notice, the acceptance of the resignation shall not be necessary to make it effective. Any resignation is without prejudice to the rights, if any, of the corporation under any contract to which the officer is a party.

5.5 **Vacancies In Offices.**

Any vacancy occurring in any office of the corporation shall be filled by the Board of Directors.

5.6 **Chief Executive Officer.**

Subject to such supervisory powers, if any, as may be given by the Board of Directors to the chairman of the board, if any, the chief executive officer of the corporation (if such an officer is appointed) shall, subject to the control of the Board of Directors, have general supervision, direction, and control of the business and the officers of the corporation. He or she shall preside at all meetings of the stockholders and, in the absence or nonexistence of a chairman of the board, at all meetings of the Board of Directors and shall have the general powers and duties of management usually vested in the office of chief executive officer of a corporation and shall have such other powers and duties as may be prescribed by the Board of Directors or these Bylaws.

5.7 **President.**

Subject to such supervisory powers, if any, as may be given by the Board of Directors to the chairman of the board (if any) or the chief executive officer, the president shall have general supervision, direction, and control of the business and other officers of the corporation. He or she shall have the general powers and duties of management usually vested in the office of president of a corporation and such other powers and duties as may be prescribed by the Board of Directors or these Bylaws.

5.8 **Vice Presidents.**

In the absence or disability of the chief executive officer and president, the vice presidents, if any, in order of their rank as fixed by the Board of Directors or, if not ranked, a vice president designated by the Board of Directors, shall perform all the duties of the president and when so acting shall have all the powers of, and be subject to all the restrictions upon, the president. The vice presidents shall have such other powers and perform such other duties as from time to time may be prescribed for them respectively by the Board of Directors, these Bylaws, the president or the chairman of the board.

5.9 **Secretary.**

The secretary shall keep or cause to be kept, at the principal executive office of the corporation or such other place as the Board of Directors may direct, a book of minutes of all meetings and actions of directors, committees of directors, and stockholders. The minutes shall show the time and place of each meeting, the names of those present at directors' meetings or committee meetings, the number of shares present or represented at stockholders' meetings, and the proceedings thereof.

The secretary shall keep, or cause to be kept, at the principal executive office of the corporation or at the office of the corporation's transfer agent or registrar, as determined by resolution of the Board of Directors, a share register, or a duplicate share register, showing the names of all stockholders and their addresses, the number and classes of shares held by each, the number and date of certificates evidencing such shares, and the number and date of cancellation of every certificate surrendered for cancellation.

The secretary shall give, or cause to be given, notice of all meetings of the stockholders and of the Board of Directors required to be given by law or by these Bylaws. He or she shall keep the seal of the corporation, if one be adopted, in safe custody and shall have such other powers and perform such other duties as may be prescribed by the Board of Directors or by these Bylaws.

5.10 **Chief Financial Officer.**

The chief financial officer shall be the treasurer and shall keep and maintain, or cause to be kept and maintained, adequate and correct books and records of accounts of the properties and business transactions of the corporation, including accounts of its assets, liabilities, receipts, disbursements, gains, losses, capital retained earnings, and shares. The books of account shall at all reasonable times be open to inspection by any director.

The chief financial officer shall deposit all moneys and other valuables in the name and to the credit of the corporation with such depositories as may be designated by the Board of Directors. He or she shall disburse the funds of the corporation as may be ordered by the Board of Directors, shall render to the president, the chief executive officer, or the directors, upon request, an account of all his or her transactions as chief financial officer and of the financial condition of the corporation, and shall have other powers and perform such other duties as may be prescribed by the Board of Directors or the bylaws.

5.11 **Representation Of Shares Of Other Corporations.**

The chairman of the board, the chief executive officer, the president, any vice president, the chief financial officer, the secretary or assistant secretary of this corporation, or any other person authorized by the Board of Directors or the chief executive officer or the president or a vice president, is authorized to vote, represent, and exercise on behalf of this corporation all rights incident to any and all shares of any other corporation or corporations standing in the name of this corporation. The authority granted herein may be exercised either by such person directly or by any other person authorized to do so by proxy or power of attorney duly executed by the person having such authority.

5.12 **Authority And Duties Of Officers.**

In addition to the foregoing authority and duties, all officers of the corporation shall respectively have such authority and perform such duties in the management of the business of the corporation as may be designated from time to time by the Board of Directors or the stockholders.

ARTICLE VI

INDEMNIFICATION OF DIRECTORS, OFFICERS, EMPLOYEES, AND OTHER AGENTS

6.1 **Indemnification Of Directors And Officers.**

The corporation shall, to the maximum extent and in the manner permitted by the General Corporation Law of Delaware, indemnify each of its directors and officers against expenses (including attorneys' fees), judgments, fines, settlements and other amounts actually and reasonably incurred in connection with any proceeding, arising by reason of the fact that such person is or was an agent of the corporation. For purposes of this Section 6.1, a "director" or "officer" of the corporation includes any person (a) who is or was a director or officer of the corporation, (b) who is or was serving at the request of the corporation as a director or officer of another corporation, partnership, joint venture, trust or other enterprise, or (c) who was a director or officer of a corporation which was a predecessor corporation of the corporation or of another enterprise at the request of such predecessor corporation.

6.2 **Indemnification Of Others.**

The corporation shall have the power, to the maximum extent and in the manner permitted by the General Corporation Law of Delaware, to indemnify each of its employees and agents (other than directors and officers) against expenses (including attorneys' fees), judgments, fines, settlements and other amounts actually and reasonably incurred in connection with any proceeding, arising by reason of the fact that such person is or was an agent of the corporation. For purposes of this Section 6.2, an "employee" or "agent" of the corporation (other than a director or officer) includes any person (a) who is or was an employee or agent of the corporation, (b) who is or was serving at the request of the corporation as an employee or agent of another corporation, partnership, joint venture, trust or other enterprise, or (c) who was an employee or agent of a corporation which was a predecessor corporation of the corporation or of another enterprise at the request of such predecessor corporation.

6.3 **Payment Of Expenses In Advance.**

Expenses incurred in defending any action or proceeding for which indemnification is required pursuant to Section 6.1 or for which indemnification is permitted pursuant to Section 6.2 following authorization thereof by the Board of Directors shall be paid by the corporation in advance of the final disposition of such action or proceeding upon receipt of an undertaking by or on behalf of the indemnified party to repay such amount if it shall ultimately be determined by final judicial decision from which there is no further right to appeal that the indemnified party is not entitled to be indemnified as authorized in this Article VI.

6.4 **Indemnity Not Exclusive.**

The indemnification provided by this Article VI shall not be deemed exclusive of any other rights to which those seeking indemnification may be entitled under any bylaw,

agreement, vote of stockholders or disinterested directors or otherwise, both as to action in an official capacity and as to action in another capacity while holding such office, to the extent that such additional rights to indemnification are authorized in the certificate of incorporation

6.5 **Insurance.**

The corporation may purchase and maintain insurance on behalf of any person who is or was a director, officer, employee or agent of the corporation, or is or was serving at the request of the corporation as a director, officer, employee or agent of another corporation, partnership, joint venture, trust or other enterprise against any liability asserted against him or her and incurred by him or her in any such capacity, or arising out of his or her status as such, whether or not the corporation would have the power to indemnify him or her against such liability under the provisions of the General Corporation Law of Delaware.

6.6 **Conflicts.**

No indemnification or advance shall be made under this Article VI, except where such indemnification or advance is mandated by law or the order, judgment or decree of any court of competent jurisdiction, in any circumstance where it appears:

(a) That it would be inconsistent with a provision of the certificate of incorporation, these Bylaws, a resolution of the stockholders or an agreement in effect at the time of the accrual of the alleged cause of the action asserted in the proceeding in which the expenses were incurred or other amounts were paid, which prohibits or otherwise limits indemnification; or

(b) That it would be inconsistent with any condition expressly imposed by a court in approving a settlement.

ARTICLE VII

RECORDS AND REPORTS

7.1 **Maintenance And Inspection Of Records.**

The corporation shall, either at its principal executive offices or at such place or places as designated by the Board of Directors, keep a record of its stockholders listing their names and addresses and the number and class of shares held by each stockholder, a copy of these Bylaws as amended to date, accounting books, and other records.

Any stockholder of record, in person or by attorney or other agent, shall, upon written demand under oath stating the purpose thereof, have the right during the usual hours for business to inspect for any proper purpose the corporation’s stock ledger, a list of its stockholders, and its other books and records and to make copies or extracts therefrom. A proper purpose shall mean a purpose reasonably related to such person’s interest as a stockholder. In every instance where an attorney or other agent is the person who seeks the right to inspection, the demand under oath shall be accompanied by a power of attorney or such other writing that

authorizes the attorney or other agent to so act on behalf of the stockholder. The demand under oath shall be directed to the corporation at its registered office in Delaware or at its principal place of business.

A complete list of stockholders entitled to vote at any meeting of stockholders, arranged in alphabetical order for each class of stock and showing the address of each such stockholder and the number of shares registered in each such stockholder's name, shall be open to the examination of any such stockholder for a period of at least ten (10) days prior to the meeting in the manner provided by law. The stock list shall also be open to the examination of any stockholder during the whole time of the meeting as provided by law. This list shall presumptively determine the identity of the stockholders entitled to vote at the meeting and the number of shares held by each of them.

7.2 **Inspection By Directors.**

Any director shall have the right to examine the corporation's stock ledger, a list of its stockholders, and its other books and records for a purpose reasonably related to his or her position as a director. The Court of Chancery is hereby vested with the exclusive jurisdiction to determine whether a director is entitled to the inspection sought. The Court may summarily order the corporation to permit the director to inspect any and all books and records, the stock ledger, and the stock list and to make copies or extracts therefrom. The Court may, in its discretion, prescribe any limitations or conditions with reference to the inspection, or award such other and further relief as the Court may deem just and proper.

ARTICLE VIII

GENERAL MATTERS

8.1 **Checks.**

From time to time, the Board of Directors shall determine by resolution which person or persons may sign or endorse all checks, drafts, other orders for payment of money, notes or other evidences of indebtedness that are issued in the name of or payable to the corporation, and only the persons so authorized shall sign or endorse those instruments.

8.2 **Execution Of Corporate Contracts And Instruments.**

The Board of Directors, except as otherwise provided in these Bylaws, may authorize any officer or officers, or agent or agents, to enter into any contract or execute any instrument in the name of and on behalf of the corporation; such authority may be general or confined to specific instances. Unless so authorized or ratified by the Board of Directors or within the agency power of an officer, no officer, agent or employee shall have any power or authority to bind the corporation by any contract or engagement or to pledge its credit or to render it liable for any purpose or for any amount.

8.3 **Stock Certificates; Partly Paid Shares.**

The shares of a corporation shall be represented by certificates, provided that the Board of Directors of the corporation may provide by resolution or resolutions that some or all of any or all classes or series of its stock shall be uncertificated shares. Any such resolution shall not apply to shares represented by a certificate until such certificate is surrendered to the corporation. Notwithstanding the adoption of such a resolution by the Board of Directors, every holder of stock represented by certificates and upon request every holder of uncertificated shares shall be entitled to have a certificate signed by, or in the name of the corporation by the chairman or vice-chairman of the Board of Directors, or the president or vice-president, and by the treasurer or an assistant treasurer, or the secretary or an assistant secretary of such corporation representing the number of shares registered in certificate form. Any or all of the signatures on the certificate may be a facsimile. In case any officer, transfer agent or registrar who has signed or whose facsimile signature has been placed upon a certificate has ceased to be such officer, transfer agent or registrar before such certificate is issued, it may be issued by the corporation with the same effect as if he or she were such officer, transfer agent or registrar at the date of issue.

The corporation may issue the whole or any part of its shares as partly paid and subject to call for the remainder of the consideration to be paid therefor. Upon the face or back of each stock certificate issued to represent any such partly paid shares, upon the books and records of the corporation in the case of uncertificated partly paid shares, the total amount of the consideration to be paid therefor and the amount paid thereon shall be stated. Upon the declaration of any dividend on fully paid shares, the corporation shall declare a dividend upon partly paid shares of the same class, but only upon the basis of the percentage of the consideration actually paid thereon.

8.4 **Special Designation On Certificates.**

If the corporation is authorized to issue more than one class of stock or more than one series of any class, then the powers, the designations, the preferences, and the relative, participating, optional or other special rights of each class of stock or series thereof and the qualifications, limitations or restrictions of such preferences and/or rights shall be set forth in full or summarized on the face or back of the certificate that the corporation shall issue to represent such class or series of stock; provided, however, that, except as otherwise provided in Section 202 of the General Corporation Law of Delaware, in lieu of the foregoing requirements there may be set forth on the face or back of the certificate that the corporation shall issue to represent such class or series of stock a statement that the corporation will furnish without charge to each stockholder who so requests the powers, the designations, the preferences, and the relative, participating, optional or other special rights of each class of stock or series thereof and the qualifications, limitations or restrictions of such preferences and/or rights.

8.5 **Lost Certificates.**

Except as provided in this Section 8.5, no new certificates for shares shall be issued to replace a previously issued certificate unless the latter is surrendered to the corporation

and cancelled at the same time. The corporation may issue a new certificate of stock or uncertificated shares in the place of any certificate previously issued by it, alleged to have been lost, stolen or destroyed, and the corporation may require the owner of the lost, stolen or destroyed certificate, or the owner's legal representative, to give the corporation a bond sufficient to indemnify it against any claim that may be made against it on account of the alleged loss, theft or destruction of any such certificate or the issuance of such new certificate or uncertificated shares.

8.6 **Construction; Definitions.**

Unless the context requires otherwise, the general provisions, rules of construction, and definitions in the Delaware General Corporation Law shall govern the construction of these Bylaws. Without limiting the generality of this provision, the singular number includes the plural, the plural number includes the singular, and the term "person" includes both a corporation and a natural person.

8.7 **Dividends.**

The directors of the corporation, subject to any restrictions contained in (a) the General Corporation Law of Delaware or (b) the certificate of incorporation, may declare and pay dividends upon the shares of its capital stock. Dividends may be paid in cash, in property, or in shares of the corporation's capital stock.

The directors of the corporation may set apart out of any of the funds of the corporation available for dividends a reserve or reserves for any proper purpose and may abolish any such reserve. Such purposes shall include but not be limited to equalizing dividends, repairing or maintaining any property of the corporation, and meeting contingencies.

8.8 **Fiscal Year.**

The fiscal year of the corporation shall be fixed by resolution of the Board of Directors and may be changed by the Board of Directors.

8.9 **Seal.**

The corporation may adopt a corporate seal, which may be altered at pleasure, and may use the same by causing it or a facsimile thereof, to be impressed or affixed or in any other manner reproduced.

8.10 **Transfer Of Stock.**

Upon surrender to the corporation or the transfer agent of the corporation of a certificate for shares duly endorsed or accompanied by proper evidence of succession, assignation or authority to transfer, it shall be the duty of the corporation to issue a new certificate to the person entitled thereto, cancel the old certificate, and record the transaction in its books.

8.11 **Stock Transfer Agreements.**

The corporation shall have power to enter into and perform any agreement with any number of stockholders of any one or more classes of stock of the corporation to restrict the transfer of shares of stock of the corporation of any one or more classes owned by such stockholders in any manner not prohibited by the General Corporation Law of Delaware.

8.12 **Registered Stockholders.**

The corporation shall be entitled to recognize the exclusive right of a person registered on its books as the owner of shares to receive dividends and to vote as such owner, shall be entitled to hold liable for calls and assessments the person registered on its books as the owner of shares, and shall not be bound to recognize any equitable or other claim to or interest in such share or shares on the part of another person, whether or not it shall have express or other notice thereof, except as otherwise provided by the laws of Delaware.

8.13 **Facsimile Signature.**

In addition to the provisions for use of facsimile signatures elsewhere specifically authorized in these Bylaws, facsimile signatures of any officer or officers of the Corporation may be used whenever and as authorized by the Board of Directors or a committee thereof.

ARTICLE IX

AMENDMENTS

The Bylaws of the corporation may be adopted, amended or repealed by the stockholders entitled to vote; provided, however, that the corporation may, in its certificate of incorporation, confer the power to adopt, amend or repeal Bylaws upon the directors. The fact that such power has been so conferred upon the directors shall not divest the stockholders of the power, nor limit their power to adopt, amend or repeal Bylaws.

CERTIFICATE OF ADOPTION OF BYLAWS

OF

EXPENSIFY, INC.

ADOPTION BY INCORPORATOR

The undersigned person appointed in the Certificate of Incorporation to act as the Incorporator of Expensify, Inc., a Delaware corporation, hereby adopts the foregoing bylaws as the Bylaws of the Corporation.

Executed on April 29, 2009.

/s/ David Barrett

David Barrett, Incorporator

CERTIFICATE BY SECRETARY OF ADOPTION BY INCORPORATOR

The undersigned hereby certifies that the undersigned is the duly elected, qualified, and acting Secretary of Expensify, Inc., a Delaware corporation, and that the foregoing Bylaws were adopted as the Bylaws of the Corporation on May 5, 2009, by the person appointed in the Certificate of Incorporation to act as the Incorporator of the Corporation.

Executed on April 29, 2009.

/s/ Witold Stankiewicz

Witold Stankiewicz, Secretary

CERTIFICATE OF AMENDMENT OF

BYLAWS OF

EXPENSIFY, INC.

The undersigned, Witold Stankiewicz, hereby certifies that:

1. I am the duly elected Secretary of Expensify, Inc., a Delaware corporation (the "Company").

2. By an Action by Unanimous Written Consent of the Board of Directors of the Company, effective as of June 17, 2010, Section 3.2 of the Bylaws of the Company, as amended to date, was amended to read in its entirety as follows:

> "The number of directors constituting the entire Board of Directors shall be five (5). Thereafter, this number may be changed by a resolution of the Board of Directors or of the stockholders, subject to Section 3.4 of these Bylaws. No reduction of the authorized number of directors shall have the effect of removing any director before such director's term of office expires."

3. The matters set forth in this certificate are true and correct of my own knowledge.

Date: June 22, 2010

/s/ Witold Stankiewicz

Witold Stankiewicz, Secretary

Amended and Restated Bylaws of Expensify, Inc.

(a Delaware corporation)

Table of Contents

		Page
Article I. Corporate Offices		1
1.1	Registered Office	1
1.2	Other Offices	1
Article II. Meetings of Stockholders		1
2.1	Place of Meetings	1
2.2	Annual Meeting	1
2.3	Notice of Business to be Brought before an Annual Meeting.	1
2.4	Special Meetings	4
2.5	Notice of Nominations for Election to the Board.	6
2.6	Additional Requirements for Valid Nomination of Candidates to Serve as Director and, if Elected, to be Seated as Directors.	9
2.7	Notice of Stockholders' Meetings	10
2.8	Quorum	10
2.9	Adjourned Meeting; Notice	10
2.10	Conduct of Business	11
2.11	Voting	11
2.12	Record Date for Stockholder Meetings and Other Purposes	12
2.13	Proxies	12
2.14	List of Stockholders Entitled to Vote	13
2.15	Inspectors of Election	13
2.16	Action by Written Consent in Lieu of a Meeting.	14
2.17	Delivery to the Corporation.	15
Article III. Directors		15
3.1	Powers	15
3.2	Number of Directors	15
3.3	Election, Qualification and Term of Office of Directors	15
3.4	Resignation and Vacancies	15
3.5	Place of Meetings; Meetings by Telephone	16
3.6	Regular Meetings	16
3.7	Special Meetings; Notice	16
3.8	Quorum	17
3.9	Board Action without a Meeting	17
3.10	Fees and Compensation of Directors	17
Article IV. Committees		17
4.1	Committees of Directors	17
4.2	Executive Committee.	
4.3	Committee Minutes	18
4.4	Meetings and Actions of Committees	18
4.5	Subcommittees	18
Article V. Officers		18
5.1	Officers	18

5.2 Appointment of Officers 18
5.3 Subordinate Officers 19
5.4 Removal and Resignation of Officers 19
5.5 Vacancies in Offices 19
5.6 Representation of Shares of Other Corporations 19
5.7 Authority and Duties of Officers 19
5.8 Compensation. 20

Article VI. Records 20

Article VII. General Matters 20
7.1 Execution of Corporate Contracts and Instruments 20
7.2 Stock Certificates 20
7.3 Special Designation of Certificates. 20
7.4 Lost Certificates 21
7.5 Shares Without Certificates 21
7.6 Construction; Definitions 21
7.7 Dividends 21
7.8 Fiscal Year 22
7.9 Seal 22
7.1 Transfer of Stock 22
7.11 Stock Transfer Agreements 22
7.12 Registered Stockholders 22
7.13 Waiver of Notice 21

Article VIII. Notice 23
8.1 Delivery of Notice; Notice by Electronic Transmission 23

Article IX. Indemnification 24
9.1 Indemnification of Directors and Officers 24
9.2 Indemnification of Others 24
9.3 Prepayment of Expenses 24
9.4 Determination; Claim 25
9.5 Non-Exclusivity of Rights 25
9.6 Insurance 25
9.7 Other Indemnification 25
9.8 Continuation of Indemnification 25
9.9 Amendment or Repeal; Interpretation 25

Article X. Amendments 26

Article XI. Definitions 26

Amended and Restated Bylaws of
Expensify, Inc.

Article I.
Corporate Offices

1.1 Registered Office.

The address of the registered office of Expensify, Inc. (the "Corporation") in the State of Delaware, and the name of its registered agent at such address, shall be as set forth in the Corporation's certificate of incorporation, as the same may be amended and/or restated from time to time (the "Certificate of Incorporation").

1.2 Other Offices.

The Corporation may have additional offices at any place or places, within or outside the State of Delaware, as the Corporation's board of directors (the "Board") may from time to time establish or as the business of the Corporation may require.

Article II.
Meetings of Stockholders

2.1 Place of Meetings.

Meetings of stockholders shall be held at any place within or outside the State of Delaware, designated by the Board. The Board may, in its sole discretion, determine that a meeting of stockholders shall not be held at any place, but may instead be held solely by means of remote communication as authorized by Section 211(a)(2) of the General Corporation Law of the State of Delaware (the "DGCL"). In the absence of any such designation or determination, stockholders' meetings shall be held at the Corporation's principal executive office.

2.2 Annual Meeting.

The Board shall designate the date and time of the annual meeting. At the annual meeting, directors shall be elected and other proper business properly brought before the meeting in accordance with Section 2.3 of these Bylaws may be transacted. The Board may postpone, reschedule or cancel any previously scheduled annual meeting of stockholders.

2.3 Notice of Business to be Brought before an Annual Meeting.

(a) At an annual meeting of the stockholders, only such business shall be conducted as shall have been properly brought before the meeting. To be properly brought before an annual meeting, business must be (i) specified in a notice of meeting given by or at the direction of the Board, (ii) if not specified in a notice of meeting, otherwise brought before the meeting by the Board or the Chairman of the Board or (iii) otherwise properly brought before the meeting by a stockholder present in person who (A) (1) was a record owner of shares of the Corporation both at the time of giving the notice provided for in this Section 2.3 and at the time of the meeting, (2) is entitled to vote at the meeting, and (3) has complied with this Section 2.3 in all applicable respects or (B) properly made such proposal in

accordance with Rule 14a-8 under the Securities Exchange Act of 1934, as amended, and the rules and regulations thereunder (as so amended and inclusive of such rules and regulations, the "Exchange Act"). The foregoing clause (iii) shall be the exclusive means for a stockholder to propose business to be brought before an annual meeting of the stockholders.

For purposes of this Section 2.3, "present in person" shall mean that the stockholder proposing that the business be brought before the annual meeting of the Corporation, or a qualified representative of such proposing stockholder, appears at such annual meeting. A "qualified representative" of such proposing stockholder shall be a duly authorized officer, manager or partner of such stockholder or any other person authorized by a writing executed by such stockholder or an electronic transmission delivered by such stockholder to act for such stockholder as proxy at the meeting of stockholders and such person must produce such writing or electronic transmission, or a reliable reproduction of the writing or electronic transmission, at the meeting of stockholders. Stockholders seeking to nominate persons for election to the Board of Directors must comply with Section 2.5 and Section 2.6 and this Section 2.3 shall not be applicable to nominations except as expressly provided in Section 2.5 and Section 2.6.

(b) Without qualification, for business to be properly brought before an annual meeting by a stockholder, the business must constitute a proper matter for stockholder action and the stockholder must (i) provide Timely Notice (as defined below) thereof in writing and in proper form to the Secretary of the Corporation and (ii) provide any updates or supplements to such notice at the times and in the forms required by this Section 2.3. To be timely, a stockholder's notice must be delivered to, or mailed and received at, the principal executive offices of the Corporation not less than ninety (90) days nor more than one hundred twenty (120) days prior to the one-year anniversary of the preceding year's annual meeting; *provided*, that in the case of the first annual meeting of stockholders following the closing of the Corporation's initial underwritten public offering of common stock, the date of the preceding year's annual meeting shall be deemed to be June 1; *provided further, however*, that if the date of the annual meeting is more than thirty (30) days before or more than sixty (60) days after such anniversary date, notice by the stockholder to be timely must be so delivered, or mailed and received, not later than the ninetieth (90^{th}) day prior to such annual meeting or, if later, the tenth (10^{th}) day following the day on which public disclosure of the date of such annual meeting was first made by the Corporation (such notice within such time periods, "Timely Notice"). In no event shall any adjournment or postponement of an annual meeting or the announcement thereof commence a new time period (or extend any time period) for the giving of Timely Notice as described above.

(c) To be in proper form for purposes of this Section 2.3, a stockholder's notice to the Secretary shall set forth:

(i) As to each Proposing Person (as defined below), (A) the name and address of such Proposing Person (including, if applicable, the name and address that appear on the Corporation's books and records); and (B) the class or series and number of shares of the Corporation that are, directly or indirectly, owned of record or beneficially owned (within the meaning of Rule 13d-3 under the Exchange Act) by such Proposing Person, except that such Proposing Person shall in all events be deemed to beneficially own any shares of any class or series of the Corporation as to which such Proposing Person has a right to acquire beneficial ownership at any time in the future (the disclosures to be made pursuant to the foregoing clauses (A) and (B) are referred to as "Stockholder Information");

(ii) As to each Proposing Person, (A) the full notional amount of any securities that, directly or indirectly, underlie any "derivative security" (as such term is defined in Rule

16a-1(c) under the Exchange Act) that constitutes a "call equivalent position" (as such term is defined in Rule 16a-1(b) under the Exchange Act) ("Synthetic Equity Position") and that is, directly or indirectly, held or maintained by such Proposing Person with respect to any shares of any class or series of shares of the Corporation; *provided* that, for the purposes of the definition of "Synthetic Equity Position," the term "derivative security" shall also include any security or instrument that would not otherwise constitute a "derivative security" as a result of any feature that would make any conversion, exercise or similar right or privilege of such security or instrument becoming determinable only at some future date or upon the happening of a future occurrence, in which case the determination of the amount of securities into which such security or instrument would be convertible or exercisable shall be made assuming that such security or instrument is immediately convertible or exercisable at the time of such determination; and, *provided, further,* that any Proposing Person satisfying the requirements of Rule 13d-1(b)(1) under the Exchange Act (other than a Proposing Person that so satisfies Rule 13d-1(b)(1) under the Exchange Act solely by reason of Rule 13d-1(b)(1)(ii)(E)) shall not be deemed to hold or maintain the notional amount of any securities that underlie a Synthetic Equity Position held by such Proposing Person as a hedge with respect to a bona fide derivatives trade or position of such Proposing Person arising in the ordinary course of such Proposing Person's business as a derivatives dealer, (B) any rights to dividends on the shares of any class or series of shares of the Corporation owned beneficially by such Proposing Person that are separated or separable from the underlying shares of the Corporation, (C) any material pending or threatened legal proceeding in which such Proposing Person is a party or material participant involving the Corporation or any of its officers or directors, or any affiliate of the Corporation, (D) any other material relationship between such Proposing Person, on the one hand, and the Corporation or any affiliate of the Corporation, on the other hand, (E) any direct or indirect material interest in any material contract or agreement of such Proposing Person with the Corporation or any affiliate of the Corporation (including, in any such case, any employment agreement, collective bargaining agreement or consulting agreement), (F) a representation that such Proposing Person intends or is part of a group which intends to deliver a proxy statement or form of proxy to holders of at least the percentage of the Corporation's outstanding capital stock required to approve or adopt the proposal or otherwise solicit proxies or votes from stockholders in support of such proposal and (G) any other information relating to such Proposing Person that would be required to be disclosed in a proxy statement or other filing required to be made in connection with solicitations of proxies or consents by such Proposing Person in support of the business proposed to be brought before the meeting pursuant to Section 14(a) of the Exchange Act (the disclosures to be made pursuant to the foregoing clauses (A) through (G) are referred to as "Disclosable Interests"); *provided*, *however*, that Disclosable Interests shall not include any such disclosures with respect to the ordinary course business activities of any broker, dealer, commercial bank, trust company or other nominee who is a Proposing Person solely as a result of being the stockholder directed to prepare and submit the notice required by these Bylaws on behalf of a beneficial owner; and

(iii) As to each item of business that the stockholder proposes to bring before the annual meeting, (A) a brief description of the business desired to be brought before the annual meeting, the reasons for conducting such business at the annual meeting and any material interest in such business of each Proposing Person, (B) the text of the proposal or business (including the text of any resolutions proposed for consideration and in the event that such business includes a proposal to amend the Bylaws, the language of the proposed amendment), and (C) a reasonably detailed description of all agreements, arrangements and understandings (x) between or among any of the Proposing Persons or (y) between or among any Proposing Person and any other record or beneficial holder(s) or persons(s) who have a right to acquire beneficial ownership at any time in the future of the shares of any class or series of the Corporation (including their names) in connection with the proposal of such business by such stockholder; and (D) any other information relating to such item of business that would be required to be disclosed in a proxy statement or other filing required to be made in connection with solicitations of

proxies in support of the business proposed to be brought before the meeting pursuant to Section 14(a) of the Exchange Act; *provided*, *however*, that the disclosures required by this paragraph (iii) shall not include any disclosures with respect to any broker, dealer, commercial bank, trust company or other nominee who is a Proposing Person solely as a result of being the stockholder directed to prepare and submit the notice required by these Bylaws on behalf of a beneficial owner.

For purposes of this Section 2.3, the term "Proposing Person" shall mean (i) the stockholder providing the notice of business proposed to be brought before an annual meeting, (ii) the beneficial owner or beneficial owners, if different, on whose behalf the notice of the business proposed to be brought before the annual meeting is made, and (iii) any participant (as defined in paragraphs (a)(ii)-(vi) of Instruction 3 to Item 4 of Schedule 14A) with such stockholder in such solicitation.

(d) A Proposing Person shall update and supplement its notice to the Corporation of its intent to propose business at an annual meeting, if necessary, so that the information provided or required to be provided in such notice pursuant to this Section 2.3 shall be true and correct as of the record date for stockholders entitled to vote at the meeting and as of the date that is ten (10) business days prior to the meeting or any adjournment or postponement thereof, and such update and supplement shall be delivered to, or mailed and received by, the Secretary at the principal executive offices of the Corporation not later than five (5) business days after the record date for stockholders entitled to vote at the meeting (in the case of the update and supplement required to be made as of such record date), and not later than eight (8) business days prior to the date for the meeting or, if practicable, any adjournment or postponement thereof (and, if not practicable, on the first practicable date prior to the date to which the meeting has been adjourned or postponed) (in the case of the update and supplement required to be made as of ten (10) business days prior to the meeting or any adjournment or postponement thereof). For the avoidance of doubt, the obligation to update and supplement as set forth in this paragraph or any other Section of these Bylaws shall not limit the Corporation's rights with respect to any deficiencies in any notice provided by a stockholder, extend any applicable deadlines hereunder or enable or be deemed to permit a stockholder who has previously submitted notice hereunder to amend or update any proposal or to submit any new proposal, including by changing or adding matters, business or resolutions proposed to be brought before a meeting of the stockholders.

(e) Notwithstanding anything in these Bylaws to the contrary, no business shall be conducted at an annual meeting that is not properly brought before the meeting in accordance with this Section 2.3. The presiding officer of the meeting shall, if the facts warrant, determine that the business was not properly brought before the meeting in accordance with this Section 2.3, and if he or she should so determine, he or she shall so declare to the meeting and any such business not properly brought before the meeting shall not be transacted.

(f) This Section 2.3 is expressly intended to apply to any business proposed to be brought before an annual meeting of stockholders other than any proposal made in accordance with Rule 14a-8 under the Exchange Act and included in the Corporation's proxy statement. In addition to the requirements of this Section 2.3 with respect to any business proposed to be brought before an annual meeting, each Proposing Person shall comply with all applicable requirements of the Exchange Act with respect to any such business. Nothing in this Section 2.3 shall be deemed to affect the rights of stockholders to request inclusion of proposals in the Corporation's proxy statement pursuant to Rule 14a-8 under the Exchange Act.

(g) For purposes of these Bylaws, "public disclosure" shall mean disclosure in a press release reported by a national news service or in a document publicly filed by the Corporation with the Securities and Exchange Commission pursuant to Sections 13, 14 or 15(d) of the Exchange Act.

2.4 Special Meetings.

(a) Special meetings of the stockholders may be called only by such persons and only in such manner as set forth in the Certificate of Incorporation. Business transacted at any special meeting of stockholders shall be limited to matters relating to the purpose or purposes stated in the notice of meeting. The Board may postpone, reschedule or cancel any previously scheduled special meeting of stockholders.

(b) In order for a stockholder to call a special meeting of stockholders as permitted by and subject to the Certificate of Incorporation, such holder must deliver in writing and in proper form to the Secretary of the Corporation at the principal executive offices of the Corporation a written demand to call such special meeting in accordance with, and subject to, this Section 2.4. Such demand must be made by a stockholder of record as of the date of such demand (the "Demand Record Date") who holds at least a majority of the total voting power of the outstanding shares of capital stock of the Corporation entitled to vote generally in the election of directors (the "Requisite Percentage"). Only a stockholder of record who holds the Requisite Percentage on the Demand Record Date shall be entitled to demand that the Secretary of the Corporation call a special meeting of the stockholders pursuant to this Section 2.4. The notice of a special meeting shall state the purpose or purposes of the special meeting, and the business to be conducted at the special meeting shall be limited to the purpose or purposes stated in the notice and otherwise comply with the procedures set forth in this Section 2.4. Except in accordance with this Section 2.4, stockholders shall not be permitted to propose business to be brought before a special meeting of the stockholders. A stockholder who nominates persons for election to the board of directors at a special meeting must also comply with the requirements set forth in Section 2.5 and Section 2.6.

(c) To be in proper form for purposes of this Section 2.4, a demand to call a special meeting shall set forth (i) the business proposed to be conducted at the special meeting or the proposed election of directors at the special meeting, as the case may be, (ii) the text of the proposal or business (including the text of any resolutions proposed for consideration), if applicable, and (iii) if directors are proposed to be elected at the special meeting, the Nominee Information (as defined below) for each person whom the holder of the Requisite Percentage expects to nominate for election as a director at the special meeting.

(d) After receipt of a demand in proper form and in accordance with this Section 2.4 from a stockholder or stockholders holding the Requisite Percentage, the Board shall duly call, and determine the place, date and time of, a special meeting of stockholders for the purpose or purposes and to conduct the business specified in the demand received by the Corporation. Notwithstanding anything in these Bylaws to the contrary, the Board may submit its own proposal or proposals for consideration at such a special meeting. The record date for notice and voting for such a special meeting shall be fixed in accordance with Section 2.12 of these Bylaws. The Board shall provide written notice of such special meeting to the stockholders in accordance with Section 2.7 of these Bylaws.

(e) In connection with a special meeting called in accordance with this Section 2.4, the stockholder who delivered a demand to call a special meeting to the Secretary shall further update and supplement the information previously provided to the Corporation in connection with such demand, if necessary, so that the information provided or required to be provided in such request or demand pursuant

to this Section 2.4 shall be true and correct as of the record date for stockholders entitled to vote at the special meeting and as of the date that is ten (10) business days prior to the special meeting or any adjournment or postponement thereof, and such update and supplement shall be delivered to, or mailed and received by, the Secretary at the principal executive offices of the Corporation not later than five (5) business days after the record date for stockholders entitled to vote at the special meeting (in the case of the update and supplement required to be made as of such record date), and not later than eight (8) business days prior to the date for the special meeting or, if practicable, any adjournment or postponement thereof (and, if not practicable, on the first practicable date prior to the date to which the special meeting has been adjourned or postponed) (in the case of the update and supplement required to be made as of ten (10) business days prior to the special meeting or any adjournment or postponement thereof). For the avoidance of doubt, the obligation to update and supplement as set forth in this paragraph or any other Section of these Bylaws shall not limit the Corporation's rights with respect to any deficiencies in any request or demand provided by a stockholder, extend any applicable deadlines hereunder or enable or be deemed to permit a stockholder who has previously submitted a request or demand hereunder to amend or update any such request or demand, including by changing or adding nominees, matters, business or resolutions proposed to be brought before a meeting of the stockholders.

(f) Notwithstanding anything in these Bylaws to the contrary, the Secretary shall not be required to call a special meeting pursuant to this Section 2.4 except in accordance with this Section 2.4. If the Board shall determine that any demand to call and hold a special meeting was not properly made in accordance with this Section 2.4, or shall determine that a stockholder submitting a demand to call the special meeting has not otherwise complied with this Section 2.4, then the Board shall not be required to call and hold the special meeting. In addition to the requirements of this Section 2.4, each stockholder submitting a demand to call and hold a special meeting shall comply with all requirements of applicable law with respect to such demand, including all requirements of the Exchange Act.

2.5 Notice of Nominations for Election to the Board.

(a) Nominations of any person for election to the Board at an annual meeting or at a special meeting (but only if the election of directors is a matter specified in the notice of meeting given by or at the direction of the person calling such special meeting) may be made at such meeting only (i) by or at the direction of the Board, including by any committee or persons authorized to do so by the Board or these Bylaws, or (ii) by a stockholder present in person (A) who was a record owner of shares of the Corporation both at the time of giving the notice provided for in this Section 2.5 and at the time of the meeting, (B) is entitled to vote at the meeting, and (C) has complied with this Section 2.5 and Section 2.6 as to such notice and nomination. For purposes of this Section 2.5, "present in person" shall mean that the stockholder proposing that the business be brought before the meeting of the Corporation, or a qualified representative of such stockholder, appear at such meeting. A "qualified representative" of such proposing stockholder shall be a duly authorized officer, manager or partner of such stockholder or any other person authorized by a writing executed by such stockholder or an electronic transmission delivered by such stockholder to act for such stockholder as proxy at the meeting of stockholders and such person must produce such writing or electronic transmission, or a reliable reproduction of the writing or electronic transmission, at the meeting of stockholders. The foregoing clause (ii) shall be the exclusive means for a stockholder to make any nomination of a person or persons for election to the Board at an annual meeting or special meeting.

(b) (i) Without qualification, for a stockholder to make any nomination of a person or persons for election to the Board at an annual meeting, the stockholder must (1) provide Timely Notice (as defined in Section 2.3) thereof in writing and in proper form to the Secretary of the

Corporation, (2) provide the information, agreements and questionnaires with respect to such stockholder and its candidate for nomination as required to be set forth by this Section 2.5 and Section 2.6 and (3) provide any updates or supplements to such notice at the times and in the forms required by this Section 2.5 and Section 2.6.

(ii) Without qualification, if the election of directors is a matter specified in the notice of meeting given by or at the direction of the person calling a special meeting, then for a stockholder to make any nomination of a person or persons for election to the Board at a special meeting, the stockholder must (i) provide timely notice thereof (such notice, the "Special Meeting Nomination Timely Notice") in writing and in proper form to the Secretary of the Corporation at the principal executive offices of the Corporation, (ii) provide the information with respect to such stockholder and its candidate for nomination as required by this Section 2.5 and Section 2.6, and (iii) provide any updates or supplements to such notice at the times and in the forms required by this Section 2.5. To be a Special Meeting Nomination Timely Notice, a stockholder's notice for nominations to be made at a special meeting must be delivered to, or mailed and received at, the principal executive offices of the Corporation not earlier than the one hundred twentieth (120^{th}) day prior to such special meeting and not later than the ninetieth (90^{th}) day prior to such special meeting or, if later, the tenth (10^{th}) day following the day on which public disclosure (as defined in Section 2.3) of the date of such special meeting at which directors are to be elected was first made.

(iii) In no event shall any adjournment or postponement of an annual meeting or special meeting or the announcement thereof commence a new time period (or extend any time period) for the giving of a stockholder's notice as described above.

(iv) In no event may a Nominating Person provide Timely Notice or Special Meeting Nomination Timely Notice, as the case may be, with respect to a greater number of director candidates than are subject to election by stockholders at the applicable meeting. 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 2.5 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 2.5_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 (10th) day following the day on which such public disclosure is first made by the Corporation.

(c) To be in proper form for purposes of this Section 2.5, a stockholder's notice to the Secretary shall set forth:

(i) As to each Nominating Person (as defined below), the Stockholder Information (as defined in Section 2.3(c)(i), except that for purposes of this Section 2.5, the term "Nominating Person" shall be substituted for the term "Proposing Person" in all places it appears in Section 2.3(c)(i));

(ii) As to each Nominating Person, any Disclosable Interests (as defined in Section 2.3(c)(ii), except that for purposes of this Section 2.5, the term "Nominating Person" shall be substituted for the term "Proposing Person" in all places it appears in Section 2.3(c)(ii) and the disclosure with respect to the business to be brought before the meeting in Section 2.3(c)(iii) shall be made with respect to the election of directors at the meeting); and

(iii) As to each candidate whom a Nominating Person proposes to nominate for election as a director, (A) all information with respect to such candidate for nomination that would be required to be set forth in a stockholder's notice pursuant to this Section 2.5 and Section 2.6 if such candidate for nomination were a Nominating Person, (B) all information relating to such candidate for nomination that is required to be disclosed in a proxy statement or other filings required to be made in connection with solicitations of proxies for election of directors in a contested election pursuant to Section 14(a) under the Exchange Act (including such candidate's written consent to being named in the Corporation's proxy statement as a nominee and to serving as a director if elected), (C) a description of any direct or indirect material interest in any material contract or agreement between or among any Nominating Person, on the one hand, and each candidate for nomination or his or her respective associates or any other participants in such solicitation, on the other hand, including, without limitation, all information that would be required to be disclosed pursuant to Item 404 under Regulation S-K if such Nominating Person were the "registrant" for purposes of such rule and the candidate for nomination were a director or executive officer of such registrant (the disclosures to be made pursuant to the foregoing clauses (A) through (C) are referred to as "Nominee Information"), and (D) a completed and signed questionnaire, representation and agreement as provided in Section 2.6(a).

For purposes of this Section 2.5, the term "Nominating Person" shall mean (i) the stockholder providing the notice of the nomination proposed to be made at the meeting, (ii) the beneficial owner or beneficial owners, if different, on whose behalf the notice of the nomination proposed to be made at the meeting is made, and (iii) any participant (as defined in paragraphs (a)(ii)-(vi) of Instruction 3 to Item 4 of Schedule 14A) with such stockholder in such solicitation.

(d) A stockholder providing notice of any nomination proposed to be made at a meeting shall further update and supplement such notice, if necessary, so that the information provided or required to be provided in such notice pursuant to this Section 2.5 shall be true and correct as of the record date for stockholders entitled to vote at the meeting and as of the date that is ten (10) business days prior to the meeting or any adjournment or postponement thereof, and such update and supplement shall be delivered to, or mailed and received by, the Secretary at the principal executive offices of the Corporation not later than five (5) business days after the record date for stockholders entitled to vote at the meeting (in the case of the update and supplement required to be made as of such record date), and not later than eight (8) business days prior to the date for the meeting or, if practicable, any adjournment or postponement thereof (and, if not practicable, on the first practicable date prior to the date to which the meeting has been adjourned or postponed) (in the case of the update and supplement required to be made as of ten (10) business days prior to the meeting or any adjournment or postponement thereof). For the avoidance of doubt, the obligation to update and supplement as set forth in this paragraph or any other Section of these Bylaws shall not limit the Corporation's rights with respect to any deficiencies in any notice provided by a stockholder, extend any applicable deadlines hereunder or enable or be deemed to permit a stockholder who has previously submitted notice hereunder to amend or update any nomination or to submit any new nomination.

(e) In addition to the requirements of this Section 2.5 with respect to any nomination proposed to be made at a meeting, each Nominating Person shall comply with all applicable requirements of the Exchange Act with respect to any such nominations.

2.6 Additional Requirements for Valid Nomination of Candidates to Serve as Director and, if Elected, to be Seated as Directors.

(a) To be eligible to be a candidate for election as a director of the Corporation at an annual or special meeting, a candidate must be nominated in the manner prescribed in Section 2.5 and the candidate for nomination, whether nominated by the Board or by a stockholder of record, must have previously delivered (in accordance with the time period prescribed for delivery in a notice to such candidate given by or on behalf of the Board), to the Secretary at the principal executive offices of the Corporation, (i) a completed written questionnaire (in a form provided by the Corporation) with respect to the background, qualifications, stock ownership and independence of such proposed nominee and (ii) a written representation and agreement (in form provided by the Corporation) that such candidate for nomination (A) is not and, if elected as a director during his or her term of office, will not become a party to (1) any agreement, arrangement or understanding with, and has not given and will not give any commitment or assurance to, any person or entity as to how such proposed nominee, if elected as a director of the Corporation, will act or vote on any issue or question that has not been disclosed to the Corporation (a "Voting Commitment") or (2) any Voting Commitment that could limit or interfere with such proposed nominee's ability to comply, if elected as a director of the Corporation, with such proposed nominee's fiduciary duties under applicable law, (B) is not, and will not become a party to, any agreement, arrangement or understanding with any person or entity other than the Corporation with respect to any direct or indirect compensation or reimbursement for service as a director that has not been disclosed to the Corporation, (C) if elected as a director of the Corporation, will comply with all applicable corporate governance, conflict of interest, confidentiality, stock ownership and trading and other policies and guidelines of the Corporation applicable to directors and in effect during such person's term in office as a director (and, if requested by any candidate for nomination, the Secretary of the Corporation shall provide to such candidate for nomination all such policies and guidelines then in effect), and (D) if elected as director of the Corporation, intends to serve the entire term until the next meeting at which such candidate would face re-election.

(b) The Board may also require any proposed candidate for nomination as a director to furnish such other information as may reasonably be requested by the Board in writing (in accordance with the time period prescribed for delivery in a notice to such candidate given by or on behalf of the Board) in order for the Board to determine the eligibility of such candidate for nomination to be an independent director of the Corporation in accordance with the Corporation's Corporate Governance Guidelines.

(c) A candidate for nomination as a director shall further update and supplement the materials delivered pursuant to this Section 2.6, if necessary, so that the information provided or required to be provided pursuant to this Section 2.6 shall be true and correct as of the record date for stockholders entitled to vote at the meeting and as of the date that is ten (10) business days prior to the meeting or any adjournment or postponement thereof, and such update and supplement shall be delivered to, or mailed and received by, the Secretary at the principal executive offices of the Corporation (or any other office specified by the Corporation in any public announcement) not later than five (5) business days after the record date for stockholders entitled to vote at the meeting (in the case of the update and supplement required to be made as of such record date), and not later than eight (8) business days prior to the date for the meeting or, if practicable, any adjournment or postponement thereof (and, if not practicable, on the first practicable date prior to the date to which the meeting has been adjourned or postponed) (in the case of the update and supplement required to be made as of ten (10) business days prior to the meeting or any adjournment or postponement thereof). For the avoidance of doubt, the obligation to update and supplement as set forth in this paragraph or any other Section of these Bylaws shall not limit the

Corporation's rights with respect to any deficiencies in any notice provided by a stockholder, extend any applicable deadlines hereunder or enable or be deemed to permit a stockholder who has previously submitted notice hereunder to amend or update any proposal or to submit any new proposal, including by changing or adding nominees, matters, business or resolutions proposed to be brought before a meeting of the stockholders.

(d) No candidate shall be eligible for nomination as a director of the Corporation unless such candidate for nomination and the Nominating Person seeking to place such candidate's name in nomination has complied with Section 2.5 and this Section 2.6, as applicable. The presiding officer at the meeting shall, if the facts warrant, determine that a nomination was not properly made in accordance with Section 2.5 and this Section 2.6, and if he or she should so determine, he or she shall so declare such determination to the meeting, the defective nomination shall be disregarded and any ballots cast for the candidate in question (but in the case of any form of ballot listing other qualified nominees, only the ballots cast for the nominee in question) shall be void and of no force or effect.

(e) Notwithstanding anything in these Bylaws to the contrary, no candidate for nomination shall be eligible to be seated as a director of the Corporation unless nominated and elected in accordance with Section 2.5 and this Section 2.6.

2.7 Notice of Stockholders' Meetings.

Unless otherwise provided by law, the Certificate of Incorporation or these Bylaws, the notice of any meeting of stockholders shall be sent or otherwise given in accordance with Section 8.1 of these Bylaws not less than ten (10) nor more than sixty (60) days before the date of the meeting to each stockholder entitled to vote at such meeting. The notice shall specify the place, if any, date and time of the meeting, the means of remote communication, if any, by which stockholders and proxy holders may be deemed to be present in person and vote at such meeting, and, in the case of a special meeting, the purpose or purposes for which the meeting is called.

2.8 Quorum.

Unless otherwise provided by law, the Certificate of Incorporation or these Bylaws, the holders of a majority in voting power of the stock issued and outstanding and entitled to vote at the meeting, present in person, or by remote communication, if applicable, or represented by proxy, shall constitute a quorum for the transaction of business at all meetings of the stockholders. A quorum, once established at a meeting, shall not be broken by the withdrawal of enough votes to leave less than a quorum. If, however, a quorum is not present or represented at any meeting of the stockholders, then either (i) the person presiding over the meeting or (ii) a majority in voting power of the stockholders entitled to vote at the meeting, present in person, or by remote communication, if applicable, or represented by proxy, shall have power to adjourn the meeting from time to time in the manner provided in Section 2.9 of these Bylaws until a quorum is present or represented. At any adjourned meeting at which a quorum is present or represented, any business may be transacted that might have been transacted at the meeting as originally noticed.

2.9 Adjourned Meeting; Notice.

When a meeting of stockholders is adjourned to another time or place, unless these Bylaws otherwise require, notice need not be given of the adjourned meeting if the time, place, if any, thereof, and the means of remote communications, if any, by which stockholders and proxy holders may be deemed to be present in person and vote at such adjourned meeting are announced at the meeting at which

the adjournment is taken. At any adjourned meeting, the Corporation may transact any business which might have been transacted at the original meeting. If the adjournment is for more than thirty (30) days, a notice of the adjourned meeting shall be given to each stockholder of record entitled to vote at the meeting. If after the adjournment a new record date for determination of stockholders entitled to vote is fixed for the adjourned meeting, the Board shall fix as the record date for determining 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 entitled to vote at such meeting as of the record date so fixed for notice of such adjourned meeting.

2.10 Conduct of Business.

The date and time of the opening and the closing of the polls for each matter upon which the stockholders will vote at a meeting shall be announced at the meeting by the person presiding over the meeting. The Board may adopt by resolution such rules and regulations for the conduct of the meeting of stockholders as it shall deem appropriate. Except to the extent inconsistent with such rules and regulations as adopted by the Board, the person presiding over any meeting of stockholders shall have the right and authority to convene and (for any or no reason) to recess and/or adjourn the meeting, to prescribe such rules, regulations and procedures (which need not be in writing) and to do all such acts as, in the judgment of such presiding person, are appropriate for the proper conduct of the meeting. Such rules, regulations or procedures, whether adopted by the Board or prescribed by the person presiding over the meeting, may include, without limitation, the following: (i) the establishment of an agenda or order of business for the meeting; (ii) rules and procedures for maintaining order at the meeting and the safety of those present (including, without limitation, rules and procedures for removal of disruptive persons from the meeting); (iii) limitations on attendance at or participation in the meeting to stockholders entitled to vote at the meeting, their duly authorized and constituted proxies or such other persons as the person presiding over the meeting shall determine; (iv) restrictions on entry to the meeting after the time fixed for the commencement thereof; and (v) limitations on the time allotted to questions or comments by participants. The presiding person at any meeting of stockholders, in addition to making any other determinations that may be appropriate to the conduct of the meeting (including, without limitation, determinations with respect to the administration and/or interpretation of any of the rules, regulations or procedures of the meeting, whether adopted by the Board or prescribed by the person presiding over the meeting), shall, if the facts warrant, determine and declare to the meeting that a matter of business was not properly brought before the meeting and if such presiding person should so determine, such presiding person shall so declare to the meeting and any such matter or business not properly brought before the meeting shall not be transacted or considered. Unless and to the extent determined by the Board or the person presiding over the meeting, meetings of stockholders shall not be required to be held in accordance with the rules of parliamentary procedure.

2.11 Voting.

Except as may be otherwise provided in the Certificate of Incorporation or the DGCL, each stockholder shall be entitled to one (1) vote for each share of capital stock held by such stockholder. Except as otherwise provided by the Certificate of Incorporation, at all duly called or convened meetings of stockholders at which a quorum is present, for the election of directors, a plurality of the votes cast shall be sufficient to elect a director. Except as otherwise provided by the Certificate of Incorporation, these Bylaws, the rules or regulations of any stock exchange applicable to the Corporation, or applicable law or pursuant to any regulation applicable to the Corporation or its securities, each other matter presented to the stockholders at a duly called or convened meeting at which a quorum is present shall be

decided by the affirmative vote of the holders of a majority in voting power of the votes cast (excluding abstentions and broker non-votes) on such matter.

2.12 Record Date for Stockholder Meetings and Other Purposes.

In order that the Corporation may determine the stockholders entitled to notice of or to vote at any meeting of stockholders or any adjournment thereof, the Board may fix a record date, which record date shall not precede the date upon which the resolution fixing the record date is adopted by the Board, and which record date shall, unless otherwise required by law, not be more than sixty (60) days 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 the close of business on the next day preceding the day on which notice is first given, or, if notice is waived, at the close of business on the day next preceding the day on which the meeting is held. A determination of stockholders of record entitled to notice of or to vote at a meeting of stockholders shall apply to any adjournment of the meeting; *provided, however,* that the Board may fix a new record date for determination of stockholders entitled to vote at the adjourned meeting; and in such case shall also fix as the record date for stockholders entitled to notice of such adjourned meeting the same or an earlier date as that fixed for determination of stockholders entitled to vote in accordance herewith at the adjourned meeting.

In order that the Corporation may determine the stockholders entitled to receive payment of any dividend or other distribution or allotment or any rights or the stockholders entitled to exercise any rights in respect of any change, conversion or exchange of capital stock, or for the purposes 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 at the close of business on the day on which the Board adopts the resolution relating thereto.

2.13 Proxies.

Each stockholder entitled to vote at a meeting of stockholders or (to the extent permitted by the Certificate of Incorporation) to express consent to corporate action without a meeting may authorize another person or persons to act for such stockholder by proxy authorized by an instrument in writing or by a transmission permitted by law filed in accordance with the procedure established for the meeting, but no such proxy shall be voted or acted upon after three (3) years from its date, unless the proxy provides for a longer period. The revocability of a proxy that states on its face that it is irrevocable shall be governed by the provisions of Section 212 of the DGCL. A proxy may be in the form of an electronic transmission which sets forth or is submitted with information from which it can be determined that the transmission was authorized by the stockholder.

Any stockholder directly or indirectly soliciting proxies from other stockholders must use a proxy card color other than white, which shall be reserved for the exclusive use by the Board.

2.14 List of Stockholders Entitled to Vote.

The Corporation shall prepare, at least ten (10) days before every meeting of stockholders, a complete list of the stockholders entitled to vote at the meeting (provided, however, that if the record date for determining the stockholders entitled to vote is less than ten (10) days before the date of the meeting, the list shall reflect the stockholders entitled to vote as of the tenth day before the 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. The Corporation shall not be required to include electronic mail addresses or other electronic contact information on such list. Such list shall be open to the examination of any stockholder, for any purpose germane to the meeting for a period of at least ten (10) days prior to the meeting: (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 Corporation's principal executive office. In the event that the Corporation determines to make the list available on an electronic network, the Corporation may take reasonable steps to ensure that such information is available only to stockholders of the Corporation. If the meeting is to be held at a place, then the list shall be produced and kept at the time and place of the meeting during the whole time thereof, and may be inspected by any stockholder who is present. If the meeting is to be held solely by means of remote communication, then the list shall also be open to the examination of any stockholder during the whole time of the meeting on a reasonably accessible electronic network, and the information required to access such list shall be provided with the notice of the meeting. Such list shall presumptively determine the identity of the stockholders entitled to vote at the meeting and the number of shares held by each of them. Except as otherwise provided by law, the stock ledger shall be the only evidence as to who are the stockholders entitled to examine the list of stockholders required by this Section 2.14 or to vote in person or by proxy at any meeting of stockholders.

2.15 Inspectors of Election.

Before any meeting of stockholders, the Corporation shall appoint an inspector or inspectors of election to act at the meeting or its adjournment and make a written report thereof. The Corporation may designate one or more persons as alternate inspectors to replace any inspector who fails to act. If any person appointed as inspector or any alternate fails to appear or fails or refuses to act, then the person presiding over the meeting shall appoint a person to fill that vacancy.

Such inspectors shall:

(a) determine the number of shares outstanding and the voting power of each, the number of shares represented at the meeting and the validity of any proxies and ballots;

(b) count all votes or ballots;

(c) count and tabulate all votes;

(d) determine and retain for a reasonable period a record of the disposition of any challenges made to any determination by the inspector(s); and

(e) certify its or their determination of the number of shares represented at the meeting and its or their count of all votes and ballots.

Each inspector, before entering upon the discharge of the duties of inspector, shall take and sign an oath faithfully to execute the duties of inspection with strict impartiality and according to the best of

such inspector's ability. Any report or certificate made by the inspectors of election is prima facie evidence of the facts stated therein. The inspectors of election may appoint such persons to assist them in performing their duties as they determine.

2.16 Action by Consent in Lieu of a Meeting.

(a) Any action required or permitted to be taken by the stockholders of the Corporation may be effected by consent in lieu of a meeting only as provided by the Certificate of Incorporation. Any such action may be taken without a meeting, without prior notice and without a vote, if a consent or consents in writing or by electronic transmission, setting forth the action so taken, (i) shall be signed by holders of outstanding shares of the Corporation having not less than the minimum number of votes that would be necessary to authorize or take such action at a meeting at which all shares entitled to vote thereon were present and voted and (ii) shall be delivered to the Corporation in accordance with Section 228 of the DGCL. No consent shall be effective to take corporate action unless, within sixty (60) days of the first date on which a consent is so delivered to the Corporation in the manner described in this Section 2.16, consents signed by a sufficient number of holders to take such action are delivered to the Corporation in the manner described in this Section 2.16. Only stockholders of record on the Consent Record Date shall be entitled to consent to corporate action without a meeting.

(b) Without qualification, any stockholder of record seeking to have the stockholders authorize or take any action by consent in lieu of a meeting shall first request in writing that the Board fix a record date for the purpose of determining the stockholders entitled to take such action, which request shall set forth a description of the action or actions to be taken by consent and shall be delivered to, or mailed and received by, the Secretary of the Corporation at the principal executive offices of the Corporation. Within ten (10) days after receipt of a request in proper form and otherwise in compliance with this Section 2.16(b) from any such stockholder, the Board may adopt a resolution fixing a record date for the purpose of determining the stockholders entitled to take such action, which date shall not be more than ten (10) days after the date upon which the resolution fixing the record date is adopted by the Board. If no resolution fixing a record date has been adopted by the Board within such ten (10) day period after the date on which such a request is received, (i) the record date for determining stockholders entitled to consent to such action, when no prior action of the Board is required by applicable law, shall be the first date on which valid signed consents constituting at least a majority of the outstanding shares of the Corporation and setting forth the action taken or proposed to be taken is delivered to the Corporation in the manner described in this Section 2.16, and (ii) the record date for determining stockholders entitled to consent to such action, when prior action by the Board is required by applicable law, shall be at the close of business on the date on which the Board adopts the resolution taking such prior action.

(c) If directors are proposed by the stockholders to be elected by consent (to the extent permitted by the Certificate of Incorporation), the stockholder of record requesting that the Board fix a record date shall set forth in the request the Nominee Information (as defined above) for each person who is proposed to be elected as a director by consent.

(d) Notwithstanding anything in these Bylaws to the contrary, no action may be taken by the stockholders by consent in lieu of a meeting except in accordance with this Section 2.16. If the Board shall determine that any request from a stockholder to fix a record date or to take stockholder action by consent was not properly made in accordance with this Section 2.16, or the stockholder or stockholders seeking to take such action do not otherwise comply with this Section 2.16, then the Board of Directors shall not be required to fix a record date and any such purported action by consent shall be

null and void to the fullest extent permitted by applicable law. In addition to the requirements of this Section 2.16 with respect to stockholders seeking to take an action by consent, each person requesting that the Board fix a record date and proposing the action or actions to be taken by consent shall comply with all requirements of applicable law, including all requirements of the Exchange Act, with respect to such actions.

2.17 Delivery to the Corporation.

Whenever this Article II requires one or more persons (including a record or beneficial owner of stock) to deliver a document or information to the Corporation or any officer, employee or agent thereof (including any notice, request, questionnaire, revocation, representation or other document or agreement), such document or information shall be in writing exclusively (and not in an electronic transmission) and shall be delivered exclusively by hand (including, without limitation, overnight courier service) or by certified or registered mail, return receipt requested, and the Corporation shall not be required to accept delivery of any document not in such written form or so delivered. For the avoidance of doubt, the Corporation expressly opts out of Section 116 of the DGCL with respect to the delivery of information and documents to the Corporation required by this Article II.

Article III.
Directors

3.1 Powers.

Except as otherwise provided by the Certificate of Incorporation or the DGCL, the business and affairs of the Corporation shall be managed by or under the direction of the Board.

3.2 Number of Directors.

Subject to the Certificate of Incorporation, the total number of directors constituting the Board shall be determined from time to time by resolution of the Board. No reduction of the authorized number of directors shall have the effect of removing any director before that director's term of office expires.

3.3 Election, Qualification and Term of Office of Directors.

Except as provided in Section 3.4 of these Bylaws, and subject to the Certificate of Incorporation, each director, including a director elected to fill a vacancy or newly created directorship, shall hold office until the date of the next annual meeting of stockholders following the election or appointment of such director and until such director's successor is elected and qualified or until such director's earlier death, resignation, disqualification or removal. Directors need not be stockholders. The Certificate of Incorporation or these Bylaws may prescribe qualifications for directors.

3.4 Resignation and Vacancies.

Any director may resign at any time upon notice given in writing or by electronic transmission to the Corporation. The resignation shall take effect at the time specified therein or upon the happening of an event specified therein, and if no time or event is specified, at the time of its receipt. When one or more directors so resigns and the resignation is effective at a future date or upon the happening of an event to occur on a future date, a majority of the directors then in office, including those who have so resigned, shall have power to fill such vacancy or vacancies, the vote thereon to take effect when such

resignation or resignations shall become effective, and each director so chosen shall hold office as provided in Section 3.3.

Unless otherwise provided in the Certificate of Incorporation or these Bylaws, vacancies resulting from the death, resignation, disqualification or removal from office of any director or from any other cause, and newly created directorships resulting from any increase in the authorized number of directors, shall be filled solely by the affirmative vote of a majority of the directors then in office, even if less than a quorum, or by a sole remaining director, and shall not be filled by the stockholders.

3.5 Place of Meetings; Meetings by Telephone.

The Board may hold meetings, both regular and special, either within or outside the State of Delaware.

Unless otherwise restricted by the Certificate of Incorporation or these Bylaws, members of the Board, or any committee designated by the Board, may participate in a meeting of the Board, or any committee, by means of conference telephone or other communications equipment by means of which all persons participating in the meeting can hear each other, and such participation in a meeting pursuant to this Bylaw shall constitute presence in person at the meeting.

3.6 Regular Meetings.

Regular meetings of the Board may be held within or outside the State of Delaware and at such time and at such place as which has been designated by the Board and publicized among all directors, either orally or in writing, by telephone, including a voice messaging system or other system designed to record and communicate messages, facsimile, or by electronic mail or other means of electronic transmission. No further notice shall be required for regular meetings of the Board.

3.7 Special Meetings; Notice.

Special meetings of the Board for any purpose or purposes may be called at any time by the chairperson of the Board, the Chief Executive Officer, the President, the Secretary or a majority of the total number of directors constituting the Board.

Notice of the time and place of special meetings shall be:

(a) delivered personally by hand, by courier or by telephone;

(b) sent by United States first-class mail, postage prepaid;

(c) sent by facsimile or electronic mail; or

(d) sent by other means of electronic transmission,

directed to each director at that director's address, telephone number, facsimile number or electronic mail address, or other address for electronic transmission, as the case may be, as shown on the Corporation's records.

If the notice is (i) delivered personally by hand, by courier or by telephone, (ii) sent by facsimile or electronic mail, or (iii) sent by other means of electronic transmission, it shall be delivered or sent at

least twenty-four (24) hours before the time of the holding of the meeting. If the notice is sent by U.S. mail, it shall be deposited in the U.S. mail at least four (4) days before the time of the holding of the meeting. The notice need not specify the place of the meeting (if the meeting is to be held at the Corporation's principal executive office) nor the purpose of the meeting.

3.8 Quorum; Vote Required for Action.

At all meetings of the Board, unless otherwise provided by the Certificate of Incorporation, a majority of the total number of directors shall constitute a quorum for the transaction of business. The vote of a majority of the directors present at any meeting at which a quorum is present shall be the act of the Board, except as may be otherwise specifically provided by statute, applicable law, the rules and regulations for listed companies as in effect from time to time of the principal United States national securities exchange on which the capital stock of the Corporation is listed for trading, the Certificate of Incorporation or these Bylaws. If a quorum is not present at any meeting of the Board, then the directors present thereat may adjourn the meeting from time to time, without notice other than announcement at the meeting, until a quorum is present.

3.9 Board Action without a Meeting.

Unless otherwise restricted by the Certificate of Incorporation or these Bylaws, any action required or permitted to be taken at any meeting of the Board, or of any committee thereof, may be taken without a meeting if all members of the Board or committee, as the case may be, consent thereto in writing or by electronic transmission. After an action is taken, the consent or consents relating thereto shall be filed with the minutes of the proceedings of the Board, or the committee thereof, in the same paper or electronic form as the minutes are maintained. Such action by consent in writing or by electronic transmission shall have the same force and effect as a unanimous vote of the Board.

3.10 Fees and Compensation of Directors.

Unless otherwise restricted by the Certificate of Incorporation or these Bylaws, the Board shall have the authority to fix the compensation, including without limitation fees and reimbursement of expenses, of directors for services to the Corporation in any capacity.

Article IV.
Committees

4.1 Committees of Directors.

The Board may designate one (1) or more committees, each committee to consist of one (1) or more of the directors of the Corporation. The Board may designate one (1) or more directors as alternate members of any committee, who may replace any absent or disqualified member at any meeting of the committee. In the absence or disqualification of a member of a committee, the member or members thereof present at any meeting and not disqualified from voting, whether or not such member or members constitute a quorum, may unanimously appoint another member of the Board to act at the meeting in the place of any such absent or disqualified member. Any such committee, to the extent permitted by law and to the extent provided in the resolution of the Board or in these Bylaws, shall have and may exercise all the powers and authority of the Board in the management of the business and affairs of the Corporation, and may authorize the seal of the Corporation to be affixed to all papers that may require it; but no such committee shall have the power or authority to (i) approve or adopt, or recommend to the stockholders,

any action or matter (other than the election or removal of directors) expressly required by the DGCL to be submitted to stockholders for approval, or (ii) adopt, amend or repeal any bylaw of the Corporation.

4.2 Committee Minutes.

Each committee shall keep regular minutes of its meetings and report the same to the Board when required.

4.3 Meetings and Actions of Committees.

Meetings and actions of committees shall be governed by, and held and taken in accordance with, the provisions of:

(i) Section 3.5 (place of meetings; meetings by telephone);

(ii) Section 3.6 (regular meetings);

(iii) Section 3.7 (special meetings; notice);

(iv) Section 3.9 (board action without a meeting); and

(v) Section 7.13 (waiver of notice),

with such changes in the context of those Bylaws as are necessary to substitute the committee and its members for the Board and its members. *However*:

(i) the time of regular meetings of committees may be determined either by resolution of the Board or by resolution of the committee;

(ii) special meetings of committees may also be called by resolution of the Board or the chairperson of the applicable committee; and

(iii) the Board may adopt rules for the governance of any committee to override the provisions that would otherwise apply to the committee pursuant to this Section 4.5, provided that such rules do not violate the provisions of the Certificate of Incorporation or applicable law.

4.4 Subcommittees.

Unless otherwise provided in the Certificate of Incorporation, these Bylaws or the resolutions of the Board designating the committee, a committee may create one (1) or more subcommittees, each subcommittee to consist of one (1) or more members of the committee, and delegate to a subcommittee any or all of the powers and authority of the committee.

Article V.
Officers

5.1 Officers.

The officers of the Corporation shall include a Chief Executive Officer, a President and a Secretary. The Corporation may also have, at the discretion of the Board, a Chairperson of the Board, a

President, a Vice Chairperson of the Board, a Chief Financial Officer, a Treasurer, one (1) or more Vice Presidents, one (1) or more Assistant Vice Presidents, one (1) or more Assistant Treasurers, one (1) or more Assistant Secretaries, and any such other officers as may be appointed in accordance with the provisions of these Bylaws. Any number of offices may be held by the same person. No officer need be a stockholder or director of the Corporation.

5.2 Appointment of Officers.

The Board shall appoint the officers of the Corporation, except such officers as may be appointed in accordance with the provisions of Section 5.3 of these Bylaws.

5.3 Subordinate Officers.

The Board may appoint, or empower the Chief Executive Officer to appoint, such other officers and agents as the business of the Corporation may require. Each of such officers and agents shall hold office for such period, have such authority, and perform such duties as are provided in these Bylaws or as the Board may from time to time determine.

5.4 Removal and Resignation of Officers.

Subject to the rights, if any, of an officer under any contract of employment, any officer may be removed, either with or without cause, by the Board or, except in the case of an officer chosen by the Board, by any officer upon whom such power of removal may be conferred by the Board.

Any officer may resign at any time by giving written notice to the Corporation. Any resignation shall take effect at the date of the receipt of that notice or at any later time specified in that notice. Unless otherwise specified in the notice of resignation, the acceptance of the resignation shall not be necessary to make it effective. Any resignation is without prejudice to the rights, if any, of the Corporation under any contract to which the officer is a party.

5.5 Vacancies in Offices.

Any vacancy occurring in any office of the Corporation shall be filled by the Board or as provided in Section 5.2.

5.6 Representation of Shares of Other Corporations.

The Chairperson of the Board or the Chief Executive Officer of this Corporation, or any other person authorized by the Board or the Chief Executive Officer, is authorized to vote, represent and exercise on behalf of this Corporation all rights incident to any and all shares or voting securities of any other corporation or other entity standing in the name of this Corporation. The authority granted herein may be exercised either by such person directly or by any other person authorized to do so by proxy or power of attorney duly executed by such person having the authority.

5.7 Authority and Duties of Officers.

All officers of the Corporation shall respectively have such authority and perform such duties in the management of the business of the Corporation as may be provided herein or designated from time to time by the Board and, to the extent not so provided, as generally pertain to their respective offices, subject to the control of the Board.

5.8 Compensation.

The compensation of the officers of the Corporation for their services as such shall be fixed from time to time by or at the direction of the Board. An officer of the Corporation shall not be prevented from receiving compensation by reason of the fact that he or she is also a director of the Corporation.

Article VI.
Records

A stock ledger consisting of one or more records in which the names of all of the Corporation's stockholders of record, the address and number of shares registered in the name of each such stockholder, and all issuances and transfers of stock of the corporation are recorded in accordance with Section 224 of the DGCL shall be administered by or on behalf of the Corporation. Any records administered by or on behalf of the Corporation in the regular course of its business, including its stock ledger, books of account, and minute books, may be kept on, or by means of, or be in the form of, any information storage device, or method, or one or more electronic networks or databases (including one or more distributed electronic networks or databases), provided that the records so kept can be converted into clearly legible paper form within a reasonable time and, with respect to the stock ledger, that the records so kept (i) can be used to prepare the list of stockholders specified in Sections 219 and 220 of the DGCL, (ii) record the information specified in Sections 156, 159, 217(a) and 218 of the DGCL, and (iii) record transfers of stock as governed by Article 8 of the Uniform Commercial Code as adopted in the State of Delaware.

Article VII.
General Matters

7.1 Execution of Corporate Contracts and Instruments.

The Board, except as otherwise provided in these Bylaws, may authorize any officer or officers, or agent or agents, to enter into any contract or execute any instrument in the name of and on behalf of the Corporation; such authority may be general or confined to specific instances.

7.2 Stock Certificates.

The shares of the Corporation shall be represented by certificates, provided that the Board by resolution may provide that some or all of the shares of any class or series of stock of the Corporation shall be uncertificated. Certificates for the shares of stock, if any, shall be in such form as is consistent with the Certificate of Incorporation and applicable law. Every holder of stock represented by a certificate shall be entitled to have a certificate signed by, or in the name of the Corporation by, any two officers authorized to sign stock certificates representing the number of shares registered in certificate form. The Chairperson or any Vice Chairperson of the Board, Chief Executive Officer, Chief Financial Officer, Vice President, Treasurer, any Assistant Treasurer, the Secretary or any Assistant Secretary of the Corporation shall be specifically authorized to sign stock certificates. Any or all of the signatures on the certificate may be a facsimile. In case any officer, transfer agent or registrar who has signed or whose facsimile signature has been placed upon a certificate has ceased to be such officer, transfer agent or registrar before such certificate is issued, it may be issued by the Corporation with the same effect as if he or she were such officer, transfer agent or registrar at the date of issue.

The Corporation may issue the whole or any part of its shares as partly paid and subject to call for the remainder of the consideration to be paid therefor. Upon the face or back of each stock certificate issued to represent any such partly paid shares, or upon the books and records of the Corporation in the

case of uncertificated partly paid shares, the total amount of the consideration to be paid therefor and the amount paid thereon shall be stated. Upon the declaration of any dividend on fully paid shares, the Corporation shall declare a dividend upon partly paid shares of the same class, but only upon the basis of the percentage of the consideration actually paid thereon.

7.3 Special Designation of Certificates.

If the Corporation is authorized to issue more than one class of stock or more than one series of any class, then the powers, the designations, the preferences and the relative, participating, optional or other special rights of each class of stock or series thereof and the qualifications, limitations or restrictions of such preferences and/or rights shall be set forth in full or summarized on the face or on the back of the certificate that the Corporation shall issue to represent such class or series of stock (or, in the case of uncertificated shares, set forth in a notice provided pursuant to Section 151 of the DGCL); provided, however, that except as otherwise provided in Section 202 of the DGCL, in lieu of the foregoing requirements, there may be set forth on the face of back of the certificate that the Corporation shall issue to represent such class or series of stock (or, in the case of any uncertificated shares, included in the aforementioned notice) a statement that the Corporation will furnish without charge to each stockholder who so requests the powers, the designations, the preferences and the relative, participating, optional or other special rights of each class of stock or series thereof and the qualifications, limitations or restrictions of such preferences and/or rights.

7.4 Lost Certificates.

Except as provided in this Section 7.4, no new certificates for shares shall be issued to replace a previously issued certificate unless the latter is surrendered to the Corporation and cancelled at the same time. The Corporation may issue a new certificate of stock or uncertificated shares in the place of any certificate theretofore issued by it, alleged to have been lost, stolen or destroyed, and the Corporation may require the owner of the lost, stolen or destroyed certificate, or such owner's legal representative, to give the Corporation a bond sufficient to indemnify it against any claim that may be made against it on account of the alleged loss, theft or destruction of any such certificate or the issuance of such new certificate or uncertificated shares.

7.5 Shares Without Certificates.

The Corporation may adopt a system of issuance, recordation and transfer of its shares of stock by electronic or other means not involving the issuance of certificates, provided the use of such system by the Corporation is permitted in accordance with applicable law.

7.6 Construction; Definitions.

Unless the context requires otherwise, the general provisions, rules of construction and definitions in the DGCL shall govern the construction of these Bylaws. Without limiting the generality of this provision, the singular number includes the plural and the plural number includes the singular.

7.7 Dividends.

The Board, subject to any restrictions contained in either (i) the DGCL or (ii) the Certificate of Incorporation, may declare and pay dividends upon the shares of its capital stock. Dividends may be paid in cash, in property or in shares of the Corporation's capital stock.

The Board may set apart out of any of the funds of the Corporation available for dividends a reserve or reserves for any proper purpose and may abolish any such reserve. Such purposes shall include but not be limited to equalizing dividends, repairing or maintaining any property of the Corporation, and meeting contingencies.

7.8 Fiscal Year.

The fiscal year of the Corporation shall be fixed by resolution of the Board and may be changed by the Board.

7.9 Seal.

The Corporation may adopt a corporate seal, which shall be adopted and which may be altered by the Board. The Corporation may use the corporate seal by causing it or a facsimile thereof to be impressed or affixed or in any other manner reproduced.

7.10 Transfer of Stock.

Shares of the Corporation shall be transferable in the manner prescribed by law and in these Bylaws. Shares of stock of the Corporation shall be transferred on the books of the Corporation only by the holder of record thereof or by such holder's attorney duly authorized in writing, upon surrender to the Corporation of the certificate or certificates representing such shares endorsed by the appropriate person or persons (or by delivery of duly executed instructions with respect to uncertificated shares), with such evidence of the authenticity of such endorsement or execution, transfer, authorization and other matters as the Corporation may reasonably require, and accompanied by all necessary stock transfer stamps. No transfer of stock shall be valid as against the Corporation for any purpose until it shall have been entered in the stock records of the Corporation by an entry showing the names of the persons from and to whom it was transferred.

7.11 Stock Transfer Agreements.

The Corporation shall have power to enter into and perform any agreement with any number of stockholders of any one or more classes or series of stock of the Corporation to restrict the transfer of shares of stock of the Corporation of any one or more classes owned by such stockholders in any manner not prohibited by the DGCL.

7.12 Registered Stockholders.

The Corporation:

(a) shall be entitled to recognize the exclusive right of a person registered on its books as the owner of shares to receive dividends and to vote as such owner; and

(b) shall not be bound to recognize any equitable or other claim to or interest in such share or shares on the part of another person, whether or not it shall have express or other notice thereof, except as otherwise provided by the laws of the State of Delaware.

7.13 Waiver of Notice.

Whenever notice is required to be given under any provision of the DGCL, the Certificate of Incorporation or these Bylaws, a written waiver, signed by the person entitled to notice, or a waiver by electronic transmission by the person entitled to notice, whether before or after the time of the event for which notice is to be given, shall be deemed equivalent to notice. Attendance of a person at a meeting shall constitute a waiver of notice of such meeting, except when the person attends a meeting for the express purpose of objecting at the beginning of the meeting, to the transaction of any business because the meeting is not lawfully called or convened. Neither the business to be transacted at, nor the purpose of, any regular or special meeting of the stockholders need be specified in any written waiver of notice or any waiver by electronic transmission unless so required by the Certificate of Incorporation or these Bylaws.

Article VIII.
Notice

8.1 Delivery of Notice; Notice by Electronic Transmission.

Without limiting the manner by which notice otherwise may be given effectively to stockholders, any notice to stockholders given by the Corporation under any provisions of the DGCL, the Certificate of Incorporation, or these Bylaws may be given in writing directed to the stockholder's mailing address (or by electronic transmission directed to the stockholder's electronic mail address, as applicable) as it appears on the records of the Corporation and shall be given (1) if mailed, when the notice is deposited in the U.S. mail, postage prepaid, (2) if delivered by courier service, the earlier of when the notice is received or left at such stockholder's address or (3) if given by electronic mail, when directed to such stockholder's electronic mail address unless the stockholder has notified the Corporation in writing or by electronic transmission of an objection to receiving notice by electronic mail. A notice by electronic mail must include a prominent legend that the communication is an important notice regarding the Corporation.

Without limiting the manner by which notice otherwise may be given effectively to stockholders, any notice to stockholders given by the Corporation under any provision of the DGCL, the Certificate of Incorporation or these Bylaws shall be effective if given by a form of electronic transmission consented to by the stockholder to whom the notice is given. Any such consent shall be revocable by the stockholder by written notice or electronic transmission to the Corporation. Notwithstanding the provisions of this paragraph, the Corporation may give a notice by electronic mail in accordance with the first paragraph of this section without obtaining the consent required by this paragraph.

Any notice given pursuant to the preceding paragraph shall be deemed given:

(i) if by facsimile telecommunication, when directed to a number at which the stockholder has consented to receive notice;

(ii) if by a posting on an electronic network together with separate notice to the stockholder of such specific posting, upon the later of (A) such posting and (B) the giving of such separate notice; and

(iii) if by any other form of electronic transmission, when directed to the stockholder.

Notwithstanding the foregoing, a notice may not be given by an electronic transmission from and after the time that (1) the Corporation is unable to deliver by such electronic transmission two (2) consecutive notices given by the Corporation and (2) such inability becomes known to the Secretary or an Assistant Secretary of the Corporation or to the transfer agent, or other person responsible for the giving of notice, provided, however, the inadvertent failure to discover such inability shall not invalidate any meeting or other action.

An affidavit of the Secretary or an Assistant Secretary or of the transfer agent or other agent of the Corporation that the notice has been given shall, in the absence of fraud, be prima facie evidence of the facts stated therein.

Article IX.
Indemnification

9.1 Indemnification of Directors and Officers.

The Corporation shall indemnify and hold harmless, to the fullest extent permitted by the DGCL as it presently exists or may hereafter be amended, any person (a "covered person") who was or is made or is threatened to be made a party or is otherwise involved in any action, suit or proceeding, whether civil, criminal, administrative or investigative (a "Proceeding") by reason of the fact that he or she, or a person for whom he or she is the legal representative, is or was a director or officer of the Corporation or, while serving as a director or officer of the Corporation, is or was serving at the request of the Corporation as a director, officer, employee or agent of another corporation or of a partnership, joint venture, trust, enterprise or non-profit entity, including service with respect to employee benefit plans, against all liability and loss suffered and expenses (including attorneys' fees, judgments, fines, ERISA excise taxes or penalties and amounts paid in settlement) reasonably incurred by such person in connection with any such Proceeding. Notwithstanding the preceding sentence, except as otherwise provided in Section 9.4, the Corporation shall be required to indemnify a person in connection with a Proceeding initiated by such person only if the Proceeding was authorized in the specific case by the Board.

9.2 Indemnification of Others.

The Corporation shall have the power to indemnify and hold harmless, to the fullest extent permitted by applicable law as it presently exists or may hereafter be amended, any person who was or is made or is threatened to be made a party or is otherwise involved in any Proceeding by reason of the fact that he or she, or a person for whom he or she is the legal representative, is or was an employee or agent of the Corporation or is or was serving at the request of the Corporation as a director, officer, employee or agent of another corporation or of a partnership, joint venture, trust, enterprise or non-profit entity, including service with respect to employee benefit plans, against all liability and loss suffered and expenses reasonably incurred by such person in connection with any such Proceeding.

9.3 Prepayment of Expenses.

The Corporation shall to the fullest extent not prohibited by applicable law pay the expenses (including attorneys' fees) incurred by any covered person, and may pay the expenses incurred by any employee or agent of the Corporation, in defending any Proceeding in advance of its final disposition; *provided, however*, that such payment of expenses in advance of the final disposition of the Proceeding shall be made only upon receipt of an undertaking by the person to repay all amounts advanced if it

should be ultimately determined that the person is not entitled to be indemnified under this Article IX or otherwise.

9.4 Determination; Claim.

If a claim for indemnification (following the final disposition of such Proceeding) under this Article IX is not paid in full within sixty (60) days, or a claim for advancement of expenses under this Article IX is not paid in full within thirty (30) days, after a written claim therefor has been received by the Corporation the claimant may thereafter (but not before) file suit to recover the unpaid amount of such claim and, if successful in whole or in part, shall be entitled to be paid the expense of prosecuting such claim to the fullest extent permitted by law. In any such action the Corporation shall have the burden of proving that the claimant was not entitled to the requested indemnification or payment of expenses under applicable law.

9.5 Non-Exclusivity of Rights.

The rights conferred on any person by this Article IX shall not be exclusive of any other rights which such person may have or hereafter acquire under any statute, provision of the Certificate of Incorporation, these Bylaws, agreement, vote of stockholders or disinterested directors or otherwise.

9.6 Insurance.

The Corporation may purchase and maintain insurance on behalf of any person who is or was a director, officer, employee or agent of the Corporation, or is or was serving at the request of the Corporation as a director, officer, employee or agent of another corporation, partnership, joint venture, trust enterprise or non-profit entity against any liability asserted against him or her and incurred by him or her in any such capacity, or arising out of his or her status as such, whether or not the Corporation would have the power to indemnify him or her against such liability under the provisions of the DGCL.

9.7 Other Indemnification.

The Corporation's obligation, if any, to indemnify or advance expenses to any person who was or is serving at its request as a director, officer, employee or agent of another corporation, partnership, joint venture, trust, enterprise or non-profit entity shall be reduced by any amount such person may collect as indemnification or advancement of expenses from such other corporation, partnership, joint venture, trust, enterprise or non-profit enterprise.

9.8 Continuation of Indemnification.

The rights to indemnification and to prepayment of expenses provided by, or granted pursuant to, this Article IX shall continue notwithstanding that the person has ceased to be a director or officer of the Corporation and shall inure to the benefit of the estate, heirs, executors, administrators, legatees and distributees of such person.

9.9 Amendment or Repeal; Interpretation.

The provisions of this Article IX shall constitute a contract between the Corporation, on the one hand, and, on the other hand, each individual who serves or has served as a director or officer of the Corporation (whether before or after the adoption of these Bylaws), in consideration of such person's performance of such services, and pursuant to this Article IX the Corporation intends to be legally bound

to each such current or former director or officer of the Corporation. With respect to current and former directors and officers of the Corporation, the rights conferred under this Article IX are present contractual rights and such rights are fully vested, and shall be deemed to have vested fully, immediately upon adoption of theses Bylaws. With respect to any directors or officers of the Corporation who commence service following adoption of these Bylaws, the rights conferred under this provision shall be present contractual rights and such rights shall fully vest, and be deemed to have vested fully, immediately upon such director or officer commencing service as a director or officer of the Corporation. Any repeal or modification of the foregoing provisions of this Article IX shall not adversely affect any right or protection (i) hereunder of any person in respect of any act or omission occurring prior to the time of such repeal or modification or (ii) under any agreement providing for indemnification or advancement of expenses to an officer or director of the Corporation in effect prior to the time of such repeal or modification.

Any reference to an officer of the Corporation in this Article IX shall be deemed to refer exclusively to the Chief Executive Officer, Chief Financial Officer, and Secretary, or other officer of the Corporation appointed by (x) the Board pursuant to Article V of these Bylaws or (y) an officer to whom the Board has delegated the power to appoint officers pursuant to Article V of these Bylaws, and any reference to an officer of any other corporation, partnership, joint venture, trust, employee benefit plan or other enterprise shall be deemed to refer exclusively to an officer appointed by the board of directors (or equivalent governing body) of such other entity pursuant to the certificate of incorporation and bylaws (or equivalent organizational documents) of such other corporation, partnership, joint venture, trust, employee benefit plan or other enterprise. The fact that any person who is or was an employee of the Corporation or an employee of any other corporation, partnership, joint venture, trust, employee benefit plan or other enterprise has been given or has used the title of “Vice President” or any other title that could be construed to suggest or imply that such person is or may be an officer of the Corporation or of such other corporation, partnership, joint venture, trust, employee benefit plan or other enterprise shall not result in such person being constituted as, or being deemed to be, an officer of the Corporation or of such other corporation, partnership, joint venture, trust, employee benefit plan or other enterprise for purposes of this Article IX.

Article X.
Amendments

The Board is expressly empowered to adopt, amend or repeal the Bylaws of the Corporation. The Bylaws of the Corporation may also be adopted, amended or repealed by, in addition to any other vote required by the Certificate of Incorporation or applicable law, the affirmative vote of the stockholders of the Corporation holding a majority of the voting power of all the then-outstanding shares of voting stock of the Corporation with the power to vote generally in an election of directors, voting together as a single class.

Article XI.
Definitions

As used in these Bylaws, unless the context otherwise requires, the terms “electronic transmission,” “electronic mail,” and “electronic mail address,” shall have the meanings ascribed thereto in the DGCL.

As used in these Bylaws, unless the context otherwise requires, the term “person” means any individual, general partnership, limited partnership, limited liability company, corporation, trust, business trust, joint stock company, joint venture, unincorporated association, cooperative or association or any

other legal entity or organization of whatever nature, and shall include any successor (by merger or otherwise) of such entity.

Expensify, Inc.
Certificate of Amendment and Restatement of Bylaws

The undersigned hereby certifies that he is the duly elected, qualified, and acting Secretary of Expensify, Inc., a Delaware corporation (the "Corporation"), and that the foregoing bylaws were approved on _____, 2021, effective as of _____, 2021 by the Corporation's board of directors.

IN WITNESS WHEREOF, the undersigned has hereunto set his hand this ___ day of ___, 2021.

Name:
Title:

ZQ|CERT#|COY|CLS|RGSTRY|ACCT#|TRANSTYPE|RUN#|TRANS#

CLASS A COMMON STOCK

PAR VALUE $.0001

CLASS A COMMON STOCK

Certificate Number
ZQ00000000

Shares

EXPENSIFY, INC.

INCORPORATED UNDER THE LAWS OF THE STATE OF DELAWARE

THIS CERTIFIES THAT

SEE REVERSE FOR CERTAIN DEFINITIONS

CUSIP 30219Q 10 6

MR. SAMPLE & MRS. SAMPLE & MR. SAMPLE & MRS. SAMPLE

is the owner of

ZERO HUNDRED THOUSAND ZERO HUNDRED AND ZERO

THIS CERTIFICATE IS TRANSFERABLE IN CITIES DESIGNATED BY THE TRANSFER AGENT, AVAILABLE ONLINE AT www.computershare.com

FULLY-PAID AND NON-ASSESSABLE SHARES OF CLASS A COMMON STOCK OF

Expensify, 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.

DATED DD-MMM-YYYY

FACSIMILE SIGNATURE TO COME

President

EXPENSIFY, INC. CORPORATE SEAL 4/29/2021 DELAWARE

COUNTERSIGNED AND REGISTERED:
COMPUTERSHARE TRUST COMPANY, N.A.
TRANSFER AGENT AND REGISTRAR,

FACSIMILE SIGNATURE TO COME

Secretary

By _____
AUTHORIZED SIGNATURE

SECURITY INSTRUCTIONS ON REVERSE

1234567

PO BOX 505000, Louisville, KY 40233-5000

MR A SAMPLE
DESIGNATION (IF ANY)
ADD 1
ADD 2
ADD 3
ADD 4

CUSIP/IDENTIFIER	XXXXXX XX X
Holder ID	XXXXXXXXX
Insurance Value	1,000,000.00
Number of Shares	123456
DTC	12345678 12345678912345

Certificate Numbers	Num	No.	Denom.	Total
12345678912345678912	1		1	1
12345678912345678912	2		1	1
12345678912345678912	2		2	2
12345678912345678912	3		3	3
12345678912345678912	3		3	3
12345678912345678912	4		4	4
12345678912345678912	5		5	5
12345678912345678912	5		5	5
12345678912345678912	6		6	6
Total Transaction	6		6	6
	7			

EXPENSIFY, 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	-.....(Cust).....Custodian.....(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	-.....(Cust).....Custodian (until age.....) .....(Minor).....under Uniform Transfers to Minors Act.....(State).....

Additional abbreviations may also be used though not in the above list.

PLEASE INSERT SOCIAL SECURITY OR OTHER IDENTIFYING NUMBER OF ASSIGNEE

For value received,_____ hereby sell, assign and transfer unto

_____

(PLEASE PRINT OR TYPEWRITE NAME AND ADDRESS, INCLUDING POSTAL 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.

Dated: _____ 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 GUARANTOR INSTITUTION (Banks, Stockbrokers, Savings and Loan Associations and Credit Unions) WITH MEMBERSHIP IN AN APPROVED SIGNATURE GUARANTEE MEDALLION PROGRAM, PURSUANT TO S.E.C. RULE 17Ad-15.

SECURITY INSTRUCTIONS

THIS IS WATERMARKED PAPER - DO NOT ACCEPT WITHOUT NOTED 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.

1234567

Exhibit 5.1

LATHAM & WATKINS LLP

330 North Wabash Avenue
Suite 2800
Chicago, Illinois 60611
Tel: +1.650.328.4600 Fax: +1.650.463.2600
www.lw.com

FIRM / AFFILIATE OFFICES

Austin	Milan
Beijing	Moscow
Boston	Munich
Brussels	New York
Century City	Orange County
Dubai	Riyadh
Düsseldorf	San Diego
Frankfurt	San Francisco
Hamburg	Seoul
Hong Kong	Shanghai
Houston	Silicon Valley
London	Singapore
Los Angeles	Tokyo
Madrid	Washington, D.C.

November 1, 2021

Expensify, Inc.
401 SW 5th Ave
Portland, Oregon 97204

Re: Registration Statement on Form S-1 (Registration No. 333-260297)
Up to 11,190,392 shares of Class A common stock, par value $0.0001 per share

Ladies and Gentlemen:

We have acted as special counsel to Expensify, Inc., a Delaware corporation (the "***Company***"), in connection with the proposed issuance of up to 11,190,392 shares of Class A common stock, par value $0.0001 per share (the "***Shares***"). The Shares are included in a registration statement on Form S-1 under the Securities Act of 1933, as amended (the "***Act***"), filed with the Securities and Exchange Commission (the "***Commission***") on October 14, 2021 (Registration No. 333-260297) (as amended, the "***Registration Statement***"). This opinion is being furnished in connection with the requirements of Item 601(b)(5) of Regulation S-K under the Act, and no opinion is expressed herein as to any matter pertaining to the contents of the Registration Statement or related prospectus (the "***Prospectus***"), other than as expressly stated herein with respect to the issue of the Shares.

As such counsel, we have examined such matters of fact and questions of law as we have considered appropriate for purposes of this letter. With your consent, we have relied upon certificates and other assurances of officers of the Company and others as to factual matters without having independently verified such factual matters. We are opining herein as to General Corporation Law of the State of Delaware, and we express no opinion with respect to any other laws.

Subject to the foregoing and the other matters set forth herein, it is our opinion that, as of the date hereof, upon the proper filing of the Amended and Restated Certificate of Incorporation of the Company, substantially in the form most recently filed as an exhibit to the Registration Statement, with the Secretary of State of the State of Delaware and when the Shares shall have

been duly registered on the books of the transfer agent and registrar therefor in the name or on behalf of the purchasers and have been issued by the Company against payment therefor (not less than par value) in the circumstances contemplated by the form of underwriting agreement most recently filed as an exhibit to the Registration Statement, the issue and sale of the Shares will have been duly authorized by all necessary corporate action of the Company, and the Shares will be validly issued, fully paid and non-assessable. In rendering the foregoing opinion, we have assumed that the Company will comply with all applicable notice requirements regarding uncertificated shares provided in the General Corporation Law of the State of Delaware.

This opinion is for your benefit in connection with the Registration Statement and may be relied upon by you and by persons entitled to rely upon it pursuant to the applicable provisions of the Act. We consent to your filing this opinion as an exhibit to the Registration Statement and to the reference to our firm in the Prospectus under the heading “Legal Matters.” We further consent to the incorporation by reference of this letter and consent into any post-effective amendment to the Registration Statement filed pursuant to Rule 462(b) with respect to the Shares. In giving such consent, we do not thereby admit that we are in the category of persons whose consent is required under Section 7 of the Act or the rules and regulations of the Commission thereunder.

Sincerely,

/s/ Latham & Watkins LLP

EXPENSIFY, INC.

2009 STOCK PLAN

Amended and Restated as of June 22, 2010

Amended and Restated January 22, 2015

Amended and Restated January 12, 2018

PLAN HISTORY

Date	Event
May 26, 2009	Adopted with 872,695 shares under Plan
June 22, 2010	Increased to 1,548,268 shares under Plan pursuant to Series B Financing
January 22, 2015	Increased to 1,649,515 shares under Plan pursuant to Series C Financing
January 12, 2018	Increased to 1,703,028 shares under Plan

EXPENSIFY, INC.

2009 STOCK PLAN

1. **Purposes of the Plan.** The purposes of this 2009 Stock Plan are to attract and retain the best available personnel for positions of substantial responsibility, to provide additional incentive to Employees and Consultants, and to promote the success of the Company's business. Options granted under the Plan may be Incentive Stock Options or Nonstatutory Stock Options, as determined by the Administrator at the time of grant of an Option and subject to the applicable provisions of Section 422 of the Code and the regulations promulgated thereunder. Restricted Stock may also be granted under the Plan.

2. **Definitions.** As used herein, the following definitions shall apply:

(a) **"Administrator"** means the Board or a Committee.

(b) **"Affiliate"** means an entity other than a Subsidiary which, together with the Company, is under common control of a third person or entity.

(c) **"Applicable Laws"** means all applicable laws, rules, regulations and requirements, including, but not limited to, all applicable U.S. federal or state laws, any Stock Exchange rules or regulations, and the applicable laws, rules or regulations of any other country or jurisdiction where Options or Restricted Stock are granted under the Plan or Participants reside or provide services, as such laws, rules, and regulations shall be in effect from time to time.

(d) **"Award"** means any award of an Option or Restricted Stock under the Plan.

(e) **"Board"** means the Board of Directors of the Company.

(f) **"California Participant"** means a Participant whose Award is issued in reliance on Section 25102(o) of the California Corporations Code.

(g) **"Cashless Exercise"** means a program approved by the Administrator in which payment of the Option exercise price or tax withholding obligations may be satisfied, in whole or in part, with Shares subject to the Option, including by delivery of an irrevocable direction to a securities broker (on a form prescribed by the Administrator) to sell Shares and to deliver all or part of the sale proceeds to the Company in payment of the aggregate exercise price and, if applicable, the amount necessary to satisfy the Company's withholding obligations.

(h) **"Cause"** for termination of a Participant's Continuous Service Status will exist (unless another definition is provided in an applicable Option Agreement, Restricted Stock Purchase Agreement, employment agreement or other applicable written agreement) if the Participant's Continuous Service Status is terminated for any of the following reasons: (i) Participant's willful failure to perform his or her duties and responsibilities to the Company or Participant's violation of any written Company policy; (ii) Participant's commission of any act of

fraud, embezzlement, dishonesty or any other willful misconduct that has caused or is reasonably expected to result in injury to the Company; (iii) Participant's unauthorized use or disclosure of any proprietary information or trade secrets of the Company or any other party to whom the Participant owes an obligation of nondisclosure as a result of his or her relationship with the Company; or (iv) Participant's material breach of any of his or her obligations under any written agreement or covenant with the Company. The determination as to whether a Participant's Continuous Service Status has been terminated for Cause shall be made in good faith by the Company and shall be final and binding on the Participant. The foregoing definition does not in any way limit the Company's ability to terminate a Participant's employment or consulting relationship at any time, and the term "Company" will be interpreted to include any Subsidiary, Parent, Affiliate, or any successor thereto, if appropriate.

(i) **"Code"** means the Internal Revenue Code of 1986, as amended.

(j) **"Committee"** means one or more committees or subcommittees of the Board consisting of two (2) or more Directors (or such lesser or greater number of Directors as shall constitute the minimum number permitted by Applicable Laws to establish a committee or sub-committee of the Board) appointed by the Board to administer the Plan in accordance with Section 4 below.

(k) **"Common Stock"** means the Company's common stock, par value $0.0001 per share, as adjusted in accordance with Section 14 below.

(l) **"Company"** means Expensify, Inc., a Delaware corporation.

(m) **"Consultant"** means any person, including an advisor but not an Employee, who is engaged by the Company, or any Parent, Subsidiary or Affiliate, to render services (other than capital-raising services) and is compensated for such services, and any Director whether compensated for such services or not.

(n) **"Continuous Service Status"** means the absence of any interruption or termination of service as an Employee or Consultant. Continuous Service Status as an Employee or Consultant shall not be considered interrupted or terminated in the case of: (i) Company approved sick leave; (ii) military leave; (iii) any other bona fide leave of absence approved by the Administrator, provided that such leave is for a period of not more than ninety (90) days, unless reemployment upon the expiration of such leave is guaranteed by contract or statute, or unless provided otherwise pursuant to a written Company policy. Also, Continuous Service Status as an Employee or Consultant shall not be considered interrupted or terminated in the case of a transfer between locations of the Company or between the Company, its Parents, Subsidiaries or Affiliates, or their respective successors, or a change in status from an Employee to a Consultant or from a Consultant to an Employee.

(o) **"Director"** means a member of the Board.

(p) **"Disability"** means "disability" within the meaning of Section 22(e)(3) of the Code.

(q) **"Employee"** means any person employed by the Company, or any Parent, Subsidiary or Affiliate, with the status of employment determined pursuant to such factors as are deemed appropriate by the Administrator in its sole discretion, subject to any requirements of the Applicable Laws, including the Code. The payment by the Company of a director's fee shall not be sufficient to constitute "employment" of such director by the Company or any Parent, Subsidiary or Affiliate.

(r) **"Exchange Act"** means the Securities Exchange Act of 1934, as amended.

(s) **"Fair Market Value"** means, as of any date, the per share fair market value of the Common Stock, as determined by the Administrator in good faith on such basis as it deems appropriate and applied consistently with respect to Participants. Whenever possible, the determination of Fair Market Value shall be based upon the per share closing price for the Shares as reported in the Wall Street Journal for the applicable date.

(t) **"Family Members"** means any child, stepchild, grandchild, parent, stepparent, grandparent, spouse, former spouse, sibling, niece, nephew, mother-in-law, father-in-law, son-in-law, daughter-in-law, brother-in-law, or sister-in-law (including adoptive relationships) of the Optionee, any person sharing the Optionee's household (other than a tenant or employee), a trust in which these persons (or the Optionee) have more than 50% of the beneficial interest, a foundation in which these persons (or the Optionee) control the management of assets, and any other entity in which these persons (or the Optionee) own more than 50% of the voting interests.

(u) **"Incentive Stock Option"** means an Option intended to qualify as an incentive stock option within the meaning of Section 422 of the Code, as designated in the applicable Option Agreement.

(v) **"Involuntary Termination"** means (unless another definition is provided in the applicable Option Agreement, Restricted Stock Purchase Agreement, employment agreement or other applicable written agreement) the termination of a Participant's Continuous Service Status other than for death or Disability or for Cause by the Company or a Subsidiary, Parent, Affiliate or successor thereto, as appropriate.

(w) "**Listed Security**" means any security of the Company that is listed or approved for listing on a national securities exchange or designated or approved for designation as a national market system security on an interdealer quotation system by the National Association of Securities Dealers, Inc.

(x) **"Nonstatutory Stock Option"** means an Option not intended to qualify as an Incentive Stock Option, as designated in the applicable Option Agreement.

(y) **"Option"** means a stock option granted pursuant to the Plan.

(z) **"Option Agreement"** means a written document, the form(s) of which shall be approved from time to time by the Administrator, reflecting the terms of an Option granted under the Plan and includes any documents attached to or incorporated into such Option Agreement, including, but not limited to, a notice of stock option grant and a form of exercise notice.

(aa) **"Option Exchange Program"** means a program approved by the Administrator whereby outstanding Options (i) are exchanged for Options with a lower exercise price or Restricted Stock or (ii) are amended to decrease the exercise price as a result of a decline in the Fair Market Value of the Common Stock.

(bb) **"Optioned Stock"** means Shares that are subject to an Option or that were issued pursuant to the exercise of an Option.

(cc) **"Optionee"** means an Employee or Consultant who receives an Option.

(dd) **"Parent"** means any corporation (other than the Company) in an unbroken chain of corporations ending with the Company if, at the time of grant of the Award, each of the corporations other than the Company owns stock possessing 50% or more of the total combined voting power of all classes of stock in one of the other corporations in such chain. A corporation that attains the status of a Parent on a date after the adoption of the Plan shall be considered a Parent commencing as of such date.

(ee) **"Participant"** means any holder of one or more Awards or Shares issued pursuant to an Award.

(ff) **"Plan"** means this 2009 Stock Plan.

(gg) **"Restricted Stock"** means Shares acquired pursuant to a right to purchase Common Stock granted pursuant to Section 11 below.

(hh) **"Restricted Stock Purchase Agreement"** means a written document, the form(s) of which shall be approved from time to time by the Administrator, reflecting the terms of Restricted Stock granted under the Plan and includes any documents attached to such agreement.

(ii) **"Rule 16b-3"** means Rule 16b-3 promulgated under the Exchange Act, as amended from time to time, or any successor provision.

(jj) **"Share"** means a share of Common Stock, as adjusted in accordance with Section 14 below.

(kk) **"Stock Exchange"** means any stock exchange or consolidated stock price reporting system on which prices for the Common Stock are quoted at any given time.

(ll) **"Subsidiary"** means any corporation (other than the Company) in an unbroken chain of corporations beginning with the Company if, at the time of grant of the

Award, each of the corporations other than the last corporation in the unbroken chain owns stock possessing 50% or more of the total combined voting power of all classes of stock in one of the other corporations in such chain. A corporation that attains the status of a Subsidiary on a date after the adoption of the Plan shall be considered a Subsidiary commencing as of such date.

(mm) **"Ten Percent Holder"** means a person who owns stock representing more than 10% of the voting power of all classes of stock of the Company or any Parent or Subsidiary measured as of an Award's date of grant.

(nn) **"Triggering Event"** means:

(i) a sale, transfer or disposition of all or substantially all of the Company's assets other than to (A) a corporation or other entity of which at least a majority of its combined voting power is owned directly or indirectly by the Company, (B) a corporation or other entity owned directly or indirectly by the holders of capital stock of the Company in substantially the same proportions as their ownership of Common Stock, or (C) an Excluded Entity (as defined in subsection (ii) below); or

(ii) any merger, consolidation or other business combination transaction of the Company with or into another corporation, entity or person, other than a transaction with or into another corporation, entity or person in which the holders of at least a majority of the shares of voting capital stock of the Company outstanding immediately prior to such transaction continue to hold (either by such shares remaining outstanding in the continuing entity or by their being converted into shares of voting capital stock of the surviving entity) a majority of the total voting power represented by the shares of voting capital stock of the Company (or the surviving entity) outstanding immediately after such transaction (an "Excluded Entity").

Notwithstanding anything stated herein, a transaction shall not constitute a "Triggering Event" if its sole purpose is to change the state of the Company's incorporation, or to create a holding company that will be owned in substantially the same proportions by the persons who hold the Company's securities immediately before such transaction. For clarity, the term "Triggering Event" as defined herein shall not include stock sale transactions whether by the Company or by the holders of capital stock.

3. **Stock Subject to the Plan.** Subject to the provisions of Section 14 of the Plan, the maximum aggregate number of Shares that may be issued under the Plan is 1,703,028 Shares, of which a maximum of 1,703,028 Shares may be issued under the Plan pursuant to Incentive Stock Options. The Shares issued under the Plan may be authorized, but unissued, or reacquired Shares. If an Award should expire or become unexercisable for any reason without having been exercised in full, or is surrendered pursuant to an Option Exchange Program, the unpurchased Shares that were subject thereto shall, unless the Plan shall have been terminated, become available for future grant under the Plan. In addition, any Shares which are retained by the Company upon exercise of an Award in order to satisfy the exercise or purchase price for such Award or any withholding taxes due with respect to such Award shall be treated as not issued and shall continue to be available under the Plan. Shares issued under the Plan and later

repurchased by the Company pursuant to any repurchase right that the Company may have shall be available for future grant under the Plan.

4. **Administration of the Plan.**

(a) **General.** The Plan shall be administered by the Board or a Committee, or a combination thereof, as determined by the Board. The Plan may be administered by different administrative bodies with respect to different classes of Participants and, if permitted by Applicable Laws, the Board may authorize one or more officers of the Company to make Awards under the Plan to Employees and Consultants (who are not subject to Section 16 of the Exchange Act) within parameters specified by the Board.

(b) **Committee Composition.** If a Committee has been appointed pursuant to this Section 4, such Committee shall continue to serve in its designated capacity until otherwise directed by the Board. From time to time the Board may increase the size of any Committee and appoint additional members thereof, remove members (with or without cause) and appoint new members in substitution therefor, fill vacancies (however caused) and dissolve a Committee and thereafter directly administer the Plan, all to the extent permitted by the Applicable Laws and, in the case of a Committee administering the Plan in accordance with the requirements of Rule 16b3 or Section 162(m) of the Code, to the extent permitted or required by such provisions.

(c) **Powers of the Administrator.** Subject to the provisions of the Plan and, in the case of a Committee, the specific duties delegated by the Board to such Committee, the Administrator shall have the authority, in its sole discretion:

(i) to determine the Fair Market Value of the Common Stock in accordance with Section 2(s) above, provided that such determination shall be applied consistently with respect to Participants under the Plan;

(ii) to select the Employees and Consultants to whom Awards may from time to time be granted;

(iii) to determine the number of Shares to be covered by each Award;

(iv) to approve the form(s) of agreement(s) and other related documents used under the Plan;

(v) to determine the terms and conditions, not inconsistent with the terms of the Plan, of any Award granted hereunder, which terms and conditions include but are not limited to the exercise or purchase price, the time or times when Awards may be exercised (which may be based on performance criteria), the circumstances (if any) when vesting will be accelerated or forfeiture restrictions will be waived, and any restriction or limitation regarding any Award, Optioned Stock, or Restricted Stock;

(vi) to amend any outstanding Award or agreement related to any Optioned Stock or Restricted Stock, including any amendment adjusting vesting (e.g., in connection with a change in the terms or conditions under which such person is providing services to the Company), provided that no amendment shall be made that would materially and adversely affect the rights of any Participant without his or her consent;

(vii) to determine whether and under what circumstances an Option may be settled in cash under Section 10(c) instead of Common Stock;

(viii) to implement an Option Exchange Program and establish the terms and conditions of such Option Exchange Program, provided that no amendment or adjustment to an Option that would materially and adversely affect the rights of any Optionee shall be made without his or her consent;

(ix) to grant Awards to, or to modify the terms of any outstanding Option Agreement or Restricted Stock Purchase Agreement or any agreement related to any Optioned Stock or Restricted Stock held by, Participants who are foreign nationals or employed outside of the United States with such terms and conditions as the Administrator deems necessary or appropriate to accommodate differences in local law, tax policy or custom which deviate from the terms and conditions set forth in this Plan to the extent necessary or appropriate to accommodate such differences; and

(x) to construe and interpret the terms of the Plan, any Option Agreement or Restricted Stock Purchase Agreement, and any agreement related to any Optioned Stock or Restricted Stock, which constructions, interpretations and decisions shall be final and binding on all Participants.

(d) **Indemnification.** To the maximum extent permitted by Applicable Laws, each member of the Committee (including officers of the Company, if applicable), or of the Board, as applicable, shall be indemnified and held harmless by the Company against and from (i) any loss, cost, liability, or expense that may be imposed upon or reasonably incurred by him or her in connection with or resulting from any claim, action, suit, or proceeding to which he or she may be a party or in which he or she may be involved by reason of any action taken or failure to act under the Plan or pursuant to the terms and conditions of any Award except for actions taken in bad faith or failures to act in bad faith, and (ii) any and all amounts paid by him or her in settlement thereof, with the Company's approval, or paid by him or her in satisfaction of any judgment in any such claim, action, suit, or proceeding against him or her, provided that such member shall give the Company an opportunity, at its own expense, to handle and defend any such claim, action, suit or proceeding before he or she undertakes to handle and defend it on his or her own behalf. The foregoing right of indemnification shall not be exclusive of any other rights of indemnification to which such persons may be entitled under the Company's Articles of Incorporation, Certificate of Incorporation or Bylaws, by contract, as a matter of law, or otherwise, or under any other power that the Company may have to indemnify or hold harmless each such person.

5. **Eligibility.**

(a) **Recipients of Grants.** Nonstatutory Stock Options and Restricted Stock may be granted to Employees and Consultants. Incentive Stock Options may be granted only to Employees, provided that Employees of Affiliates shall not be eligible to receive Incentive Stock Options.

(b) **Type of Option.** Each Option shall be designated in the Option Agreement as either an Incentive Stock Option or a Nonstatutory Stock Option.

(c) **ISO $100,000 Limitation.** Notwithstanding any designation under Section 5(b), to the extent that the aggregate Fair Market Value of Shares with respect to which Options designated as Incentive Stock Options are exercisable for the first time by any Optionee during any calendar year (under all plans of the Company or any Parent or Subsidiary) exceeds $100,000, such excess Options shall be treated as Nonstatutory Stock Options. For purposes of this Section 5(c), Incentive Stock Options shall be taken into account in the order in which they were granted, and the Fair Market Value of the Shares subject to an Incentive Stock Option shall be determined as of the date of the grant of such Option.

(d) **No Employment Rights.** Neither the Plan nor any Award shall confer upon any Employee or Consultant any right with respect to continuation of an employment or consulting relationship with the Company (any Parent or Subsidiary), nor shall it interfere in any way with such Employee's or Consultant's right or the Company's (Parent's or Subsidiary's) right to terminate his or her employment or consulting relationship at any time, with or without cause.

6. **Term of Plan.** The Plan shall become effective upon its adoption by the Board of Directors. It shall continue in effect for a term of ten (10) years unless sooner terminated under Section 16 below.

7. **Term of Option.** The term of each Option shall be the term stated in the Option Agreement; provided that the term shall be no more than ten (10) years from the date of grant thereof or such shorter term as may be provided in the Option Agreement and provided further that, in the case of an Incentive Stock Option granted to a person who at the time of such grant is a Ten Percent Holder, the term of the Option shall be five (5) years from the date of grant thereof or such shorter term as may be provided in the Option Agreement.

8. **Limitation on Grants to Participants.** On and after such time, if any, as the Common Stock becomes a Listed Security and subject to adjustment as provided in Section 14 below, the maximum aggregate number of Shares that may be subject to Awards granted to any one person under this Plan for any fiscal year of the Company shall be 1,703,028 Shares, provided that such limitation shall be 1,703,028 Shares during the fiscal year of any person's initial year of service with the Company.

9. **Option Exercise Price and Consideration.**

(a) **Exercise Price.** The per Share exercise price for the Shares to be issued pursuant to the exercise of an Option shall be such price as is determined by the Administrator and set forth in the Option Agreement, but shall be subject to the following:

(i) In the case of an Incentive Stock Option

(A) granted to an Employee who at the time of grant is a Ten Percent Holder, the per Share exercise price shall be no less than 110% of the Fair Market Value on the date of grant;

(B) granted to any other Employee, the per Share exercise price shall be no less than 100% of the Fair Market Value on the date of grant;

(ii) Except as provided in subsection (iii) below, in the case of a Nonstatutory Stock Option the per Share exercise price shall be such price as is determined by the Administrator, provided that, if the per Share exercise price is less than 100% of the Fair Market Value on the date of grant, it shall otherwise comply with all Applicable Laws, including Section 409A of the Code;

(iii) In the case of a Nonstatutory Stock Option that is intended to qualify as performance-based compensation under Section 162(m) of the Code and is granted on or after the date, if ever, on which the Common Stock becomes a Listed Security, the per Share exercise price shall be no less than 100% of the Fair Market Value on the date of grant; and

(iv) Notwithstanding the foregoing, Options may be granted with a per Share exercise price other than as required above pursuant to a merger or other corporate transaction.

(b) **Permissible Consideration.** The consideration to be paid for the Shares to be issued upon exercise of an Option, including the method of payment, shall be determined by the Administrator (and, in the case of an Incentive Stock Option and to the extent required by Applicable Laws, shall be determined at the time of grant) and may consist entirely of (1) cash; (2) check; (3) to the extent permitted under Applicable Laws, delivery of a promissory note with such recourse, interest, security and redemption provisions as the Administrator determines to be appropriate (subject to the provisions of Section 153 of the Delaware General Corporation Law); (4) cancellation of indebtedness; (5) other previously owned Shares that have a Fair Market Value on the date of surrender equal to the aggregate exercise price of the Shares as to which the Option is exercised; (6) a Cashless Exercise; (7) such other consideration and method of payment permitted under Applicable Laws; or (8) any combination of the foregoing methods of payment. In making its determination as to the type of consideration to accept, the Administrator shall consider if acceptance of such consideration may be reasonably expected to benefit the Company and the Administrator may, in its sole discretion, refuse to accept a particular form of consideration at the time of any Option exercise.

10. **Exercise of Option.**

(a) **General.**

(i) **Exercisability.** Any Option granted hereunder shall be exercisable at such times and under such conditions as determined by the Administrator, consistent with the terms of the Plan and reflected in the Option Agreement, including vesting requirements and/or performance criteria with respect to the Company, and Parent or Subsidiary, and/or the Optionee.

(ii) **Leave of Absence.** The Administrator shall have the discretion to determine whether and to what extent the vesting of Options shall be tolled during any unpaid leave of absence; provided, however, that in the absence of such determination, vesting of Options shall be tolled during any such unpaid leave (unless otherwise required by the Applicable Laws). Notwithstanding the foregoing, in the event of military leave, vesting shall toll during any unpaid portion of such leave, provided that, upon a Optionee's returning from military leave (under conditions that would entitle him or her to protection upon such return under the Uniform Services Employment and Reemployment Rights Act), he or she shall be given vesting credit with respect to Options to the same extent as would have applied had the Optionee continued to provide services to the Company (or any Parent or Subsidiary, if applicable) throughout the leave on the same terms as he or she was providing services immediately prior to such leave.

(iii) **Minimum Exercise Requirements.** An Option may not be exercised for a fraction of a Share. The Administrator may require that an Option be exercised as to a minimum number of Shares, provided that such requirement shall not prevent an Optionee from exercising the full number of Shares as to which the Option is then exercisable.

(iv) **Procedures for and Results of Exercise.** An Option shall be deemed exercised when written notice of such exercise has been received by the Company in accordance with the terms of the Option Agreement by the person entitled to exercise the Option and the Company has received full payment for the Shares with respect to which the Option is exercised and has paid, or made arrangements to satisfy, any applicable withholding requirements in accordance with Section 12 below. The exercise of an Option shall result in a decrease in the number of Shares that thereafter may be available, both for purposes of the Plan and for sale under the Option, by the number of Shares as to which the Option is exercised.

(v) **Rights as Holder of Capital Stock.** Until the issuance of the Shares (as evidenced by the appropriate entry on the books of the Company or of a duly authorized transfer agent of the Company), no right to vote or receive dividends or any other rights as a holder of capital stock shall exist with respect to the Optioned Stock, notwithstanding the exercise of the Option. No adjustment will be made for a dividend or other right for which the record date is prior to the date the stock certificate is issued, except as provided in Section 14 below.

(b) **Termination of Employment or Consulting Relationship.** The Administrator shall establish and set forth in the applicable Option Agreement the terms and

conditions upon which an Option shall remain exercisable, if at all, following termination of an Optionee's Continuous Service Status, which provisions may be waived or modified by the Administrator at any time. To the extent that an Option Agreement does not specify the terms and conditions upon which an Option shall terminate upon termination of an Optionee's Continuous Service Status, the following provisions shall apply:

(i) **General Provisions.** If the Optionee (or other person entitled to exercise the Option) does not exercise the Option to the extent so entitled within the time specified below, the Option shall terminate and the Optioned Stock underlying the unexercised portion of the Option shall revert to the Plan. In no event may any Option be exercised after the expiration of the Option term as set forth in the Option Agreement (and subject to Section 7).

(ii) **Termination other than Upon Disability or Death or for Cause.** In the event of termination of an Optionee's Continuous Service Status other than under the circumstances set forth in subsections (iii) through (v) below, such Optionee may exercise any outstanding Option at any time within thirty (30) days following such termination to the extent the Optionee is vested in the Optioned Stock.

(iii) **Disability of Optionee.** In the event of termination of an Optionee's Continuous Service Status as a result of his or her Disability, such Optionee may exercise any outstanding Option at any time within six (6) months following such termination to the extent the Optionee is vested in the Optioned Stock.

(iv) **Death of Optionee.** In the event of the death of an Optionee during the period of Continuous Service Status since the date of grant of any outstanding Option, or within thirty (30) days following termination of Optionee's Continuous Service Status, the Option may be exercised by the Optionee's estate, or by a person who acquired the right to exercise the Option by bequest or inheritance, at any time within twelve (12) months following the date of death or, if earlier, the date the Optionee's Continuous Service Status terminated, but only to the extent the Optionee is vested in the Optioned Stock.

(v) **Termination for Cause.** In the event of termination of an Optionee's Continuous Service Status for Cause, any outstanding Option (including any vested portion thereof) held by such Optionee shall immediately terminate in its entirety upon first notification to the Optionee of termination of the Optionee's Continuous Service Status for Cause. If an Optionee's Continuous Service Status is suspended pending an investigation of whether the Optionee's Continuous Service Status will be terminated for Cause, all the Optionee's rights under any Option, including the right to exercise the Option, shall be suspended during the investigation period. Nothing in this Section 10(b)(v) shall in any way limit the Company's right to purchase unvested Shares issued upon exercise of an Option as set forth in the applicable Option Agreement.

(c) **Buyout Provisions.** The Administrator may at any time offer to buy out for a payment in cash or Shares an Option previously granted under the Plan based on such terms and conditions as the Administrator shall establish and communicate to the Optionee at the time that such offer is made.

11. **Restricted Stock.**

(a) **Rights to Purchase.** When a right to purchase Restricted Stock is granted under the Plan, the Administrator shall advise the recipient in writing of the terms, conditions and restrictions related to the offer, including the number of Shares that such person shall be entitled to purchase, the price to be paid (which shall be as determined by the Administrator, subject to Applicable Laws, including any applicable securities laws), and the time within which such person must accept such offer. The permissible consideration for Restricted Stock shall be determined by the Administrator and shall be the same as is set forth in Section 9(b) with respect to exercise of Options. The offer to purchase Shares shall be accepted by execution of a Restricted Stock Purchase Agreement in the form determined by the Administrator.

(b) **Repurchase Option.**

(i) **General.** Unless the Administrator determines otherwise, the Restricted Stock Purchase Agreement shall grant the Company a repurchase option exercisable upon the voluntary or involuntary termination of the Participant's Continuous Service Status for any reason (including death or Disability). The purchase price for Shares repurchased pursuant to the Restricted Stock Purchase Agreement shall be the original purchase price paid by the purchaser and may be paid by cancellation of any indebtedness of the purchaser to the Company. The repurchase option shall lapse at such rate as the Administrator may determine.

(ii) **Leave of Absence.** The Administrator shall have the discretion to determine whether and to what extent the lapsing of Company repurchase rights shall be tolled during any unpaid leave of absence; provided, however, that in the absence of such determination, such lapsing shall be tolled during any such unpaid leave (unless otherwise required by the Applicable Laws). Notwithstanding the foregoing, in the event of military leave, the lapsing of Company repurchase rights shall toll during any unpaid portion of such leave, provided that, upon a Participant's returning from military leave (under conditions that would entitle him or her to protection upon such return under the Uniform Services Employment and Reemployment Rights Act), he or she shall be given vesting credit with respect to Shares purchased pursuant to the Restricted Stock Purchase Agreement to the same extent as would have applied had the Participant continued to provide services to the Company (or any Parent or Subsidiary, if applicable) throughout the leave on the same terms as he or she was providing services immediately prior to such leave.

(c) **Other Provisions.** The Restricted Stock Purchase Agreement shall contain such other terms, provisions and conditions not inconsistent with the Plan as may be determined by the Administrator in its sole discretion. In addition, the provisions of Restricted Stock Purchase Agreements need not be the same with respect to each Participant.

(d) **Rights as a Holder of Capital Stock.** Once the Restricted Stock is purchased, the Participant shall have the rights equivalent to those of a holder of capital stock, and shall be a record holder when his or her purchase is entered upon the records of the duly authorized transfer agent of the Company. No adjustment will be made for a dividend or other

right for which the record date is prior to the date the Restricted Stock is purchased, except as provided in Section 14 of the Plan.

12. **Taxes.**

(a) As a condition of the grant, vesting and exercise of an Award, the Participant (or in the case of the Participant's death or a permitted transferee, the person holding or exercising the Award) shall make such arrangements as the Administrator may require for the satisfaction of any applicable U.S. federal, state or local tax withholding obligations or foreign tax withholding obligations that may arise in connection with such Award. The Company shall not be required to issue any Shares under the Plan until such obligations are satisfied.

(b) The Administrator may permit a Participant (or in the case of the Participant's death or a permitted transferee, the person holding or exercising the Award) to satisfy all or part of his or her tax withholding obligations by Cashless Exercise or by surrendering Shares (either directly or by stock attestation) that he or she previously acquired; provided that, unless the Cashless Exercise is an approved broker-assisted Cashless Exercise, the Shares tendered for payment have been previously held for a minimum duration (e.g., to avoid financial accounting charges to the Company's earnings), or as otherwise permitted to avoid financial accounting charges under applicable accounting guidance, amounts withheld shall not exceed the amount necessary to satisfy the Company's tax withholding obligations at the minimum statutory withholding rates, including, but not limited to, U.S. federal and state income taxes, payroll taxes, and foreign taxes, if applicable. Any payment of taxes by surrendering Shares to the Company may be subject to restrictions, including, but not limited to, any restrictions required by rules of the Securities and Exchange Commission.

13. **Non-Transferability of Options.**

(a) **General.** Except as set forth in this Section 13, Options may not be sold, pledged, assigned, hypothecated, transferred or disposed of in any manner other than by will or by the laws of descent or distribution. The designation of a beneficiary by an Optionee will not constitute a transfer. An Option may be exercised, during the lifetime of the holder of the Option, only by such holder or a transferee permitted by this Section 13.

(b) **Limited Transferability Rights.** Notwithstanding anything else in this Section 13, the Administrator may in its sole discretion grant Nonstatutory Stock Options that may be transferred by instrument to an inter vivos or testamentary trust in which the Options are to be passed to beneficiaries upon the death of the trustor (settlor) or by gift to Family Members.

14. **Adjustments Upon Changes in Capitalization, Merger or Certain Other Transactions.**

(a) **Changes in Capitalization.** Subject to any action required under Applicable Laws by the holders of capital stock of the Company, (i) the numbers and class of Shares or other stock or securities: (x) available for future Awards under Section 3 above, (y) set forth in Section 8 above, and (z) covered by each outstanding Award, (ii) the price per Share

covered by each such outstanding Option, and (iii) any repurchase price per Share applicable to Shares issued pursuant to any Award, shall be proportionately adjusted by the Administrator in the event of a stock split, reverse stock split, stock dividend, combination, consolidation, recapitalization (including a recapitalization through a large nonrecurring cash dividend) or reclassification of the Shares, subdivision of the Shares, a rights offering, a reorganization, merger, spin-off, split-up, change in corporate structure or other similar occurrence. Any adjustment by the Administrator pursuant to this Section 14(a) shall be made in the Administrator's sole and absolute discretion and shall be final, binding and conclusive. Except as expressly provided herein, no issuance by the Company of shares of stock of any class, or securities convertible into shares of stock of any class, shall affect, and no adjustment by reason thereof shall be made with respect to, the number or price of Shares subject to an Award. If, by reason of a transaction described in this Section 14(a) or an adjustment pursuant to this Section 14(a), a Participant's Award agreement or agreement related to any Optioned Stock or Restricted Stock covers additional or different shares of stock or securities, then such additional or different shares, and the Award agreement or agreement related to the Optioned Stock or Restricted Stock in respect thereof, shall be subject to all of the terms, conditions and restrictions which were applicable to the Award, Optioned Stock and Restricted Stock prior to such adjustment.

(b) **Dissolution or Liquidation.** In the event of the dissolution or liquidation of the Company, each Award will terminate immediately prior to the consummation of such action, unless otherwise determined by the Administrator.

(c) **Corporate Transactions.** In the event of a sale of all or substantially all of the Company's assets, or a merger, consolidation or other capital reorganization or business combination transaction of the Company with or into another corporation, entity or person (a "Corporate Transaction"), each outstanding Option shall either be (i) assumed or an equivalent option or right shall be substituted by such successor corporation or a parent or subsidiary of such successor corporation (the "Successor Corporation"), or (ii) terminated in exchange for a payment of cash, securities and/or other property equal to the excess of the Fair Market Value of the portion of the Optioned Stock that is vested and exercisable immediately prior to the consummation of the Corporate Transaction over the per Share exercise price thereof. Notwithstanding the foregoing, in the event such Successor Corporation does not agree to such assumption, substitution or exchange, each such Option shall terminate upon the consummation of the Corporate Transaction.

15. **Time of Granting Options and Right to Purchase Restricted Stock.** The date of grant of an Award shall, for all purposes, be the date on which the Administrator makes the determination granting such Award, or such other date as is determined by the Administrator, provided that in the case of any Incentive Stock Option, the grant date shall be the later of the date on which the Administrator makes the determination granting such Incentive Stock Option or the date of commencement of the Optionee's employment relationship with the Company.

16. **Amendment and Termination of the Plan.** The Board may at any time amend or terminate the Plan, but no amendment or termination (other than an adjustment pursuant to

Section 14 above) shall be made that would materially and adversely affect the rights of any Participant under any outstanding Award, without his or her consent. In addition, to the extent necessary and desirable to comply with the Applicable Laws, the Company shall obtain the approval of holders of capital stock with respect to any Plan amendment in such a manner and to such a degree as required.

17. **Conditions Upon Issuance of Shares.** Notwithstanding any other provision of the Plan or any agreement entered into by the Company pursuant to the Plan, the Company shall not be obligated, and shall have no liability for failure, to issue or deliver any Shares under the Plan unless such issuance or delivery would comply with the Applicable Laws, with such compliance determined by the Company in consultation with its legal counsel. As a condition to the exercise of any Option or purchase of any Restricted Stock, the Company may require the person exercising the Option or purchasing the Restricted Stock to represent and warrant at the time of any such exercise or purchase 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 Applicable Laws. Shares issued upon exercise of Options or purchase of Restricted Stock prior to the date, if ever, on which the Common Stock becomes a Listed Security shall be subject to a right of first refusal in favor of the Company pursuant to which the Participant will be required to offer Shares to the Company before selling or transferring them to any third party on such terms and subject to such conditions as is reflected in the applicable Option Agreement or Restricted Stock Purchase Agreement.

18. **Beneficiaries.** Unless stated otherwise in an Award agreement, a Participant may designate one or more beneficiaries with respect to an Award by timely filing the prescribed form with the Company. A beneficiary designation may be changed by filing the prescribed form with the Company at any time before the Participant's death. If no beneficiary was designated or if no designated beneficiary survives the Participant, then after a Participant's death any vested Award(s) shall be transferred or distributed to the Participant's estate.

19. **Approval of Holders of Capital Stock.** If required by the Applicable Laws, continuance of the Plan shall be subject to approval by the holders of capital stock of the Company within twelve (12) months before or after the date the Plan is adopted or, to the extent required by Applicable Laws, any date the Plan is amended. Such approval shall be obtained in the manner and to the degree required under the Applicable Laws.

20. **Addenda.** The Administrator may approve such addenda to the Plan as it may consider necessary or appropriate for the purpose of granting Awards to Employees or Consultants, which Awards may contain such terms and conditions as the Administrator deems necessary or appropriate to accommodate differences in local law, tax policy or custom, which, if so required under Applicable Laws, may deviate from the terms and conditions set forth in this Plan. The terms of any such addenda shall supersede the terms of the Plan to the extent necessary to accommodate such differences but shall not otherwise affect the terms of the Plan as in effect for any other purpose.

ADDENDUM A

2009 STOCK PLAN

(California Participants)

Prior to the date, if ever, on which the Common Stock becomes a Listed Security and/or the Company is subject to the reporting requirements of the Exchange Act, the terms set forth herein shall apply to Awards issued to California Participants. All capitalized terms used herein but not otherwise defined shall have the respective meanings set forth in the Plan.

1. The following rules shall apply to any Option in the event of termination of the Participant's Continuous Service Status:

a. If such termination was for reasons other than death, "disability" (as defined below), or Cause, the Participant shall have at least thirty (30) days after the date of such termination to exercise his or her Option to the extent the Participant is entitled to exercise on his or her termination date, provided that in no event shall the Option be exercisable after the expiration of the Option term as set forth in the Option Agreement.

b. If such termination was due to death or disability, the Participant shall have at least six (6) months after the date of such termination to exercise his or her Option to the extent the Participant is entitled to exercise on his or her termination date, provided that in no event shall the Option be exercisable after the expiration of the Option term as set forth in the Option Agreement.

"Disability" for purposes of this Addendum shall mean the inability of the Participant, in the opinion of a qualified physician acceptable to the Company, to perform the major duties of the Participant's position with the Company or any Parent or Subsidiary because of the sickness of injury of the Participant.

2. Notwithstanding anything stated herein to the contrary, no Option shall be exercisable on or after the tenth anniversary of the date of grant and any Award agreement shall terminate on or before the tenth anniversary of the date of grant.

3. The Company shall furnish summary financial information (audited or unaudited) of the Company's financial condition and results of operations, consistent with the requirements of Applicable Laws, at least annually to each California Participant during the period such Participant has one or more Awards outstanding, and in the case of an individual who acquired Shares pursuant to the Plan, during the period such Participant owns such Shares. The Company shall not be required to provide such information if (i) the issuance is limited to key employees whose duties in connection with the Company assure their access to equivalent information or (ii) the Plan or any agreement complies with all conditions of Rule 701 of the Securities Act of 1933, as amended; provided that for purposes of determining such compliance, any registered domestic partner shall be considered a "family member" as that term is defined in Rule 701.

EMI Addendum. The provisions contained in this **EMI Addendum** are hereby incorporated into the Expensify, Inc 2009 Stock Plan ("**Plan**"). To the extent that the terms and conditions set forth in the **EMI Addendum** in relation to EMI Options conflict with any other provisions of the Plan, the provisions of the **EMI Addendum** shall govern.

Expensify, Inc

EMI Addendum (UNITED KINGDOM)

ARTICLE 1
Purpose

1.1 The Board has adopted this **EMI Addendum** for purposes of satisfying the requirements of Schedule 5 ("**Schedule 5**") to the United Kingdom ("**UK**") Income Tax (Earnings and Pensions) Act 2003 ("**ITEPA**"), which provides for the grant of options for commercial reasons in order to recruit and retain employees in the UK. EMI Options may only be granted under this **EMI Addendum** to an "eligible employee", within the meaning of part 4 of Schedule 5, and shall be subject to the limitations, terms and conditions of the Plan as supplemented by this **EMI Addendum**. Such "eligible employee" shall be an "**Optionee**" for the purposes of the Plan and shall be required to certify their eligibility by signing the EMI Option Agreement or in such other manner as is permitted by Schedule 5.

ARTICLE 2
Definitions

For purposes of this EMI Addendum, in addition to the definitions provided in the recitals above, the following terms shall have the meanings indicated:

2.1 "**Control**" shall have the same meaning as in Section 995 of the UK Income Tax Act 2007;

2.2 "**EMI Option**" means an Option which is intended to be a qualifying enterprise management incentive option pursuant to Schedule 5.

2.3 "**EMI Option Agreement**" means and Notice of Stock Option Grant and Option Agreement in respect of an EMI Option.

2.4 **Fair Market Value** shall mean the market value determined in accordance with sections 272-3 of the Taxation of Capital Gains Tax Act 1992.

2.5 "**Group**" means the Company, and any Subsidiary.

2.6 "**Shares**" means shares of common stock in the Company, having the rights and being subject to the provisions and restrictions set out in the Company's by laws (*including, without limitation, limited transferability, certain anti-dilution rights, drag and tag-along*) and any stockholder agreement from time to time in force in relation to the Company, section 11(b) of the Plan, any restrictions imposed by an EMI Option Agreement, and any further restrictions that may be imposed by the Board under the Plan.

2.7 "**Subsidiary**" means a company (wherever incorporated) which for the time being is under the Control of the Company.

ARTICLE 3
Eligibility

3.1 Only employees and directors who are “eligible employees” within the meaning of Schedule 5 shall be entitled to receive EMI Options under this **EMI Addendum**.

ARTICLE 4
EMI LIMIT

4.1 EMI Options granted under this **EMI Addendum** are intended to be "qualifying options" for the purposes of Schedule 5. The £250,000 maximum entitlement requirement set out in paragraph 5 of Schedule 5 (or such other limit as may apply from time to time) shall apply to each grant of EMI Options. If and to the extent that the aggregate Fair Market Value of all Shares granted to an Optionee pursuant to outstanding EMI Option exceeds such maximum entitlement, such EMI Options as are granted in excess of that maximum entitlement shall take effect as though they were unapproved options for UK tax purposes. Any EMI Options granted within the £250,000 limit will continue to take effect as qualifying EMI Options for the purposes of Schedule 5.

ARTICLE 5
Tax Withholding

5.1 An Optionee shall be accountable for any income tax and, subject to the following provisions, National Insurance liability which is chargeable on any assessable income deriving from the exercise of, or other dealing in, an EMI Option. In respect of such assessable income the Optionee shall indemnify the Company and (at the direction of the Company) any Subsidiary which is or may be treated as the employer of the Optionee in respect of the following (together, the "**Tax Liabilities**"):

(a) any income tax liability which falls to be paid to HM Revenue & Customs by the Company (or the relevant employing Subsidiary) under the PAYE system as it applies to income tax under ITEPA and the PAYE regulations referred to in it; and

(b) any National Insurance liability which falls to be paid to HM Revenue & Customs (“**HMRC**”) by the Company (or the relevant employing Subsidiary) under the PAYE system as it applies for national insurance purposes under the Social Security Contributions and Benefits Act 1992 and regulations referred to in it such national insurance liability being the aggregate of:

(i) all the employee's primary Class 1 National Insurance contributions; and

(ii) all the employer's secondary Class 1 National Insurance contributions.

5.2 Pursuant to the indemnity referred to in clause 5.1, an Optionee shall make such arrangements as the Company requires to meet the cost of the Tax Liabilities, including at the direction of the Company any of the following:

(a) making a cash payment of an appropriate amount to the relevant company whether by cheque, banker's draft or deduction from salary in time to enable the Company to remit

such amount to HM Revenue & Customs before the 14th day following the end of the month in which the event giving rise to the Tax Liabilities occurred; or

(b) appointing the Company as agent and/or attorney for the sale of sufficient Shares acquired pursuant to the exercise of the Option to cover the Tax Liabilities and authorising the payment to the relevant company of the appropriate amount (including all reasonable fees, commissions and expenses incurred by the relevant company in relation to such sale) out of the net proceeds of sale of the Shares;

(c) entering into an election whereby the employer's liability for secondary Class 1 National Insurance contributions is transferred to the Optionee on terms set out in the election and approved by HM Revenue & Customs.

5.3 Where the Shares to be acquired on exercise of the EMI Option are considered to be "restricted securities" for the purposes of the UK tax legislation (such determination to be at the sole discretion of the Company), it shall be a condition of exercise that the Optionee if so directed by the Company enter into a joint election with the Company or, if different, the relevant Subsidiary employing the Optionee pursuant to Section 431 ITEPA electing that the market value of the Shares to be acquired on the exercise of the EMI Option be calculated as if the Shares were not "restricted securities".

ARTICLE 6
Miscellaneous

6.1 No part of the Plan shall apply to an EMI Option the extent that it is inconsistent with Schedule 5. The Board may designate an Option as an “EMI Option”, and section 5(b) shall be read accordingly.

6.2 Section 4(c) (viii) shall apply with the proviso that no surrender or cancellation of an EMI Option shall occur without the written consent of each affected Optionee

6.3 Payment of the exercise price shall be only by cash, check or Cashless Exercise, provided that such Cashless Exercise is in a form permitted by HMRC. Section 9(b) shall be read accordingly..

6.4 . In the event of the Optionee’s death while in an employment relationship with the Company, the Option may to the extent the Optionee is vested in the Optioned Stock on the date of death be exercised by his or her personal representatives within 12 months of the date of death. Section 10(b)(iv) shall be amended accordingly.

6.5 Section 13(b) shall not apply to EMI Options. An EMI Option shall be personal to the Optionee and may not be transferred, charged or otherwise dealt in. An EMI Option shall lapse in the event of any breach of this paragraph

6.6 Section 14(a) shall apply to EMI Options with the proviso that while it is intended that options granted under this EMI Addendum shall benefit from the tax advantages provided by Schedule 5, no adjustment to an EMI Option shall be made that would constitute a “disqualifying

event" within the meaning of section 532 to 539 of ITEPA, without the written consent of the affected Optionee

6.7 . Section 14(c)(i) shall apply with the proviso that the written consent of the affected Optionee the assumption or substitution of any EMI Option. A termination of an EMI Option under Section 14(c)(ii) may occur only with the written consent of each affected Optionee.

6.8 Section 18 and Section 19 shall not apply to the Addendum.

6.9 The validity and enforceability of the Plan shall be governed by and construed in accordance with the laws of the State of Delaware without regard to otherwise governing principles of conflicts of law, except that provisions relating to UK taxation shall be governed by the laws of the United Kingdom.

EXPENSIFY, INC.

2009 STOCK PLAN

NOTICE OF STOCK OPTION GRANT (EMI ADDENDUM)

[OPTIONEE NAME]

You have been granted an option to purchase Common Stock of Expensify, Inc., a Delaware corporation (the "Company"), as follows:

Date of Grant: (Board Approval Date):	[Grant Date]
Date of Signature (Grant Date for UK EMI purposes):	_____
Exercise Price Per Share:	USD [$Exercise Price Per Share]
Total Number of Shares:	[Number of Shares]
Total Exercise Price:	USD [Total Exercise Price]
Type of Option:	EMI Stock Option
Expiration Date:	[Expiration Date]
Vesting Commencement Date:	[Vesting Commencement Date]
Vesting Schedule:	So long as your Continuous Service Status does not terminate, the Shares underlying this Option shall vest and be exercisable in accordance with the following schedule: [Vesting Schedule] of the Total Number of Shares shall vest on the six month anniversary of the Vesting Commencement Date and 1/48th of the Total Number of Shares shall vest on each monthly anniversary thereafter.

Termination Period:	If your Continuous Service Status is less than three (3) years, you may exercise this Option for thirty (30) days after termination of your Continuous Service Status except as set out in Section 5 of the Stock Option Agreement (but in no event later than the Expiration Date). *If your Continuous Service Status is equal to or greater than three (3) years, you may exercise this Option for two (2) years after termination of your Continuous Service Status (but in no event later than the Expiration Date).* The Option must be exercised within 90 days after termination of employment for reasons other than death to qualify for the beneficial tax treatment afforded EMI Options. You are responsible for keeping track of these exercise periods following the termination of your Continuous Service Status for any reason. The Company will not provide further notice of such periods.
Transferability:	You may not transfer this Option during your lifetime. In the event of any breach of this provision, the Option shall lapse forthwith.

[*Signature page follows*]

By your signature and the signature of the Company's representative below, (a) you and the Company agree that this Option is granted under and governed by the terms and conditions of the EMI Addendum to the Expensify, Inc. 2009 Stock Plan and the Stock Option Agreement, both of which are attached to and made a part of this document; and (b) you confirm that you fulfill the working time requirements of paragraph 26 of Schedule 5.

In addition, you agree and acknowledge that your rights to any Shares underlying this Option will be earned only as you provide services to the Company over time, that the grant of this Option is not as consideration for services you rendered to the Company prior to your date of hire, and that nothing in this Notice or the attached documents confers upon you any right to continue your employment or consulting relationship with the Company for any period of time, nor does it interfere in any way with your right or the Company's right to terminate that relationship at any time, for any reason, with or without cause. Also, while the Board believes that the Exercise Price Per Share is the Fair Market value of a Share, there is no guarantee that HMRC will agree with the valuation, and by signing below, you agree and acknowledge that the Company shall not be held liable for any applicable costs, taxes, or penalties associated with this Option if, in fact, HMRC were to determine that this Option was granted at a discount. You should consult with your own tax advisor concerning the tax consequences of such a determination by HMRC.

THE COMPANY:

EXPENSIFY, INC.

By: _____
(signature)

Name: David Barrett
Title: Chief Executive Officer

OPTIONEE:

[OPTIONEE NAME]

_____
(signature)

EXPENSIFY, INC.

2009 STOCK PLAN

STOCK OPTION AGREEMENT

1. **Grant of Option.** Expensify, Inc., a Delaware corporation (the "Company"), hereby grants to [Optionee Name] ("Optionee"), an option (the "Option") to purchase the total number of shares of Common Stock (the "Shares") set forth in the Notice of Stock Option Grant (the "Notice"), at the exercise price per Share set forth in the Notice (the "Exercise Price") subject to the terms, definitions and provisions of the EMI Addendum to the Expensify, Inc. 2009 Stock Plan (the "Plan") adopted by the Company, which is incorporated in this Agreement by reference. Unless otherwise defined in this Agreement, the terms used in this Agreement shall have the meanings defined in the Plan.

2. **Designation of Option.** To the extent that the total Fair Market Value (measured at the date of grant) of Shares held by you under EMI Options does not exceed £250,000, this Option is intended to be an Enterprise Management Incentive Option as defined in Schedule 5.

3. **Exercise of Option.** This Option shall be exercisable during its term in accordance with the Vesting Schedule set out in the Notice and with the provisions of Section 10 of the Plan as follows:

(a) **Right to Exercise.**

(i) This Option may be exercised in whole or in as to Shares which have vested under the vesting schedule indicated on the Notice of Stock Option Grant, Optionee shall complete and execute the form of Exercise Notice and Restricted Stock Purchase Agreement attached hereto as Exhibit A (the "Exercise Agreement"). Notwithstanding the foregoing, the Company may in its discretion prescribe or accept a different form of notice of exercise and/or stock purchase agreement if such forms are otherwise consistent with this Agreement, the Plan and then-applicable law.

(ii) This Option may not be exercised for a fraction of a share.

(iii) In the event of Optionee's death, Disability or other termination of Continuous Service Status, the exercisability of this Option is governed by Section 5 below, subject to the limitations contained in this Section 3.

(iv) In no event may this Option be exercised after the Expiration Date set forth in the Notice.

(b) **Method of Exercise.**

(i) This Option shall be exercisable by execution and delivery of the Exercise Agreement, whichever is applicable, or of any other form of written notice approved for such purpose by the Company which shall state Optionee's election to exercise this Option, the number of Shares in respect of which this Option is being exercised, and such other representations and agreements as to the holder's investment intent with respect to such Shares as may be required by the Company pursuant to the provisions of the Plan. Such written notice shall be signed by Optionee and shall be delivered to the Company by such means as are determined by the Plan Administrator in its discretion to constitute adequate delivery. The written notice shall be accompanied by payment of the aggregate Exercise Price for the purchased Shares.

(ii) As a condition to the exercise of this Option and as further set forth in Section 12 of the Plan, Optionee agrees to make adequate provision for all tax withholding obligations, if any, which arise upon the grant, vesting or exercise of this Option, or disposition of Shares, whether by withholding, direct payment to the Company, or otherwise, which shall include the signing of an election under Article 5.2(c) of the EMI Addendum, and the signing of a section 431 ITEPA election (in the form of Attachment A hereto) under Article 5.3 of the EMI Addendum, if required by the Company .

(iii) The Company is not obligated, and will have no liability for failure, to issue or deliver any Shares upon exercise of this Option unless such issuance or delivery would comply with the Applicable Laws, with such compliance determined by the Company in consultation with its legal counsel.

(iv) Subject to compliance with Applicable Laws, this Option shall be deemed to be exercised upon receipt by the Company of the appropriate written notice of exercise accompanied by the Exercise Price and the satisfaction of any applicable withholding obligations.

4. **Method of Payment.** Payment of the Exercise Price shall be by any of the following, or a combination of the following, at the election of Optionee:

(a) cash or check;

(b) at the discretion of the Plan Administrator on a case by case basis, by Cashless Exercise.

5. **Termination of Relationship.** Following the date of termination of Optionee's Continuous Service Status for any reason (the "Termination Date"), Optionee may exercise this Option only as set forth in the Notice and this Section 5. If Optionee does not exercise this Option within the Termination Period set forth in the Notice or the termination periods set

forth below, this Option shall terminate in its entirety. In no event, may any Option be exercised after the Expiration Date of this Option as set forth in the Notice.

(a) **Termination.** In the event of termination of Optionee's Continuous Service Status other than as a result of Optionee's Disability or death or for Cause, Optionee may, to the extent Optionee is vested in the Option Shares, exercise this Option during the Termination Period set forth in the Notice.

(b) **Other Terminations.** In connection with any termination other than a termination covered by Section 5(a), Optionee may exercise this Option only as described below:

(i) **Termination upon Disability of Optionee.** In the event of termination of Optionee's Continuous Service Status as a result of Optionee's Disability, Optionee may, but only within 90 days following the date of such termination (the "Termination Date"), exercise this Option to the extent Optionee is vested in the Option Shares.

(ii) **Death of Optionee.** In the event of termination of Optionee's Continuous Service Status as a result of Optionee's death, this Option may be exercised at any time within twelve (12) months following the date of death (or, if earlier, the date Optionee's Continuous Service Status terminated) by Optionee's personal representatives by bequest or inheritance, but only to the extent Optionee is vested in this Option.

(iii) **Termination for Cause.** In the event of termination of Optionee's Continuous Service Status for Cause, this Option (including any vested portion thereof) shall immediately terminate in its entirety upon first notification to Optionee of such termination for Cause. If Optionee's Continuous Service Status is suspended pending an investigation of whether Optionee's Continuous Service Status will be terminated for Cause, all Optionee's rights under this Option, including the right to exercise this Option, shall be suspended during the investigation period.

6. **Non-Transferability of Option.** This Option may not be transferred in any manner otherwise than by will or by the laws of descent or distribution and may be exercised during the lifetime of Optionee only by him or her. In the event of any breach of this provision the Option shall lapse forthwith

7. **Lock-Up Agreement.** In connection with the initial public offering of the Company's securities and upon request of the Company or the underwriters managing any underwritten offering of the Company's securities, Optionee hereby agrees not to sell, make any short sale of, loan, grant any option for the purchase of, or otherwise dispose of any securities of the Company however and whenever acquired (other than those included in the registration) without the prior written consent of the Company or such underwriters, as the case may be, for such period of time (not to exceed 180 days) from the effective date of such registration as may be requested by the Company or such managing underwriters and to execute an agreement reflecting the foregoing as may be requested by the underwriters at the

time of the public offering; provided however that, if during the last 17 days of the restricted period the Company issues an earnings release or material news or a material event relating to the Company occurs, or prior to the expiration of the restricted period the Company announces that it will release earnings results during the 16-day period beginning on the last day of the restricted period, then, upon the request of the managing underwriter, to the extent required by any FINRA rules, the restrictions imposed by this Section 7 shall continue to apply until the end of the third trading day following the expiration of the 15-day period beginning on the issuance of the earnings release or the occurrence of the material news or material event. In no event will the restricted period extend beyond 216 days after the effective date of the registration statement.

8. Data Privacy

(a) By entering into this Agreement, and as a condition of the grant of the Option, Optionee consents to the collection, use, and transfer of personal data as described in this paragraph to the full extent permitted by and in full compliance with applicable laws.

(b) Optionee understands that the Company and its Subsidiaries hold certain personal information about the Optionee, including, but not limited to, name, home address and telephone number, date of birth, social insurance number, salary, nationality, job title, any stock, units or directorships held in the Company or any Subsidiary, details of all options or other entitlement to shares awarded, cancelled, exercised, vested, unvested, or outstanding in the Optionee's favour ("Data") for the purpose of managing and administering the Plan.

(c) Optionee further understands that the Company and/or its Subsidiaries will transfer Data among themselves as necessary for the purposes of implementation, administration, and management of Optionee's participation in the Plan, and that the Company and/or its Subsidiary may each further transfer Data to any third parties assisting the Company in the implementation, administration, and management of the Plan ("Data Recipients").

(d) Optionee understands that these Data Recipients may be located in Optionee's country of residence or elsewhere, such as the United States. Optionee authorises the Data Recipients to receive, possess, use, retain, and transfer Data in electronic or other form, for the purposes of implementing, administering, and managing Optionee's participation in the Plan, including any transfer of such Data, as may be required for the administration of the Plan and/or the subsequent holding of Shares on Optionee's behalf, to a broker or third party with whom the Shares acquired on exercise may be deposited. Where the transfer is to be to a destination outside the European Economic Area, the Company shall take reasonable steps to ensure that Optionee's personal data continues to be adequately protected and securely held.

(e) Optionee understands that Optionee may, at any time, review the Data, request that any necessary amendments be made to it, or withdraw Optionee's consent herein in writing by contacting the Company. Optionee further understands that withdrawing consent may affect Optionee's ability to participate in the Plan.

9. **Effect of Agreement.** Optionee acknowledges receipt of a copy of the Plan and represents that he or she is familiar with the terms and provisions thereof (and has had an opportunity to consult counsel regarding the Option terms), and hereby accepts this Option and agrees to be bound by its contractual terms as set forth herein and in the Plan. Optionee hereby agrees to accept as binding, conclusive and final all decisions and interpretations of the Plan Administrator regarding any questions relating to this Option. In the event of a conflict between the terms and provisions of the Plan and the terms and provisions of the Notice and this Agreement, the Plan terms and provisions shall prevail.

10. **Miscellaneous.**

(a) **Governing Law.** This Agreement and all acts and transactions pursuant hereto and the rights and obligations of the parties hereto shall be governed, construed and interpreted in accordance with the laws of the State of Delaware, without giving effect to principles of conflicts of law, provided that matters relating to UK taxation shall be governed in accordance with English law

(b) **Entire Agreement; Enforcement of Rights.** This Agreement, together with the Notice of Stock Option Grant to which this Agreement is attached and the Plan, sets forth the entire agreement and understanding of the parties relating to the subject matter herein and therein and merges all prior discussions between the parties. Except as contemplated under the Plan, no modification of or amendment to this Agreement, nor any waiver of any rights under this Agreement, shall be effective unless in writing signed by the parties to this Agreement. The failure by either party to enforce any rights under this Agreement shall not be construed as a waiver of any rights of such party.

(c) **Severability.** If one or more provisions of this Agreement are held to be unenforceable under Applicable Laws, the parties agree to renegotiate such provision in good faith. In the event that the parties cannot reach a mutually agreeable and enforceable replacement for such provision, then (i) such provision shall be excluded from this Agreement, (ii) the balance of this Agreement shall be interpreted as if such provision were so excluded and (iii) the balance of this Agreement shall be enforceable in accordance with its terms.

(d) **Notices.** Any notice required or permitted by this Agreement shall be in writing and shall be deemed sufficient when delivered personally or sent by telegram or fax or forty-eight (48) hours after being deposited in the U.S. mail, as certified or registered mail, with postage prepaid, and addressed to the party to be notified at such party's address as set forth below or as subsequently modified by written notice.

(e) **Counterparts.** This Option may be executed in two or more counterparts, each of which shall be deemed an original and all of which together shall constitute one instrument.

(f) **Successors and Assigns.** The rights and benefits of this Agreement shall inure to the benefit of, and be enforceable by the Company's successors and assigns. The rights and obligations of Optionee under this Agreement may not be assigned.

[Signature Page Follows]

IN WITNESS WHEREOF, the parties have executed or caused this Agreement to be executed by their officers thereunto duly authorized, effective as of the Date of Grant set forth in the accompanying Notice of Stock Option Grant.

THE COMPANY:

EXPENSIFY, INC.

By: _____
(signature)

Name: David Barrett
Title: Chief Executive Officer

OPTIONEE:

[OPTIONEE NAME]

_____
(signature)

Address: _____
_____

EXHIBIT A

EXPENSIFY, INC.

2009 STOCK PLAN (EMI ADDENDUM)

EXERCISE AGREEMENT

This Exercise Agreement (this "Agreement") is made as of , by and between Expensify, Inc., a Delaware corporation (the "Company"), and [Optionee Name] ("Purchaser").

To the extent any capitalized terms used in this Agreement are not defined, they shall have the meaning ascribed to them in the EMI Addendum to the Company's 2009 Stock Plan (the "Plan").

1. **Exercise of Option.** Subject to the terms and conditions hereof, Purchaser hereby elects to exercise his or her option to purchase _____ shares of the Common Stock (the "Shares") of the Company under and pursuant to the Plan and the Stock Option Agreement dated [Grant Date] (the "Option Agreement"). The purchase price for the Shares shall be USD [Exercise Price Per Share] per Share for a total purchase price of USD $_____. The term "Shares" refers to the purchased Shares and all securities received as stock dividends or splits, all securities received in replacement of the Shares in a recapitalization, merger, reorganization, exchange or the like, and all new, substituted or additional securities or other property to which Purchaser is entitled by reason of Purchaser's ownership of the Shares.

2. **Time and Place of Exercise.** The purchase and sale of the Shares under this Agreement shall occur at the principal office of the Company simultaneously with the execution and delivery of this Agreement, the payment of the aggregate exercise price by any method listed in Section 4 of the Option Agreement, and the satisfaction of any applicable tax withholding obligations, all in accordance with the provisions of Section 3(b) of the Option Agreement. The Company shall issue the Shares to Purchaser by entering such Shares in Purchaser's name as of such date in the books and records of the Company or, if applicable, a duly authorized transfer agent of the Company, against payment of the exercise price therefor by Purchaser. If applicable, the Company will deliver to Purchaser a certificate representing the Shares as soon as practicable following such date.

3. **Limitations on Transfer.** In addition to any other limitation on transfer created by applicable securities laws, Purchaser shall not assign, encumber or dispose of any interest in the Shares except in compliance with the provisions below and applicable securities laws.

(a) **Right of First Refusal.** Before any Shares held by Purchaser or any transferee of Purchaser (either being sometimes referred to herein as the "Holder") may be sold or otherwise transferred (including transfer by gift or operation of law), the Company or

its assignee(s) shall have a right of first refusal to purchase the Shares on the terms and conditions set forth in this Section 3(a) (the "Right of First Refusal").

(i) **Notice of Proposed Transfer.** The Holder of the Shares shall deliver to the Company a written notice (the "Notice") stating: (i) the Holder's bona fide intention to sell or otherwise transfer such Shares; (ii) the name of each proposed purchaser or other transferee ("Proposed Transferee"); (iii) the number of Shares to be transferred to each Proposed Transferee; and (iv) the terms and conditions of each proposed sale or transfer. The Holder shall offer the Shares at the same price (the "Purchase Price") and upon the same terms (or terms as similar as reasonably possible) to the Company or its assignee(s).

(ii) **Exercise of Right of First Refusal.** At any time within thirty (30) days after receipt of the Notice, the Company and/or its assignee(s) may, by giving written notice to the Holder, elect to purchase all, but not less than all, of the Shares proposed to be transferred to any one or more of the Proposed Transferees, at the Purchase Price. If the Purchase Price includes consideration other than cash, the cash equivalent value of the non-cash consideration shall be determined by the Board in good faith.

(iii) **Payment.** Payment of the Purchase Price shall be made, at the election of the Company or its assignee(s), in cash (by check), by cancellation of all or a portion of any outstanding indebtedness, or by any combination thereof within sixty (60) days after receipt of the Notice or in the manner and at the times set forth in the Notice.

(iv) **Holder's Right to Transfer.** If all of the Shares proposed in the Notice to be transferred to a given Proposed Transferee are not purchased by the Company and/or its assignee(s) as provided in this Section 3(a), then the Holder may sell or otherwise transfer such Shares to that Proposed Transferee at the Purchase Price or at a higher price, provided that such sale or other transfer is consummated within one hundred twenty (120) days after the date of the Notice and provided further that any such sale or other transfer is effected in accordance with any applicable securities laws and the Proposed Transferee agrees in writing that the provisions of this Section 3 shall continue to apply to the Shares in the hands of such Proposed Transferee. If the Shares described in the Notice are not transferred to the Proposed Transferee within such period, or if the Holder proposes to change the price or other terms to make them more favorable to the Proposed Transferee, a new Notice shall be given to the Company, and the Company and/or its assignees shall again be offered the Right of First Refusal before any Shares held by the Holder may be sold or otherwise transferred.

(v) **Exception for Certain Transfers.** Anything to the contrary contained in this Section 3(a) notwithstanding, the transfer of any or all of the Shares during Purchaser's lifetime or on Purchaser's death by will or intestacy to Purchaser's Immediate Family or a trust for the benefit of Purchaser or Purchaser's Immediate Family shall be exempt from the provisions of this Section 3(a). As used herein, a person is deemed to be a "Spouse" if (i) the relevant person and the related party are married under the applicable law of the state or country at the time and place the marriage was entered into, or (ii) are registered as "domestic partners" or have entered into a civil union or comparable relationship in a state or nation that sanctions such unions by law, such relationship is valid pursuant to applicable law at the time

the parties entered into the relationship, and such relationship has not been dissolved under the law of the state or nation in which such relationship was initially or is currently recognized, provided the following circumstances are true: (a) the relevant person and the Spouse reside together, are the sole spousal equivalent of the other and intend to remain so indefinitely, (b) neither are married to anyone else, both are at least 18 years of age and mentally competent to consent to contract, (d) they are not related by blood to a degree of closeness that which would prohibit legal marriage in the state in which they legally reside, (e) they are jointly responsible for each other's common welfare and financial obligations. "Immediate Family" as used herein shall mean Purchaser's Spouse, the lineal descendant or antecedent, brother or sister, of Purchaser or Purchaser's Spouse, or the Spouse of any lineal descendant or antecedent, brother or sister of Purchaser, or Purchaser's Spouse. In such case, the transferee or other recipient shall receive and hold the Shares so transferred subject to the provisions of this Section 3, and there shall be no further transfer of such Shares except in accordance with the terms of this Section 3.

(b) **Company's Right to Purchase upon Involuntary Transfer.** In the event of any transfer by operation of law or other involuntary transfer (including death or divorce, but excluding a transfer to Immediate Family as set forth in Section 3(a)(v) above) of all or a portion of the Shares by the record holder thereof, the Company shall have an option to purchase all of the Shares transferred at the greater of the purchase price paid by Purchaser pursuant to this Agreement or the Fair Market Value of the Shares on the date of transfer (as determined by the Board). Upon such a transfer, the person acquiring the Shares shall promptly notify the Secretary of the Company of such transfer. The right to purchase such Shares shall be provided to the Company for a period of thirty (30) days following receipt by the Company of written notice by the person acquiring the Shares.

(c) **Assignment.** The right of the Company to purchase any part of the Shares may be assigned in whole or in part to any holder or holders of capital stock of the Company or other persons or organizations.

(d) **Restrictions Binding on Transferees.** All transferees of Shares or any interest therein will receive and hold such Shares or interest subject to the provisions of this Agreement. Any sale or transfer of the Company's Shares shall be void unless the provisions of this Agreement are satisfied.

(e) **Termination of Rights.** The right of first refusal granted the Company by Section 3(a) above and the option to repurchase the Shares in the event of an involuntary transfer granted the Company by Section 3(b) above shall terminate upon the first sale of Common Stock of the Company to the general public pursuant to a registration statement filed with and declared effective by the Securities and Exchange Commission under the Securities Act of 1933, as amended (the "Securities Act"). Upon termination of the right of first refusal described in Section 3(a) above the Company will remove any stop-transfer notices referred to in Section 5(b) below and related to the restrictions in this Section 3 and, if certificates are issued, a new certificate or certificates representing the Shares not repurchased shall be issued, on request, without the legend referred to in Section 5(a)(ii) below and delivered to Purchaser.

4. **Investment and Taxation Representations.** In connection with the purchase of the Shares, Purchaser represents to the Company the following:

(a) Purchaser is aware of the Company's business affairs and financial condition and has acquired sufficient information about the Company to reach an informed and knowledgeable decision to acquire the Shares. Purchaser is purchasing these securities for investment for his or her own account only and not with a view to, or for resale in connection with, any "distribution" thereof within the meaning of the Securities Act or under any applicable provision of state law. Purchaser does not have any present intention to transfer the Shares to any person or entity.

(b) Purchaser understands that the Shares have not been registered under the Securities Act by reason of a specific exemption therefrom, which exemption depends upon, among other things, the bona fide nature of Purchaser's investment intent as expressed herein.

(c) Purchaser further acknowledges and understands that the securities must be held indefinitely unless they are subsequently registered under the Securities Act or an exemption from such registration is available. Purchaser further acknowledges and understands that the Company is under no obligation to register the securities. Purchaser understands that the certificate(s) evidencing the securities will be imprinted with a legend which prohibits the transfer of the securities unless they are registered or such registration is not required in the opinion of counsel for the Company.

(d) Purchaser is familiar with the provisions of Rules 144 and 701, each promulgated under the Securities Act, which, in substance, permit limited public resale of "restricted securities" acquired, directly or indirectly, from the issuer of the securities (or from an affiliate of such issuer), in a non-public offering subject to the satisfaction of certain conditions. Purchaser understands that the Company provides no assurances as to whether he or she will be able to resell any or all of the Shares pursuant to Rule 144 or Rule 701, which rules require, among other things, that the Company be subject to the reporting requirements of the Securities Exchange Act of 1934, as amended, that resales of securities take place only after the holder of the Shares has held the Shares for certain specified time periods, and under certain circumstances, that resales of securities be limited in volume and take place only pursuant to brokered transactions. Notwithstanding this paragraph (d), Purchaser acknowledges and agrees to the restrictions set forth in paragraph (e) below.

(e) Purchaser further understands that in the event all of the applicable requirements of Rule 144 or 701 are not satisfied, registration under the Securities Act, compliance with Regulation A, or some other registration exemption will be required; and that, notwithstanding the fact that Rules 144 and 701 are not exclusive, the Staff of the Securities and Exchange Commission has expressed its opinion that persons proposing to sell private placement securities other than in a registered offering and otherwise than pursuant to Rule 144 or 701 will have a substantial burden of proof in establishing that an exemption from registration is available for such offers or sales, and that such persons and their respective brokers who participate in such transactions do so at their own risk.

(f) Purchaser understands that Purchaser may suffer adverse tax consequences as a result of Purchaser's purchase or disposition of the Shares. Purchaser represents that Purchaser has consulted any tax consultants Purchaser deems advisable in connection with the purchase or disposition of the Shares and that Purchaser is not relying on the Company for any tax advice.

5. **Restrictive Legends and Stop-Transfer Orders.**

(a) **Legends.** The certificate or certificates representing the Shares shall bear the following legends (as well as any legends required by applicable state and federal corporate and securities laws):

(i) THE SHARES REPRESENTED BY THIS CERTIFICATE HAVE NOT BEEN REGISTERED UNDER THE SECURITIES ACT OF 1933, AND HAVE BEEN ACQUIRED FOR INVESTMENT AND NOT WITH A VIEW TO, OR IN CONNECTION WITH, THE SALE OR DISTRIBUTION THEREOF. NO SUCH SALE OR DISTRIBUTION MAY BE EFFECTED WITHOUT AN EFFECTIVE REGISTRATION STATEMENT RELATED THERETO OR AN OPINION OF COUNSEL FOR THE COMPANY THAT SUCH REGISTRATION IS NOT REQUIRED UNDER THE SECURITIES ACT OF 1933.

(ii) THE SHARES REPRESENTED BY THIS CERTIFICATE MAY BE TRANSFERRED ONLY IN ACCORDANCE WITH THE TERMS OF AN AGREEMENT BETWEEN THE COMPANY AND THE HOLDER, A COPY OF WHICH IS ON FILE WITH THE SECRETARY OF THE COMPANY.

(b) **Stop-Transfer Notices.** Purchaser agrees that, in order to ensure compliance with the restrictions referred to herein, the Company may issue appropriate "stop transfer" instructions to its transfer agent, if any, and that, if the Company transfers its own securities, it may make appropriate notations to the same effect in its own records.

(c) **Refusal to Transfer.** The Company shall not be required (i) to transfer on its books any Shares that have been sold or otherwise transferred in violation of any of the provisions of this Agreement or (ii) to treat as owner of such Shares or to accord the right to vote or pay dividends to any purchaser or other transferee to whom such Shares shall have been so transferred.

6. **No Employment Rights.** Nothing in this Agreement shall affect in any manner whatsoever the right or power of the Company, or a parent or subsidiary of the Company, to terminate Purchaser's employment or consulting relationship, for any reason, with or without cause.

7. **Lock-Up Agreement.** In connection with the initial public offering of the Company's securities and upon request of the Company or the underwriters managing any underwritten offering of the Company's securities, Purchaser agrees not to sell, make any short sale of, loan, grant any option for the purchase of, or otherwise dispose of any securities of the Company however or whenever acquired (other than those included in the registration) without the prior written consent of the Company or such underwriters, as the case may be, for such period of time (not to exceed one hundred eighty (180) days) from the effective date of such registration as may be requested by the Company or such managing underwriters and to execute an agreement reflecting the foregoing as may be requested by the underwriters at the time of the public offering; provided however that, if during the last 17 days of the restricted period the Company issues an earnings release or material news or a material event relating to the Company occurs, or prior to the expiration of the restricted period the Company announces that it will release earnings results during the 16-day period beginning on the last day of the restricted period, then, upon the request of the managing underwriter, to the extent required by any FINRA rules, the restrictions imposed by this Section 7 shall continue to apply until the end of the third trading day following the expiration of the 15-day period beginning on the issuance of the earnings release or the occurrence of the material news or material event. In no event will the restricted period extend beyond 216 days after the effective date of the registration statement.

8. **Tax Consequences.** PURCHASER UNDERSTANDS THAT PURCHASER MAY SUFFER ADVERSE TAX CONSEQUENCES AS A RESULT OF PURCHASER'S PURCHASE OR DISPOSITION OF THE SHARES. PURCHASER REPRESENTS THAT: (a) PURCHASER HAS CONSULTED WITH ANY TAX ADVISER WHO PURCHASER DEEMS ADVISABLE IN CONNECTION WITH THE PURCHASE OR DISPOSITION OF THE SHARES AND (b) PURCHASER IS NOT RELYING ON THE COMPANY FOR ANY TAX ADVICE. Set forth below is a brief summary as of the date the Plan was adopted by the Board of some of the UK tax consequences of exercise of the Option and disposition of the Shares. THIS SUMMARY IS NECESSARILY INCOMPLETE, AND THE TAX LAWS AND REGULATIONS ARE SUBJECT TO CHANGE. PURCHASER SHOULD CONSULT HIS OR HER OWN TAX ADVISER BEFORE EXERCISING THIS OPTION OR DISPOSING OF THE SHARES.

(a) **Exercise of EMI Options.** If the Option qualifies as an EMI Option, and no disqualifying event (such as your ceasing to be employed within the group) has occurred at the exercise date, there will be no income tax charge on exercise, unless HMRC demonstrates that the exercise price was less than Fair Market Value at the date of grant, in which case there will be an income tax or such discount at the date of exercise.

(b) **Disposition of Shares.** The following tax consequences may apply upon disposition of the Shares.

EMI Options. Provided no disqualifying event has occurred, any gain realized on disposition of the Shares will be subject to capital gains tax ("CGT"). You may be able to benefit from the annual CGT exemption (currently £11,100 for the year 2015/6). If the Shares are sold 12

months or more after the date of grant of the EMI Option , and you remain employed within the Group, CGT will be payable at 10% after taking account of the annual CGT exemption.

9. **Miscellaneous.**

(a) **Governing Law.** This Agreement and all acts and transactions pursuant hereto and the rights and obligations of the parties hereto shall be governed, construed and interpreted in accordance with the laws of the State of Delaware, without giving effect to principles of conflicts of law, except for matters relating to UK taxation, which shall be subject to English law.

(b) **Entire Agreement; Enforcement of Rights.** This Agreement sets forth the entire agreement and understanding of the parties relating to the subject matter herein and merges all prior discussions between them. No modification of or amendment to this Agreement, nor any waiver of any rights under this Agreement, shall be effective unless in writing signed by the parties to this Agreement. The failure by either party to enforce any rights under this Agreement shall not be construed as a waiver of any rights of such party.

(c) **Severability.** If one or more provisions of this Agreement are held to be unenforceable under Applicable Laws, the parties agree to renegotiate such provision in good faith. In the event that the parties cannot reach a mutually agreeable and enforceable replacement for such provision, then (i) such provision shall be excluded from this Agreement, (ii) the balance of the Agreement shall be interpreted as if such provision were so excluded and (iii) the balance of the Agreement shall be enforceable in accordance with its terms.

(d) **Notices.** Any notice required or permitted by this Agreement shall be in writing and shall be deemed sufficient when delivered personally or sent by telegram or fax or forty-eight (48) hours after being deposited in the U.S. mail, as certified or registered mail, with postage prepaid, and addressed to the party to be notified at such party's address as set forth below or as subsequently modified by written notice.

(e) **Counterparts.** This Agreement may be executed in two or more counterparts, each of which shall be deemed an original and all of which together shall constitute one instrument.

(f) **Successors and Assigns.** The rights and benefits of this Agreement shall inure to the benefit of, and be enforceable by the Company's successors and assigns. The rights and obligations of Purchaser under this Agreement may only be assigned with the prior written consent of the Company.

(g) **California Corporate Securities Law.** THE SALE OF THE SECURITIES WHICH ARE THE SUBJECT OF THIS AGREEMENT HAS NOT BEEN QUALIFIED WITH THE COMMISSIONER OF CORPORATIONS OF THE STATE OF CALIFORNIA AND THE ISSUANCE OF THE SECURITIES OR THE PAYMENT OR RECEIPT OF ANY PART OF THE CONSIDERATION THEREFOR PRIOR TO THE QUALIFICATION IS UNLAWFUL, UNLESS THE SALE OF SECURITIES IS EXEMPT

FROM QUALIFICATION BY SECTION 25100, 25102 OR 25105 OF THE CALIFORNIA CORPORATIONS CODE. THE RIGHTS OF ALL PARTIES TO THIS AGREEMENT ARE EXPRESSLY CONDITIONED UPON THE QUALIFICATION BEING OBTAINED, UNLESS THE SALE IS SO EXEMPT.

[Signature Page Follows]

The parties have executed this Exercise Agreement as of the date first set forth above.

THE COMPANY:

EXPENSIFY, INC.

By: _____
(signature)
Name:
Title:

Address: _____

PURCHASER:

[OPTIONEE NAME]

_____
(signature)

Address: _____

Attachment A

Section 431 Election

Joint Election under s431 ITEPA 2003 for full or partial disapplication of Chapter 2 Income Tax (Earnings and Pensions) Act 2003

One Part Election

1. Between

the Employee	[Optionee Name]
whose National Insurance Number is	_____
and	
the Company (who is the Employee's employer)	Expensify, Inc.
of Company Registration Number	9744432

2. Purpose of Election

This joint election is made pursuant to section 431(1) or 431(2) Income Tax (Earnings and Pensions) Act 2003 (ITEPA) and applies where employment-related securities, which are restricted securities by reason of section 423 ITEPA, are acquired.

The effect of an election under section 431(1) is that, for the relevant Income Tax and NIC purposes, the employment-related securities and their market value will be treated as if they were not restricted securities and that sections 425 to 430 ITEPA do not apply. An election under section 431(2) will ignore one or more of the restrictions in computing the charge on acquisition. Additional Income Tax will be payable (with PAYE and NIC where the securities are Readily Convertible Assets).

Should the value of the securities fall following the acquisition, it is possible that Income Tax/NIC that would have arisen because of any future chargeable event (in the absence of an election) would have been less than the Income Tax/NIC due by reason of this election. Should this be the case, there is no Income Tax/NIC relief available under Part 7 of ITEPA 2003; nor is it available if the securities acquired are subsequently transferred, forfeited or revert to the original owner.

3. Application

This joint election is made not later than 14 days after the date of acquisition of the securities by the employee and applies to:

Number of securities _____

Description of securities Common Stock

Name of issuer of securities Expensify, Inc.

To be acquired by the Employee after [Grant Date] under the terms of UK EMI Addendum to the Expensify, Inc. 2009 Stock Plan.

4. Extent of Application

This election disapplies:

S.431(1) ITEPA: All restrictions attaching to the securities.

5. Declaration

This election will become irrevocable upon the later of its signing or the acquisition (* and each subsequent acquisition) of employment-related securities to which this election applies.

(delete as appropriate – see Note)*

In signing this joint election, we agree to be bound by its terms as stated above.

..... / /

Signature (Employee) Date

..... / /

Signature (for and on behalf of the Company) Date

.....

Position in company

Note: Where the election is in respect of multiple acquisitions, prior to the date of any subsequent acquisition of a security it may be revoked by agreement between the employee and employer in respect of that and any later acquisition.

EXPENSIFY, INC.

2009 STOCK PLAN

NOTICE OF STOCK OPTION GRANT

«Optionee»
«OptioneeAddress1»
«OptioneeAddress2»

You have been granted an option to purchase Common Stock of Expensify, Inc., a Delaware corporation (the "Company"), as follows:

Date of Grant:	«GrantDate»
Exercise Price Per Share:	$«PricePerShare»
Total Number of Shares:	«NoOfShares»
Total Exercise Price:	$«TotalPrice»
Type of Option:	«NoSharesISO» Shares Incentive Stock Option «NoSharesNSO» Shares Nonstatutory Stock Option
Expiration Date:	«ExpirDate»
Vesting Commencement Date:	«FirstVestDate»
Vesting/Exercise Schedule:	So long as your Continuous Service Status does not terminate, the Shares underlying this Option shall vest and become exercisable in accordance with the following schedule: «FirstVestAmount» of the Total Number of Shares shall vest and become exercisable on «FirstVestDate» and «MonthlyVestingFraction» of the Total Number of Shares shall vest and become exercisable on the «MonthlyVestingDay» day of each month thereafter.
Termination Period:	You may exercise this Option for thirty (30) days after termination of your Continuous Service Status except as set out in Section 5 of the Stock Option Agreement (but in no event later than the Expiration Date). You are responsible for keeping track of these exercise periods following the termination of your Continuous Service Status for any reason. The Company will not provide further notice of such periods.
Transferability:	You may not transfer this Option.

By your signature and the signature of the Company's representative below, you and the Company agree that this Option is granted under and governed by the terms and conditions of the Expensify, Inc. 2009 Stock Plan and the Stock Option Agreement, both of which are attached to and made a part of this document.

In addition, you agree and acknowledge that your rights to any Shares underlying this Option will be earned only as you provide services to the Company over time, that the grant of this Option is not as consideration for services you rendered to the Company prior to your date of hire, and that nothing in this Notice or the attached documents confers upon you any right to continue your employment or consulting relationship with the Company for any period of time, nor does it interfere in any way with your right or the Company's right to terminate that relationship at any time, for any reason, with or without cause. Also, to the extent applicable, the Exercise Price Per Share has been set in good faith compliance with the applicable guidance issued by the IRS under Section 409A of the Code. However, there is no guarantee that the IRS will agree with the valuation, and by signing below, you agree and acknowledge that the Company shall not be held liable for any applicable costs, taxes, or penalties associated with this Option if, in fact, the IRS were to determine that this Option constitutes deferred compensation under Section 409A of the Code. You should consult with your own tax advisor concerning the tax consequences of such a determination by the IRS.

THE COMPANY:

EXPENSIFY, INC.

By: _____
(signature)

Name:

Title:

OPTIONEE:

«OPTIONEE»

_____
(signature)

EXPENSIFY, INC.

2009 STOCK PLAN

STOCK OPTION AGREEMENT

1. **Grant of Option.** Expensify, Inc., a Delaware corporation (the "Company"), hereby grants to «Optionee» ("Optionee"), an option (the "Option") to purchase the total number of shares of Common Stock (the "Shares") set forth in the Notice of Stock Option Grant (the "Notice"), at the exercise price per Share set forth in the Notice (the "Exercise Price") subject to the terms, definitions and provisions of the Expensify, Inc. 2009 Stock Plan (the "Plan") adopted by the Company, which is incorporated in this Agreement by reference. Unless otherwise defined in this Agreement, the terms used in this Agreement shall have the meanings defined in the Plan.

2. **Designation of Option.** This Option is intended to be an Incentive Stock Option as defined in Section 422 of the Code only to the extent so designated in the Notice, and to the extent it is not so designated or to the extent this Option does not qualify as an Incentive Stock Option, it is intended to be a Nonstatutory Stock Option.

Notwithstanding the above, if designated as an Incentive Stock Option, in the event that the Shares subject to this Option (and all other Incentive Stock Options granted to Optionee by the Company or any Parent or Subsidiary, including under other plans of the Company) that first become exercisable in any calendar year have an aggregate fair market value (determined for each Share as of the date of grant of the option covering such Share) in excess of $100,000, the Shares in excess of $100,000 shall be treated as subject to a Nonstatutory Stock Option, in accordance with Section 5(c) of the Plan.

3. **Exercise of Option.** This Option shall be exercisable during its term in accordance with the Vesting/Exercise Schedule set out in the Notice and with the provisions of Section 10 of the Plan as follows:

(a) **Right to Exercise.**

(i) This Option may not be exercised for a fraction of a share.

(ii) In the event of Optionee's death, Disability or other termination of Continuous Service Status, the exercisability of this Option is governed by Section 5 below, subject to the limitations contained in this Section 3.

(iii) In no event may this Option be exercised after the Expiration Date set forth in the Notice.

(b) **Method of Exercise.**

(i) This Option shall be exercisable by execution and delivery of the Exercise Agreement attached hereto as Exhibit A or of any other form of written notice approved for such purpose by the Company which shall state Optionee's election to exercise this Option, the number of Shares in respect of which this Option is being exercised, and such other representations and agreements as to the holder's investment intent with respect to such Shares

as may be required by the Company pursuant to the provisions of the Plan. Such written notice shall be signed by Optionee and shall be delivered to the Company by such means as are determined by the Plan Administrator in its discretion to constitute adequate delivery. The written notice shall be accompanied by payment of the aggregate Exercise Price for the purchased Shares.

(ii) As a condition to the exercise of this Option and as further set forth in Section 12 of the Plan, Optionee agrees to make adequate provision for federal, state or other tax withholding obligations, if any, which arise upon the grant, vesting or exercise of this Option, or disposition of Shares, whether by withholding, direct payment to the Company, or otherwise.

(iii) The Company is not obligated, and will have no liability for failure, to issue or deliver any Shares upon exercise of this Option unless such issuance or delivery would comply with the Applicable Laws, with such compliance determined by the Company in consultation with its legal counsel. This Option may not be exercised until such time as the Plan has been approved by the holders of capital stock of the Company, or if the issuance of such Shares upon such exercise or the method of payment of consideration for such Shares would constitute a violation of any Applicable Laws, including any applicable U.S. federal or state securities laws or any other law or regulation, including any rule under Part 221 of Title 12 of the Code of Federal Regulations as promulgated by the Federal Reserve Board. As a condition to the exercise of this Option, the Company may require Optionee to make any representation and warranty to the Company as may be required by the Applicable Laws. Assuming such compliance, for income tax purposes the Shares shall be considered transferred to Optionee on the date on which this Option is exercised with respect to such Shares.

(iv) Subject to compliance with Applicable Laws, this Option shall be deemed to be exercised upon receipt by the Company of the appropriate written notice of exercise accompanied by the Exercise Price and the satisfaction of any applicable withholding obligations.

4. **Method of Payment.** Payment of the Exercise Price shall be by any of the following, or a combination of the following, at the election of Optionee:

(a) cash or check;

(b) cancellation of indebtedness;

(c) at the discretion of the Plan Administrator on a case by case basis, by surrender of other shares of Common Stock of the Company (either directly or by stock attestation) that Optionee previously acquired and that have an aggregate Fair Market Value on the date of surrender equal to the aggregate Exercise Price of the Shares as to which this Option is being exercised; or

(d) at the discretion of the Plan Administrator on a case by case basis, by Cashless Exercise.

5. **Termination of Relationship.** Following the date of termination of Optionee's Continuous Service Status for any reason (the "Termination Date"), Optionee may exercise this

Option only as set forth in the Notice and this Section 5. If Optionee does not exercise this Option within the Termination Period set forth in the Notice or the termination periods set forth below, this Option shall terminate in its entirety. In no event, may any Option be exercised after the Expiration Date of this Option as set forth in the Notice.

(a) **Termination.** In the event of termination of Optionee's Continuous Service Status other than as a result of Optionee's Disability or death or for Cause, Optionee may, to the extent Optionee is vested in the Option Shares, exercise this Option during the Termination Period set forth in the Notice.

(b) **Other Terminations.** In connection with any termination other than a termination covered by Section 5(a), Optionee may exercise this Option only as described below:

(i) **Termination upon Disability of Optionee.** In the event of termination of Optionee's Continuous Service Status as a result of Optionee's Disability, Optionee may, but only within six (6) months following the date of such termination (the "Termination Date"), exercise this Option to the extent Optionee is vested in the Option Shares.

(ii) **Death of Optionee.** In the event of termination of Optionee's Continuous Service Status as a result of Optionee's death, or in the event of Optionee's death within thirty (30) days following Optionee's Termination Date, this Option may be exercised at any time within twelve (12) months following the date of death (or, if earlier, the date Optionee's Continuous Service Status terminated) by Optionee's estate or by a person who acquired the right to exercise this Option by bequest or inheritance, but only to the extent Optionee is vested in this Option.

(iii) **Termination for Cause.** In the event of termination of Optionee's Continuous Service Status for Cause, this Option (including any vested portion thereof) shall immediately terminate in its entirety upon first notification to Optionee of such termination for Cause. If Optionee's Continuous Service Status is suspended pending an investigation of whether Optionee's Continuous Service Status will be terminated for Cause, all Optionee's rights under this Option, including the right to exercise this Option, shall be suspended during the investigation period.

6. **Non-Transferability of Option.** This Option may not be transferred in any manner otherwise than by will or by the laws of descent or distribution and may be exercised during the lifetime of Optionee only by him or her. The terms of this Option shall be binding upon the executors, administrators, heirs, successors and assigns of Optionee.

7. **Lock-Up Agreement.** In connection with the initial public offering of the Company's securities and upon request of the Company or the underwriters managing any underwritten offering of the Company's securities, Optionee hereby agrees not to sell, make any short sale of, loan, grant any option for the purchase of, or otherwise dispose of any securities of the Company however and whenever acquired (other than those included in the registration) without the prior written consent of the Company or such underwriters, as the case may be, for such period of time (not to exceed 180 days) from the effective date of such registration as may be requested by the Company or such managing underwriters and to execute an agreement

reflecting the foregoing as may be requested by the underwriters at the time of the public offering; provided however that, if during the last 17 days of the restricted period the Company issues an earnings release or material news or a material event relating to the Company occurs, or prior to the expiration of the restricted period the Company announces that it will release earnings results during the 16-day period beginning on the last day of the restricted period, then, upon the request of the managing underwriter, to the extent required by any FINRA rules, the restrictions imposed by this subsection (a) shall continue to apply until the end of the third trading day following the expiration of the 15-day period beginning on the issuance of the earnings release or the occurrence of the material news or material event. In no event will the restricted period extend beyond 216 days after the effective date of the registration statement.

8. **Effect of Agreement.** Optionee acknowledges receipt of a copy of the Plan and represents that he or she is familiar with the terms and provisions thereof (and has had an opportunity to consult counsel regarding the Option terms), and hereby accepts this Option and agrees to be bound by its contractual terms as set forth herein and in the Plan. Optionee hereby agrees to accept as binding, conclusive and final all decisions and interpretations of the Plan Administrator regarding any questions relating to this Option. In the event of a conflict between the terms and provisions of the Plan and the terms and provisions of the Notice and this Agreement, the Plan terms and provisions shall prevail.

9. **Miscellaneous.**

(a) **Governing Law.** This Agreement and all acts and transactions pursuant hereto and the rights and obligations of the parties hereto shall be governed, construed and interpreted in accordance with the laws of the State of California, without giving effect to principles of conflicts of law.

(b) **Entire Agreement; Enforcement of Rights.** This Agreement, together with the Notice of Stock Option Grant to which this Agreement is attached and the Plan, sets forth the entire agreement and understanding of the parties relating to the subject matter herein and therein and merges all prior discussions between the parties. Except as contemplated under the Plan, no modification of or amendment to this Agreement, nor any waiver of any rights under this Agreement, shall be effective unless in writing signed by the parties to this Agreement. The failure by either party to enforce any rights under this Agreement shall not be construed as a waiver of any rights of such party.

(c) **Severability.** If one or more provisions of this Agreement are held to be unenforceable under Applicable Laws, the parties agree to renegotiate such provision in good faith. In the event that the parties cannot reach a mutually agreeable and enforceable replacement for such provision, then (i) such provision shall be excluded from this Agreement, (ii) the balance of this Agreement shall be interpreted as if such provision were so excluded and (iii) the balance of this Agreement shall be enforceable in accordance with its terms.

(d) **Notices.** Any notice required or permitted by this Agreement shall be in writing and shall be deemed sufficient when delivered personally or sent by telegram or fax or forty-eight (48) hours after being deposited in the U.S. mail, as certified or registered mail, with

postage prepaid, and addressed to the party to be notified at such party's address as set forth below or as subsequently modified by written notice.

(e) **Counterparts.** This Option may be executed in two or more counterparts, each of which shall be deemed an original and all of which together shall constitute one instrument.

(f) **Successors and Assigns.** The rights and benefits of this Agreement shall inure to the benefit of, and be enforceable by the Company's successors and assigns. The rights and obligations of Optionee under this Agreement may not be assigned without the prior written consent of the Company.

[Signature Page Follows]

IN WITNESS WHEREOF, the parties have executed or caused this Agreement to be executed by their officers thereunto duly authorized, effective as of the Date of Grant set forth in the accompanying Notice of Stock Option Grant.

THE COMPANY:

EXPENSIFY, INC.

By: _____
(signature)

Name:

Title:

OPTIONEE:

«OPTIONEE»

_____
(signature)

EXHIBIT A

EXPENSIFY, INC.

2009 STOCK PLAN

EXERCISE AGREEMENT

This Exercise Agreement (this "Agreement") is made as of _____, by and between Expensify, Inc., a Delaware corporation (the "Company"), and «Optionee» ("Purchaser"). To the extent any capitalized terms used in this Agreement are not defined, they shall have the meaning ascribed to them in the Company's 2009 Stock Plan (the "Plan").

1. **Exercise of Option.** Subject to the terms and conditions hereof, Purchaser hereby elects to exercise his or her option to purchase _____ shares of the Common Stock (the "Shares") of the Company under and pursuant to the Plan and the Stock Option Agreement granted «GrantDate» (the "Option Agreement"). The purchase price for the Shares shall be $«Exercise Price» per Share for a total purchase price of $_____. The term "Shares" refers to the purchased Shares and all securities received as stock dividends or splits, all securities received in replacement of the Shares in a recapitalization, merger, reorganization, exchange or the like, and all new, substituted or additional securities or other property to which Purchaser is entitled by reason of Purchaser's ownership of the Shares.

2. **Time and Place of Exercise.** The purchase and sale of the Shares under this Agreement shall occur at the principal office of the Company simultaneously with the execution and delivery of this Agreement, the payment of the aggregate exercise price by any method listed in Section 4 of the Option Agreement, and the satisfaction of any applicable tax withholding obligations, all in accordance with the provisions of Section 3(b) of the Option Agreement. The Company shall issue the Shares to Purchaser by entering such Shares in Purchaser's name as of such date in the books and records of the Company or, if applicable, a duly authorized transfer agent of the Company, against payment of the exercise price therefor by Purchaser. If applicable, the Company will deliver to Purchaser a certificate representing the Shares as soon as practicable following such date.

3. **Limitations on Transfer.** In addition to any other limitation on transfer created by applicable securities laws, Purchaser shall not assign, encumber or dispose of any interest in the Shares except in compliance with the provisions below and applicable securities laws.

(a) **Right of First Refusal.** Before any Shares held by Purchaser or any transferee of Purchaser (either being sometimes referred to herein as the "Holder") may be sold or otherwise transferred (including transfer by gift or operation of law), the Company or its assignee(s) shall have a right of first refusal to purchase the Shares on the terms and conditions set forth in this Section 3(a) (the "Right of First Refusal").

(i) **Notice of Proposed Transfer.** The Holder of the Shares shall deliver to the Company a written notice (the "Notice") stating: (i) the Holder's bona fide intention to sell or otherwise transfer such Shares; (ii) the name of each proposed purchaser or

other transferee ("Proposed Transferee"); (iii) the number of Shares to be transferred to each Proposed Transferee; and (iv) the terms and conditions of each proposed sale or transfer. The Holder shall offer the Shares at the same price (the "Purchase Price") and upon the same terms (or terms as similar as reasonably possible) to the Company or its assignee(s).

(ii) **Exercise of Right of First Refusal.** At any time within thirty (30) days after receipt of the Notice, the Company and/or its assignee(s) may, by giving written notice to the Holder, elect to purchase all, but not less than all, of the Shares proposed to be transferred to any one or more of the Proposed Transferees, at the Purchase Price. If the Purchase Price includes consideration other than cash, the cash equivalent value of the non-cash consideration shall be determined by the Board in good faith.

(iii) **Payment.** Payment of the Purchase Price shall be made, at the election of the Company or its assignee(s), in cash (by check), by cancellation of all or a portion of any outstanding indebtedness, or by any combination thereof within sixty (60) days after receipt of the Notice or in the manner and at the times set forth in the Notice.

(iv) **Holder's Right to Transfer.** If all of the Shares proposed in the Notice to be transferred to a given Proposed Transferee are not purchased by the Company and/or its assignee(s) as provided in this Section 3(a), then the Holder may sell or otherwise transfer such Shares to that Proposed Transferee at the Purchase Price or at a higher price, provided that such sale or other transfer is consummated within one hundred twenty (120) days after the date of the Notice and provided further that any such sale or other transfer is effected in accordance with any applicable securities laws and the Proposed Transferee agrees in writing that the provisions of this Section 3 shall continue to apply to the Shares in the hands of such Proposed Transferee. If the Shares described in the Notice are not transferred to the Proposed Transferee within such period, or if the Holder proposes to change the price or other terms to make them more favorable to the Proposed Transferee, a new Notice shall be given to the Company, and the Company and/or its assignees shall again be offered the Right of First Refusal before any Shares held by the Holder may be sold or otherwise transferred.

(v) **Exception for Certain Family Transfers.** Anything to the contrary contained in this Section 3(a) notwithstanding, and provided that such transfer complies with applicable securities laws, the transfer of any or all of the Shares during Purchaser's lifetime or on Purchaser's death by will or intestacy to Purchaser's Immediate Family or a trust for the benefit of Purchaser's Immediate Family shall be exempt from the provisions of this Section 3(a). "Immediate Family" as used herein shall mean spouse, lineal descendant or antecedent, father, mother, brother or sister. In such case, the transferee or other recipient shall receive and hold the Shares so transferred subject to the provisions of this Section 3, and there shall be no further transfer of such Shares except in accordance with the terms of this Section 3.

(b) **Company's Right to Purchase upon Involuntary Transfer.** In the event of any transfer by operation of law or other involuntary transfer (including death or divorce, but excluding a transfer to Immediate Family as set forth in Section 3(a)(v) above) of all or a portion of the Shares by the record holder thereof, the Company shall have an option to purchase all of the Shares transferred at the greater of the purchase price paid by Purchaser pursuant to this Agreement or the Fair Market Value of the Shares on the date of transfer (as

determined by the Board). Upon such a transfer, the person acquiring the Shares shall promptly notify the Secretary of the Company of such transfer. The right to purchase such Shares shall be provided to the Company for a period of thirty (30) days following receipt by the Company of written notice by the person acquiring the Shares.

(c) **Assignment.** The right of the Company to purchase any part of the Shares may be assigned in whole or in part to any holder or holders of capital stock of the Company or other persons or organizations.

(d) **Restrictions Binding on Transferees.** All transferees of Shares or any interest therein will receive and hold such Shares or interest subject to the provisions of this Agreement. Any sale or transfer of the Company's Shares shall be void unless the provisions of this Agreement are satisfied.

(e) **Termination of Rights.** The right of first refusal granted the Company by Section 3(a) above and the option to repurchase the Shares in the event of an involuntary transfer granted the Company by Section 3(b) above shall terminate upon the first sale of Common Stock of the Company to the general public pursuant to a registration statement filed with and declared effective by the Securities and Exchange Commission under the Securities Act of 1933, as amended (the "Securities Act"). Upon termination of the right of first refusal described in Section 3(a) above the Company will remove any stop-transfer notices referred to in Section 5(b) below and related to the restrictions in this Section 3 and, if certificates are issued, a new certificate or certificates representing the Shares not repurchased shall be issued, on request, without the legend referred to in Section 5(a)(ii) below and delivered to Purchaser.

4. **Investment and Taxation Representations.** In connection with the purchase of the Shares, Purchaser represents to the Company the following:

(a) Purchaser is aware of the Company's business affairs and financial condition and has acquired sufficient information about the Company to reach an informed and knowledgeable decision to acquire the Shares. Purchaser is purchasing these securities for investment for his or her own account only and not with a view to, or for resale in connection with, any "distribution" thereof within the meaning of the Securities Act or under any applicable provision of state law. Purchaser does not have any present intention to transfer the Shares to any person or entity.

(b) Purchaser understands that the Shares have not been registered under the Securities Act by reason of a specific exemption therefrom, which exemption depends upon, among other things, the bona fide nature of Purchaser's investment intent as expressed herein.

(c) Purchaser further acknowledges and understands that the securities must be held indefinitely unless they are subsequently registered under the Securities Act or an exemption from such registration is available. Purchaser further acknowledges and understands that the Company is under no obligation to register the securities. Purchaser understands that the certificate(s) evidencing the securities will be imprinted with a legend which prohibits the transfer of the securities unless they are registered or such registration is not required in the opinion of counsel for the Company.

(d) Purchaser is familiar with the provisions of Rules 144 and 701, each promulgated under the Securities Act, which, in substance, permit limited public resale of "restricted securities" acquired, directly or indirectly, from the issuer of the securities (or from an affiliate of such issuer), in a non-public offering subject to the satisfaction of certain conditions. Purchaser understands that the Company provides no assurances as to whether he or she will be able to resell any or all of the Shares pursuant to Rule 144 or Rule 701, which rules require, among other things, that the Company be subject to the reporting requirements of the Securities Exchange Act of 1934, as amended, that resales of securities take place only after the holder of the Shares has held the Shares for certain specified time periods, and under certain circumstances, that resales of securities be limited in volume and take place only pursuant to brokered transactions. Notwithstanding this paragraph (d), Purchaser acknowledges and agrees to the restrictions set forth in paragraph (e) below.

(e) Purchaser further understands that in the event all of the applicable requirements of Rule 144 or 701 are not satisfied, registration under the Securities Act, compliance with Regulation A, or some other registration exemption will be required; and that, notwithstanding the fact that Rules 144 and 701 are not exclusive, the Staff of the Securities and Exchange Commission has expressed its opinion that persons proposing to sell private placement securities other than in a registered offering and otherwise than pursuant to Rule 144 or 701 will have a substantial burden of proof in establishing that an exemption from registration is available for such offers or sales, and that such persons and their respective brokers who participate in such transactions do so at their own risk.

(f) Purchaser understands that Purchaser may suffer adverse tax consequences as a result of Purchaser's purchase or disposition of the Shares. Purchaser represents that Purchaser has consulted any tax consultants Purchaser deems advisable in connection with the purchase or disposition of the Shares and that Purchaser is not relying on the Company for any tax advice.

5. **Restrictive Legends and Stop-Transfer Orders.**

(a) **Legends.** The certificate or certificates representing the Shares shall bear the following legends (as well as any legends required by applicable state and federal corporate and securities laws):

(i) THE SHARES REPRESENTED BY THIS CERTIFICATE HAVE NOT BEEN REGISTERED UNDER THE SECURITIES ACT OF 1933, AND HAVE BEEN ACQUIRED FOR INVESTMENT AND NOT WITH A VIEW TO, OR IN CONNECTION WITH, THE SALE OR DISTRIBUTION THEREOF. NO SUCH SALE OR DISTRIBUTION MAY BE EFFECTED WITHOUT AN EFFECTIVE REGISTRATION STATEMENT RELATED THERETO OR AN OPINION OF COUNSEL FOR THE COMPANY THAT SUCH REGISTRATION IS NOT REQUIRED UNDER THE SECURITIES ACT OF 1933.

(ii) THE SHARES REPRESENTED BY THIS CERTIFICATE MAY BE TRANSFERRED ONLY IN ACCORDANCE WITH THE TERMS OF AN AGREEMENT BETWEEN THE COMPANY AND THE HOLDER, A COPY OF WHICH IS ON FILE WITH THE SECRETARY OF THE COMPANY.

(b) **Stop-Transfer Notices.** Purchaser agrees that, in order to ensure compliance with the restrictions referred to herein, the Company may issue appropriate "stop transfer" instructions to its transfer agent, if any, and that, if the Company transfers its own securities, it may make appropriate notations to the same effect in its own records.

(c) **Refusal to Transfer.** The Company shall not be required (i) to transfer on its books any Shares that have been sold or otherwise transferred in violation of any of the provisions of this Agreement or (ii) to treat as owner of such Shares or to accord the right to vote or pay dividends to any purchaser or other transferee to whom such Shares shall have been so transferred.

6. **No Employment Rights.** Nothing in this Agreement shall affect in any manner whatsoever the right or power of the Company, or a parent or subsidiary of the Company, to terminate Purchaser's employment or consulting relationship, for any reason, with or without cause.

7. **Lock-Up Agreement.** In connection with the initial public offering of the Company's securities and upon request of the Company or the underwriters managing any underwritten offering of the Company's securities, Purchaser agrees not to sell, make any short sale of, loan, grant any option for the purchase of, or otherwise dispose of any securities of the Company however or whenever acquired (other than those included in the registration) without the prior written consent of the Company or such underwriters, as the case may be, for such period of time (not to exceed one hundred eighty (180) days) from the effective date of such registration as may be requested by the Company or such managing underwriters and to execute an agreement reflecting the foregoing as may be requested by the underwriters at the time of the public offering; provided however that, if during the last 17 days of the restricted period the Company issues an earnings release or material news or a material event relating to the Company occurs, or prior to the expiration of the restricted period the Company announces that it will release earnings results during the 16-day period beginning on the last day of the restricted period, then, upon the request of the managing underwriter, to the extent required by any FINRA rules, the restrictions imposed by this subsection (a) shall continue to apply until the end of the third trading day following the expiration of the 15-day period beginning on the issuance of the earnings release or the occurrence of the material news or material event. In no event will the restricted period extend beyond 216 days after the effective date of the registration statement.

8. **Miscellaneous.**

(a) **Governing Law.** This Agreement and all acts and transactions pursuant hereto and the rights and obligations of the parties hereto shall be governed, construed and interpreted in accordance with the laws of the State of California, without giving effect to principles of conflicts of law.

(b) **Entire Agreement; Enforcement of Rights.** This Agreement sets forth the entire agreement and understanding of the parties relating to the subject matter herein and merges all prior discussions between them. No modification of or amendment to this Agreement, nor any waiver of any rights under this Agreement, shall be effective unless in writing signed by the parties to this Agreement. The failure by either party to enforce any rights under this Agreement shall not be construed as a waiver of any rights of such party.

(c) **Severability.** If one or more provisions of this Agreement are held to be unenforceable under Applicable Laws, the parties agree to renegotiate such provision in good faith. In the event that the parties cannot reach a mutually agreeable and enforceable replacement for such provision, then (i) such provision shall be excluded from this Agreement, (ii) the balance of the Agreement shall be interpreted as if such provision were so excluded and (iii) the balance of the Agreement shall be enforceable in accordance with its terms.

(d) **Notices.** Any notice required or permitted by this Agreement shall be in writing and shall be deemed sufficient when delivered personally or sent by telegram or fax or forty-eight (48) hours after being deposited in the U.S. mail, as certified or registered mail, with postage prepaid, and addressed to the party to be notified at such party's address as set forth below or as subsequently modified by written notice.

(e) **Counterparts.** This Agreement may be executed in two or more counterparts, each of which shall be deemed an original and all of which together shall constitute one instrument.

(f) **Successors and Assigns.** The rights and benefits of this Agreement shall inure to the benefit of, and be enforceable by the Company's successors and assigns. The rights and obligations of Purchaser under this Agreement may only be assigned with the prior written consent of the Company.

(g) **California Corporate Securities Law.** THE SALE OF THE SECURITIES WHICH ARE THE SUBJECT OF THIS AGREEMENT HAS NOT BEEN QUALIFIED WITH THE COMMISSIONER OF CORPORATIONS OF THE STATE OF CALIFORNIA AND THE ISSUANCE OF THE SECURITIES OR THE PAYMENT OR RECEIPT OF ANY PART OF THE CONSIDERATION THEREFOR PRIOR TO THE QUALIFICATION IS UNLAWFUL, UNLESS THE SALE OF SECURITIES IS EXEMPT FROM QUALIFICATION BY SECTION 25100, 25102 OR 25105 OF THE CALIFORNIA CORPORATIONS CODE. THE RIGHTS OF ALL PARTIES TO THIS AGREEMENT ARE EXPRESSLY CONDITIONED UPON THE QUALIFICATION BEING OBTAINED, UNLESS THE SALE IS SO EXEMPT.

[Signature Page Follows]

The parties have executed this Exercise Agreement as of the date first set forth above.

THE COMPANY:

EXPENSIFY, INC.

By: _____
(signature)

Name:

Title:

Address: 548 Market Street, #61434
San Francisco, CA 94104

OPTIONEE:

«OPTIONEE»

_____
(signature)

Address: «OptioneeAddress1»
«OptioneeAddress2»

I, _____, spouse of «Optionee», have read and hereby approve the foregoing Agreement. In consideration of the Company's granting my spouse the right to purchase the Shares as set forth in the Agreement, I hereby agree to be irrevocably bound by the Agreement and further agree that any community property or other such interest shall hereby by similarly bound by the Agreement. I hereby appoint my spouse as my attorney-in-fact with respect to any amendment or exercise of any rights under the Agreement.

_____

Spouse of «Optionee» (if applicable)

EXPENSIFY, INC.

2019 STOCK PLAN

PLAN HISTORY

Date	Event
April 12, 2019	Adopted with 992,127 shares under Plan, plus any shares subject to outstanding awards under the Company's prior 2009 Stock Plan as of April 12, 2019 that cease to be subject to such awards following such date (other than by reason of exercise or settlement of the awards to the extent they are exercised for or settled in vested and nonforfeitable shares).

EXPENSIFY, INC.

2019 STOCK PLAN

1. **Purposes of the Plan.** The purposes of this 2019 Stock Plan are to attract and retain the best available personnel for positions of substantial responsibility, to provide additional incentive to Employees and Consultants, and to promote the success of the Company's business. Options granted under the Plan may be Incentive Stock Options or Nonstatutory Stock Options, as determined by the Administrator at the time of grant of an Option and subject to the applicable provisions of Section 422 of the Code and the regulations promulgated thereunder. Restricted Stock and Restricted Stock Units may also be granted under the Plan.

2. **Definitions.** As used herein, the following definitions shall apply:

(a) **"Administrator"** means the Board or a Committee.

(b) **"Affiliate"** means an entity other than a Subsidiary which, together with the Company, is under common control of a third person or entity.

(c) **"Applicable Laws"** means all applicable laws, rules, regulations and requirements, including, but not limited to, all applicable U.S. federal or state laws, any Stock Exchange rules or regulations, and the applicable laws, rules or regulations of any other country or jurisdiction where Options, Restricted Stock, or Restricted Stock Units are granted under the Plan or Participants reside or provide services, as such laws, rules, and regulations shall be in effect from time to time.

(d) **"Award"** means any award of an Option, Restricted Stock, or Restricted Stock Units under the Plan.

(e) **"Board"** means the Board of Directors of the Company.

(f) **"California Participant"** means a Participant whose Award is issued in reliance on Section 25102(o) of the California Corporations Code.

(g) **"Cashless Exercise"** means a program approved by the Administrator in which payment of the Option exercise price or tax withholding obligations may be satisfied, in whole or in part, with Shares subject to the Option, including by delivery of an irrevocable direction to a securities broker (on a form prescribed by the Administrator) to sell Shares and to deliver all or part of the sale proceeds to the Company in payment of the aggregate exercise price and, if applicable, the amount necessary to satisfy the Company's withholding obligations.

(h) **"Cause"** for termination of a Participant's Continuous Service Status will exist (unless another definition is provided in an applicable Option Agreement, Restricted Stock Purchase Agreement, Restricted Stock Unit Agreement, employment agreement or other applicable written agreement) if the Participant's Continuous Service Status is terminated for any of the following reasons: (i) Participant's willful failure to perform his or her duties and responsibilities to the Company or Participant's violation of any written Company policy; (ii)

Participant's commission of any act of fraud, embezzlement, dishonesty or any other willful misconduct that has caused or is reasonably expected to result in injury to the Company; (iii) Participant's unauthorized use or disclosure of any proprietary information or trade secrets of the Company or any other party to whom the Participant owes an obligation of nondisclosure as a result of his or her relationship with the Company; or (iv) Participant's material breach of any of his or her obligations under any written agreement or covenant with the Company. The determination as to whether a Participant's Continuous Service Status has been terminated for Cause shall be made in good faith by the Company and shall be final and binding on the Participant. The foregoing definition does not in any way limit the Company's ability to terminate a Participant's employment or consulting relationship at any time, and the term "Company" will be interpreted to include any Subsidiary, Parent, Affiliate, or any successor thereto, if appropriate.

(i) **"Code"** means the Internal Revenue Code of 1986, as amended.

(j) **"Committee"** means one or more committees or subcommittees of the Board consisting of two (2) or more Directors (or such lesser or greater number of Directors as shall constitute the minimum number permitted by Applicable Laws to establish a committee or sub-committee of the Board) appointed by the Board to administer the Plan in accordance with Section 4 below.

(k) **"Common Stock"** means the Company's common stock, par value $0.0001 per share, as adjusted in accordance with Section 14 below.

(l) **"Company"** means Expensify, Inc., a Delaware corporation.

(m) **"Consultant"** means any person, including an advisor but not an Employee, who is engaged by the Company, or any Parent, Subsidiary or Affiliate, to render services (other than capital-raising services) and is compensated for such services, and any Director whether compensated for such services or not.

(n) **"Continuous Service Status"** means the absence of any interruption or termination of service as an Employee or Consultant. Continuous Service Status as an Employee or Consultant shall not be considered interrupted or terminated in the case of: (i) Company approved sick leave; (ii) military leave; (iii) any other bona fide leave of absence approved by the Company, provided that if an Employee is holding an Incentive Stock Option and such leave exceeds 3 months, such Employee's service as an Employee shall be deemed terminated on the 1st day following such 3-month period and the Incentive Stock Option shall thereafter automatically become a Nonstatutory Stock Option in accordance with Applicable Laws, unless reemployment upon the expiration of such leave is guaranteed by contract or statute, or unless provided otherwise pursuant to a written Company policy. Also, Continuous Service Status as an Employee or Consultant shall not be considered interrupted or terminated in the case of a transfer between locations of the Company or between the Company, its Parents, Subsidiaries or Affiliates, or their respective successors, or a change in status from an Employee to a Consultant or from a Consultant to an Employee.

(o) **"Director"** means a member of the Board.

(p) **"Disability"** means "disability" within the meaning of Section 22(e)(3) of the Code.

(q) **"Employee"** means any person employed by the Company, or any Parent, Subsidiary or Affiliate, with the status of employment determined pursuant to such factors as are deemed appropriate by the Administrator in its sole discretion, subject to any requirements of the Applicable Laws, including the Code. The payment by the Company of a director's fee shall not be sufficient to constitute "employment" of such director by the Company or any Parent, Subsidiary or Affiliate.

(r) **"Exchange Act"** means the Securities Exchange Act of 1934, as amended.

(s) **"Fair Market Value"** means, as of any date, the per share fair market value of the Common Stock, as determined by the Administrator in good faith on such basis as it deems appropriate and applied consistently with respect to Participants. Whenever possible, the determination of Fair Market Value shall be based upon the per share closing price for the Shares as reported in the Wall Street Journal for the applicable date.

(t) **"Family Members"** means any child, stepchild, grandchild, parent, stepparent, grandparent, spouse, former spouse, sibling, niece, nephew, mother-in-law, father-in-law, son-in-law, daughter-in-law, brother-in-law, or sister-in-law (including adoptive relationships) of the Participant, any person sharing the Participant's household (other than a tenant or employee), a trust in which these persons (or the Participant) have more than 50% of the beneficial interest, a foundation in which these persons (or the Participant) control the management of assets, and any other entity in which these persons (or the Participant) own more than 50% of the voting interests.

(u) **"Incentive Stock Option"** means an Option intended to qualify as an incentive stock option within the meaning of Section 422 of the Code, as designated in the applicable Option Agreement.

(v) **"Involuntary Termination"** means (unless another definition is provided in the applicable Option Agreement, Restricted Stock Purchase Agreement, Restricted Stock Unit Agreement employment agreement or other applicable written agreement) the termination of a Participant's Continuous Service Status other than for death or Disability or for Cause by the Company or a Subsidiary, Parent, Affiliate or successor thereto, as appropriate.

(w) "**Listed Security**" means any security of the Company that is listed or approved for listing on a national securities exchange or designated or approved for designation as a national market system security on an interdealer quotation system by the Financial Industry Regulatory Authority (or any successor thereto).

(x) **"Nonstatutory Stock Option"** means an Option that is not intended to, or does not in fact qualify as an Incentive Stock Option.

(y) **"Option"** means a stock option granted pursuant to the Plan.

(z) **"Option Agreement"** means a written document, the form(s) of which shall be approved from time to time by the Administrator, reflecting the terms of an Option granted under the Plan and includes any documents attached to or incorporated into such Option Agreement, including, but not limited to, a notice of stock option grant and a form of exercise notice.

(aa) **"Option Exchange Program"** means a program approved by the Administrator whereby outstanding Options (i) are exchanged for Options with a lower exercise price, Restricted Stock, or Restricted Stock Units or (ii) are amended to decrease the exercise price as a result of a decline in the Fair Market Value of the Common Stock.

(bb) **"Optioned Stock"** means Shares that are subject to an Option or that were issued pursuant to the exercise of an Option.

(cc) **"Optionee"** means an Employee, Consultant or Director who receives an Option.

(dd) **"Parent"** means any corporation (other than the Company) in an unbroken chain of corporations ending with the Company if, at the time of grant of the Award, each of the corporations other than the Company owns stock possessing 50% or more of the total combined voting power of all classes of stock in one of the other corporations in such chain. A corporation that attains the status of a Parent on a date after the adoption of the Plan shall be considered a Parent commencing as of such date.

(ee) **"Participant"** means any holder of one or more Awards or Shares issued pursuant to an Award.

(ff) **"Plan"** means this 2019 Stock Plan.

(gg) **"Restricted Stock"** means Shares acquired pursuant to a right to purchase Common Stock granted pursuant to Section 11 below.

(hh) **"Restricted Stock Purchase Agreement"** means a written document, the form(s) of which shall be approved from time to time by the Administrator, reflecting the terms of Restricted Stock granted under the Plan and includes any documents attached to such agreement.

(ii) **"Restricted Stock Unit"** means a bookkeeping entry representing an amount equal to the Fair Market Value of one Share, granted pursuant to Section 11. Each Restricted Stock Unit represents an unfunded and unsecured obligation of the Company.

(jj) **"Restricted Stock Unit Agreement"** means a written document, the form(s) of which shall be approved from time to time by the Administrator, reflecting the terms of Restricted Stock Units granted under the Plan and includes any document attached to such agreement.

(kk) **"Rule 16b-3"** means Rule 16b-3 promulgated under the Exchange Act, as amended from time to time, or any successor provision.

(ll) **"Share"** means a share of Common Stock, as adjusted in accordance with Section 14 below.

(mm) **"Stock Exchange"** means any stock exchange or consolidated stock price reporting system on which prices for the Common Stock are quoted at any given time.

(nn) **"Subsidiary"** means any corporation (other than the Company) in an unbroken chain of corporations beginning with the Company if, at the time of grant of the Award, each of the corporations other than the last corporation in the unbroken chain owns stock possessing 50% or more of the total combined voting power of all classes of stock in one of the other corporations in such chain. A corporation that attains the status of a Subsidiary on a date after the adoption of the Plan shall be considered a Subsidiary commencing as of such date.

(oo) **"Ten Percent Holder"** means a person who owns stock representing more than 10% of the voting power of all classes of stock of the Company or any Parent or Subsidiary measured as of an Award's date of grant.

(pp) **"Triggering Event"** means:

(i) a sale, transfer or disposition of all or substantially all of the Company's assets other than to (A) a corporation or other entity of which at least a majority of its combined voting power is owned directly or indirectly by the Company, (B) a corporation or other entity owned directly or indirectly by the holders of capital stock of the Company in substantially the same proportions as their ownership of Common Stock, or (C) an Excluded Entity (as defined in subsection (ii) below);

(ii) any merger, consolidation or other business combination transaction of the Company with or into another corporation, entity or person, other than a transaction with or into another corporation, entity or person in which the holders of at least a majority of the shares of voting capital stock of the Company outstanding immediately prior to such transaction continue to hold (either by such shares remaining outstanding in the continuing entity or by their being converted into shares of voting capital stock of the surviving entity) a majority of the total voting power represented by the shares of voting capital stock of the Company (or the surviving entity) outstanding immediately after such transaction (an "Excluded Entity"); or

(iii) the consummation of a transaction, or series or related transactions, in which any "person" (as such term is used in Sections 13(d) and 14(d) of the Exchange Act)

becomes the “beneficial owner” (as defined in Rule 13d-3 of the Exchange Act), directly or indirectly, of more than 50% of the Company’s then outstanding capital stock.

Notwithstanding anything stated herein, a transaction shall not constitute a “Triggering Event” if its sole purpose is to change the state of the Company’s incorporation, or to create a holding company that will be owned in substantially the same proportions by the persons who hold the Company’s securities immediately before such transaction or (ii) it is the Company’s initial public offering or another capital raising event.

3. **Stock Subject to the Plan.** Subject to the provisions of Section 14 of the Plan, the maximum aggregate number of Shares that may be issued under the Plan is (a) 992,127 Shares, plus (b) any shares subject to outstanding awards under the Company’s 2009 Stock Plan on April 12, 2019 that cease to be subject to such awards following such date (other than by reason of exercise or settlement of the awards to the extent they are exercised for or settled in vested and nonforfeitable shares), effective on the date upon which they cease to be so subject to such awards, subject to adjustment from time to time as provided in Section 14(a). The Shares issued under the Plan may be authorized, but unissued, or reacquired Shares. If an Award should expire or become unexercisable for any reason without having been exercised in full, is forfeited prior to exercise or settlement, or is surrendered pursuant to an Option Exchange Program, the unpurchased or unissued Shares that were subject thereto shall, unless the Plan shall have been terminated, become available for future grant under the Plan. In addition, any Shares which are retained by the Company upon exercise of an Award in order to satisfy the exercise or purchase price for such Award or any withholding taxes due with respect to such Award shall be treated as not issued and shall continue to be available under the Plan. Shares issued under the Plan and later repurchased by the Company pursuant to any repurchase right that the Company may have shall be returned and available for future grant under the Plan. Subject to the overall limit set forth in the first sentence hereof, the maximum number of Shares that may be issued in the form of Incentive Stock Options shall not exceed 1,938,520 (as may be adjusted pursuant to Section 14).

4. **Administration of the Plan.**

(a) **General.** The Plan shall be administered by the Board or a Committee, or a combination thereof, as determined by the Board. The Plan may be administered by different administrative bodies with respect to different classes of Participants and, if permitted by Applicable Laws, the Board may authorize one or more officers of the Company to make Awards under the Plan to Employees and Consultants (who are not subject to Section 16 of the Exchange Act) within parameters specified by the Board.

(b) **Committee Composition.** If a Committee has been appointed pursuant to this Section 4, such Committee shall continue to serve in its designated capacity until otherwise directed by the Board. From time to time the Board may increase the size of any Committee and appoint additional members thereof, remove members (with or without cause) and appoint new members in substitution therefor, fill vacancies (however caused) and dissolve a Committee and thereafter directly administer the Plan, all to the extent permitted by the Applicable Laws and, in

the case of a Committee administering the Plan in accordance with the requirements of Rule 16b3, to the extent permitted or required by such provisions.

(c) **Powers of the Administrator.** Subject to the provisions of the Plan and, in the case of a Committee, the specific duties delegated by the Board to such Committee, the Administrator shall have the authority, in its sole discretion:

(i) to determine the Fair Market Value of the Common Stock in accordance with Section 2(s) above, provided that such determination shall be applied consistently with respect to Participants under the Plan;

(ii) to select the Employees and Consultants to whom Awards may from time to time be granted;

(iii) to determine the number of Shares to be covered by each Award;

(iv) to approve the form(s) of agreement(s) and other related documents used under the Plan;

(v) to determine the terms and conditions, not inconsistent with the terms of the Plan, of any Award granted hereunder, which terms and conditions include but are not limited to the exercise or purchase price, the time or times when Awards may be exercised (which may be based on performance criteria), the circumstances (if any) when vesting will be accelerated or forfeiture restrictions will be waived, and any restriction or limitation regarding any Award, Optioned Stock, Restricted Stock, or Restricted Stock Unit;

(vi) to amend any outstanding Award or agreement related to any Optioned Stock, Restricted Stock, or Restricted Stock Unit including any amendment adjusting vesting (e.g., in connection with a change in the terms or conditions under which such person is providing services to the Company), provided that no amendment shall be made that would materially and adversely affect the rights of any Participant without his or her consent;

(vii) to determine whether and under what circumstances an Option may be settled in cash under Section 10(c) instead of Common Stock;

(viii) to implement an Option Exchange Program and establish the terms and conditions of such Option Exchange Program, provided that no amendment or adjustment to an Option that would materially and adversely affect the rights of any Optionee shall be made without his or her consent;

(ix) to grant Awards to, or to modify the terms of any outstanding Option Agreement, Restricted Stock Purchase Agreement, Restricted Stock Unit Agreement or any agreement related to any Optioned Stock, Restricted Stock, or Restricted Stock Unit held by Participants who are foreign nationals or employed outside of the United States with such terms and conditions as the Administrator deems necessary or appropriate to accommodate differences

in local law, tax policy or custom which deviate from the terms and conditions set forth in this Plan to the extent necessary or appropriate to accommodate such differences; and

(x) to construe and interpret the terms of the Plan, any Option Agreement or Restricted Stock Purchase Agreement, and any agreement related to any Optioned Stock or Restricted Stock, which constructions, interpretations and decisions shall be final and binding on all Participants.

(d) **Indemnification.** To the maximum extent permitted by Applicable Laws, each member of the Committee (including officers of the Company, if applicable), or of the Board, as applicable, shall be indemnified and held harmless by the Company against and from (i) any loss, cost, liability, or expense that may be imposed upon or reasonably incurred by him or her in connection with or resulting from any claim, action, suit, or proceeding to which he or she may be a party or in which he or she may be involved by reason of any action taken or failure to act under the Plan or pursuant to the terms and conditions of any Award except for actions taken in bad faith or failures to act in bad faith, and (ii) any and all amounts paid by him or her in settlement thereof, with the Company's approval, or paid by him or her in satisfaction of any judgment in any such claim, action, suit, or proceeding against him or her, provided that such member shall give the Company an opportunity, at its own expense, to handle and defend any such claim, action, suit or proceeding before he or she undertakes to handle and defend it on his or her own behalf. The foregoing right of indemnification shall not be exclusive of any other rights of indemnification to which such persons may be entitled under the Company's Articles of Incorporation, Certificate of Incorporation or Bylaws, by contract, as a matter of law, or otherwise, or under any other power that the Company may have to indemnify or hold harmless each such person.

5. **Eligibility.**

(a) **Recipients of Grants.** Nonstatutory Stock Options, Restricted Stock, and Restricted Stock Units may be granted to Employees and Consultants; provided, however, that Awards shall be granted only to those individuals described in Rule 701(c) of the Securities Act of 1933, as amended. Incentive Stock Options may be granted only to Employees, provided that Employees of Affiliates shall not be eligible to receive Incentive Stock Options, and any Options granted to Employees or Consultants of Affiliates shall comply with Section 409A of the Code.

(b) **Type of Option.** Each Option shall be designated in the Option Agreement as either an Incentive Stock Option or a Nonstatutory Stock Option.

(c) **ISO $100,000 Limitation.** Notwithstanding any designation under Section 5(b), to the extent that the aggregate Fair Market Value of Shares with respect to which Options designated as Incentive Stock Options are exercisable for the first time by any Optionee during any calendar year (under all plans of the Company or any Parent or Subsidiary) exceeds $100,000, such excess Options shall be treated as Nonstatutory Stock Options. For purposes of this Section 5(c), Incentive Stock Options shall be taken into account in the order in which they were granted, and the Fair Market Value of the Shares subject to an Incentive Stock Option shall be determined as of the date of the grant of such Option.

(d) **No Employment Rights.** Neither the Plan nor any Award shall confer upon any Employee or Consultant any right with respect to continuation of an employment or consulting relationship with the Company (or any Parent, Subsidiary or Affiliate), nor shall it interfere in any way with such Employee's or Consultant's right or the Company's (or Parent's or Subsidiary's or Affiliate's) right to terminate his or her employment or consulting relationship at any time, with or without cause.

6. **Term of Plan.** The Plan shall become effective upon its adoption by the Board of Directors. It shall continue in effect for a term of ten (10) years unless sooner terminated under Section 16 below.

7. **Term of Option.** The term of each Option shall be the term stated in the Option Agreement; provided that the term shall be no more than ten (10) years from the date of grant thereof or such shorter term as may be provided in the Option Agreement and provided further that, in the case of an Incentive Stock Option granted to a person who at the time of such grant is a Ten Percent Holder, the term of the Option shall be five (5) years from the date of grant thereof or such shorter term as may be provided in the Option Agreement.

8. **Intentionally Omitted.**

9. **Option Exercise Price and Consideration.**

(a) **Exercise Price.** The per Share exercise price for the Shares to be issued pursuant to the exercise of an Option shall be such price as is determined by the Administrator and set forth in the Option Agreement, but shall be subject to the following:

(i) In the case of an Incentive Stock Option

(A) granted to an Employee who at the time of grant is a Ten Percent Holder, the per Share exercise price shall be no less than 110% of the Fair Market Value on the date of grant;

(B) granted to any other Employee, the per Share exercise price shall be no less than 100% of the Fair Market Value on the date of grant;

(ii) Except as provided in subsection (iii) below, in the case of a Nonstatutory Stock Option the per Share exercise price shall be such price as is determined by the Administrator, provided that, if the per Share exercise price is less than 100% of the Fair Market Value on the date of grant, it shall otherwise comply with all Applicable Laws, including Section 409A of the Code; and

(iii) Notwithstanding the foregoing, Options may be granted with a per Share exercise price other than as required above pursuant to a merger or other corporate transaction.

(b) **Permissible Consideration.** The consideration to be paid for the Shares to be issued upon exercise of an Option, including the method of payment, shall be determined

by the Administrator (and, in the case of an Incentive Stock Option and to the extent required by Applicable Laws, shall be determined at the time of grant) and may consist entirely of (1) cash; (2) check; (3) to the extent permitted under Applicable Laws, delivery of a promissory note with such recourse, interest, security and redemption provisions as the Administrator determines to be appropriate (subject to the provisions of Section 153 of the Delaware General Corporation Law); (4) cancellation of indebtedness; (5) other previously owned Shares that have a Fair Market Value on the date of surrender equal to the aggregate exercise price of the Shares as to which the Option is exercised; (6) a Cashless Exercise; (7) such other consideration and method of payment permitted under Applicable Laws; or (8) any combination of the foregoing methods of payment. In making its determination as to the type of consideration to accept, the Administrator shall consider if acceptance of such consideration may be reasonably expected to benefit the Company and the Administrator may, in its sole discretion, refuse to accept a particular form of consideration at the time of any Option exercise.

10. **Exercise of Option.**

(a) **General.**

(i) **Exercisability.** Any Option granted hereunder shall be exercisable at such times and under such conditions as determined by the Administrator, consistent with the terms of the Plan and reflected in the Option Agreement, including vesting requirements and/or performance criteria with respect to the Company, and Parent, Subsidiary or Affiliate, and/or the Optionee.

(ii) **Leave of Absence.** The Administrator shall have the discretion to determine whether and to what extent the vesting of Options shall be tolled during any unpaid leave of absence; provided, however, that in the absence of such determination, vesting of Options shall be tolled during any such unpaid leave (unless otherwise required by the Applicable Laws). Notwithstanding the foregoing, in the event of military leave, vesting shall toll during any unpaid portion of such leave, provided that, upon a Optionee's returning from military leave (under conditions that would entitle him or her to protection upon such return under the Uniform Services Employment and Reemployment Rights Act), he or she shall be given vesting credit with respect to Options to the same extent as would have applied had the Optionee continued to provide services to the Company (or any Parent, Subsidiary or Affiliate, if applicable) throughout the leave on the same terms as he or she was providing services immediately prior to such leave.

(iii) **Minimum Exercise Requirements.** An Option may not be exercised for a fraction of a Share. The Administrator may require that an Option be exercised as to a minimum number of Shares, provided that such requirement shall not prevent an Optionee from exercising the full number of Shares as to which the Option is then exercisable.

(iv) **Procedures for and Results of Exercise.** An Option shall be deemed exercised when written notice of such exercise has been received by the Company in accordance with the terms of the Option Agreement by the person entitled to exercise the Option and the Company has received full payment for the Shares with respect to which the Option is

exercised and has paid, or made arrangements to satisfy, any applicable withholding requirements in accordance with Section 12 below. The exercise of an Option shall result in a decrease in the number of Shares that thereafter may be available, both for purposes of the Plan and for sale under the Option, by the number of Shares as to which the Option is exercised.

(v) **Rights as Holder of Capital Stock.** Until the issuance of the Shares (as evidenced by the appropriate entry on the books of the Company or of a duly authorized transfer agent of the Company), no right to vote or receive dividends or any other rights as a holder of capital stock shall exist with respect to the Optioned Stock, notwithstanding the exercise of the Option. No adjustment will be made for a dividend or other right for which the record date is prior to the date the stock certificate is issued, except as provided in Section 14 below.

(b) **Termination of Continuous Service Status.** The Administrator shall establish and set forth in the applicable Option Agreement the terms and conditions upon which an Option shall remain exercisable, if at all, following termination of an Optionee's Continuous Service Status, which provisions may be waived or modified by the Administrator at any time. To the extent that an Option Agreement does not specify the terms and conditions upon which an Option shall terminate upon termination of an Optionee's Continuous Service Status, the following provisions shall apply:

(i) **General Provisions.** If the Optionee (or other person entitled to exercise the Option) does not exercise the Option to the extent so entitled within the time specified below, the Option shall terminate and the Optioned Stock underlying the unexercised portion of the Option shall revert to the Plan. In no event may any Option be exercised after the expiration of the Option term as set forth in the Option Agreement (and subject to Section 7).

(ii) **Termination other than Upon Disability or Death or for Cause.** In the event of termination of an Optionee's Continuous Service Status other than under the circumstances set forth in subsections (iii) through (v) below, such Optionee may exercise any outstanding Option at any time within thirty (30) days following such termination to the extent the Optionee is vested in the Optioned Stock.

(iii) **Disability of Optionee.** In the event of termination of an Optionee's Continuous Service Status as a result of his or her Disability, such Optionee may exercise any outstanding Option at any time within six (6) months following such termination to the extent the Optionee is vested in the Optioned Stock.

(iv) **Death of Optionee.** In the event of the death of an Optionee during the period of Continuous Service Status since the date of grant of any outstanding Option, or within thirty (30) days following termination of Optionee's Continuous Service Status, the Option may be exercised by the Optionee's estate, or by a person who acquired the right to exercise the Option by bequest or inheritance, at any time within twelve (12) months following the date of death or, if earlier, the date the Optionee's Continuous Service Status terminated, but only to the extent the Optionee is vested in the Optioned Stock.

(v) **Termination for Cause.** In the event of termination of an Optionee's Continuous Service Status for Cause, any outstanding Option (including any vested portion thereof) held by such Optionee shall immediately terminate in its entirety upon first notification to the Optionee of termination of the Optionee's Continuous Service Status for Cause. If an Optionee's Continuous Service Status is suspended pending an investigation of whether the Optionee's Continuous Service Status will be terminated for Cause, all the Optionee's rights under any Option, including the right to exercise the Option, shall be suspended during the investigation period. Nothing in this Section 10(b)(v) shall in any way limit the Company's right to purchase unvested Shares issued upon exercise of an Option as set forth in the applicable Option Agreement.

(c) **Buyout Provisions.** The Administrator may at any time offer to buy out for a payment in cash or Shares an Option previously granted under the Plan based on such terms and conditions as the Administrator shall establish and communicate to the Optionee at the time that such offer is made.

11. **Restricted Stock and Restricted Stock Units.**

(a) **Restricted Stock.**

(i) **Rights to Purchase.** When a right to purchase Restricted Stock is granted under the Plan, the Company shall advise the recipient in writing of the terms, conditions and restrictions related to the offer, including the number of Shares that such person shall be entitled to purchase, the price to be paid (which shall be as determined by the Administrator, subject to Applicable Laws, including any applicable securities laws), and the time within which such person must accept such offer. The permissible consideration for Restricted Stock shall be determined by the Administrator and shall be the same as is set forth in Section 9(b) with respect to exercise of Options. The offer to purchase Shares shall be accepted by execution of a Restricted Stock Purchase Agreement in the form determined by the Administrator.

(ii) **Repurchase Option.**

(1) **General.** Unless the Administrator determines otherwise, the Restricted Stock Purchase Agreement shall grant the Company a repurchase option exercisable upon the voluntary or involuntary termination of the Participant's Continuous Service Status for any reason (including death or Disability). The purchase price for Shares repurchased pursuant to the Restricted Stock Purchase Agreement shall be the original purchase price paid by the purchaser and may be paid by cancellation of any indebtedness of the purchaser to the Company. The repurchase option shall lapse at such rate as the Administrator may determine.

(2) **Leave of Absence.** The Administrator shall have the discretion to determine whether and to what extent the lapsing of Company repurchase rights shall be tolled during any unpaid leave of absence; provided, however, that in the absence of such determination, such lapsing shall be tolled during any such unpaid leave (unless otherwise required by the Applicable Laws). Notwithstanding the foregoing, in the event of military leave,

the lapsing of Company repurchase rights shall toll during any unpaid portion of such leave, provided that, upon a Participant's returning from military leave (under conditions that would entitle him or her to protection upon such return under the Uniform Services Employment and Reemployment Rights Act), he or she shall be given vesting credit with respect to Shares purchased pursuant to the Restricted Stock Purchase Agreement to the same extent as would have applied had the Participant continued to provide services to the Company (or any Parent or Subsidiary, if applicable) throughout the leave on the same terms as he or she was providing services immediately prior to such leave.

(iii) **Other Provisions.** The Restricted Stock Purchase Agreement shall contain such other terms, provisions and conditions not inconsistent with the Plan as may be determined by the Administrator in its sole discretion. In addition, the provisions of Restricted Stock Purchase Agreements need not be the same with respect to each Participant.

(iv) **Rights as a Holder of Capital Stock.** Once the Restricted Stock is purchased, the Participant shall have the rights equivalent to those of a holder of capital stock, and shall be a record holder when his or her purchase is entered upon the records of the duly authorized transfer agent of the Company. No adjustment will be made for a dividend or other right for which the record date is prior to the date the Restricted Stock is purchased, except as provided in Section 14 of the Plan.

(b) **Restricted Stock Units.**

(i) **Award Terms.** When Restricted Stock Units are granted under the Plan, the Company shall advise the recipient in writing of the terms, conditions and restrictions applicable to the Award, including the number of Restricted Stock Units that such person shall be entitled to receive. The offer to receive Restricted Stock Units shall be accepted by execution of a Restricted Stock Unit Agreement in the form determined by the Administrator.

(ii) **Vesting and Settlement.**

(A) **General.** The Administrator may, in its discretion, set vesting criteria for the Restricted Stock Units that must be met in order to be eligible to receive a payout pursuant to the Award (note that the Administrator may specify additional conditions which must also be met in order to receive a payout pursuant to the Award). Any such vesting criteria may be based upon the achievement of Company-wide, business unit, or individual goals (including, but not limited to, continued employment or service), or any other basis determined by the Administrator in its discretion. Notwithstanding the foregoing, at any time after the grant of Restricted Stock Units, the Administrator, in its sole discretion, may reduce or waive any applicable vesting criteria.

(B) **Leave of Absence.** The Administrator shall have the discretion to determine at any time whether and to what extent the vesting of an Award of Restricted Stock Units shall be tolled during any leave of absence; provided, however, that in the absence of such determination, vesting shall continue during any paid leave and shall be tolled during any unpaid leave (unless otherwise required by Applicable Laws). Notwithstanding the

foregoing, in the event of military leave, vesting shall be tolled during any unpaid portion of such leave, provided that, upon a Participant's returning from military leave (under conditions that would entitle him or her to protection upon such return under the Uniform Services Employment and Reemployment Rights Act), he or she shall be given vesting credit with respect to the Restricted Stock Units received pursuant to the Restricted Stock Unit Agreement to the same extent as would have applied had the Participant continued to provide services to the Company (or any Parent, Subsidiary or Affiliate, if applicable) throughout the leave on the same terms as he or she was providing services immediately prior to such leave.

(iii) **Form and Timing of Settlement.** Settlement of earned Restricted Stock Units will be made upon the date(s) determined by the Administrator and may be subject to additional conditions, if any, each as set forth in the Restricted Stock Unit Agreement. The Administrator, in its sole discretion, may settle earned Restricted Stock Units in cash, Shares, or a combination of both, as set forth in the applicable Award Agreement.

(iv) **Other Provisions.** The Restricted Stock Unit Agreement shall contain such other terms, provisions and conditions not inconsistent with the Plan as may be determined by the Administrator in its sole discretion. In addition, the provisions of Restricted Stock Unit Agreements need not be the same with respect to each Participant.

(v) **Rights as a Holder of Capital Stock.** Until the issuance of the Shares (as evidenced by the appropriate entry on the books of the Company or of a duly authorized transfer agent of the Company), no right to vote or receive dividends or any other rights as a holder of capital stock shall exist with respect to the Restricted Stock Units. No adjustment will be made for a dividend or other right for which the record date is prior to the date the stock certificate is issued, except as provided in Section 11 below.

12. **Taxes.**

(a) As a condition of the grant, vesting and exercise of an Award, the Participant (or in the case of the Participant's death or a permitted transferee, the person holding or exercising the Award) shall make such arrangements as the Administrator may require for the satisfaction of any applicable U.S. federal, state or local tax withholding obligations or foreign tax withholding obligations that may arise in connection with such Award. The Company shall not be required to issue any Shares under the Plan until such obligations are satisfied.

(b) The Administrator may, to the extent permitted by Applicable Laws, permit a Participant (or in the case of the Participant's death or a permitted transferee, the person holding or exercising the Award) to satisfy all or part of his or her tax withholding obligations by Cashless Exercise or by surrendering Shares (either directly or by stock attestation) that he or she previously acquired; provided that, unless the Cashless Exercise is an approved broker-assisted Cashless Exercise, the Shares tendered for payment have been previously held for a minimum duration (e.g., to avoid financial accounting charges to the Company's earnings), or as otherwise permitted to avoid financial accounting charges under applicable accounting guidance, amounts withheld shall not exceed the amount necessary to satisfy the Company's tax withholding obligations at the minimum statutory withholding rates, including, but not limited to, U.S. federal

and state income taxes, payroll taxes, and foreign taxes, if applicable. Any payment of taxes by surrendering Shares to the Company may be subject to restrictions, including, but not limited to, any restrictions required by rules of the Securities and Exchange Commission.

13. **Non-Transferability of Awards.**

(a) **General.** Except as set forth in this Section 13, Awards may not be sold, pledged, assigned, hypothecated, transferred or disposed of in any manner other than by will or by the laws of descent or distribution. The designation of a beneficiary by a Participant will not constitute a transfer. An Option may be exercised, during the lifetime of the holder of the Option, only by such holder or a transferee permitted by this Section 13.

(b) **Limited Transferability Rights.** Notwithstanding anything else in this Section 13, the Administrator may in its sole discretion grant Nonstatutory Stock Options that may be transferred by instrument to an inter vivos or testamentary trust in which the Options are to be passed to beneficiaries upon the death of the trustor (settlor) or by gift to Family Members.

14. **Adjustments Upon Changes in Capitalization, Merger or Certain Other Transactions.**

(a) **Changes in Capitalization.** Subject to any action required under Applicable Laws by the holders of capital stock of the Company, (i) the numbers and class of Shares or other stock or securities: (x) available for future Awards under Section 3 above, , and (y) covered by each outstanding Award, (ii) the price per Share covered by each such outstanding Option, and (iii) any repurchase price per Share applicable to Shares issued pursuant to any Award, shall be equitably and proportionately adjusted by the Administrator in the event of a stock split, reverse stock split, stock dividend, combination, consolidation, recapitalization (including a recapitalization through a large nonrecurring cash dividend) or reclassification of the Shares, subdivision of the Shares, a rights offering, a reorganization, merger, spin-off, split-up, change in corporate structure or other similar occurrence. Any adjustment by the Administrator pursuant to this Section 14(a) shall be made in the Administrator's sole and absolute discretion and shall be final, binding and conclusive. Except as expressly provided herein, no issuance by the Company of shares of stock of any class, or securities convertible into shares of stock of any class, shall affect, and no adjustment by reason thereof shall be made with respect to, the number or price of Shares subject to an Award. If, by reason of a transaction described in this Section 14(a) or an adjustment pursuant to this Section 14(a), a Participant's Award agreement or agreement related to any Optioned Stock, Restricted Stock, or Restricted Stock Unit covers additional or different shares of stock or securities, then such additional or different shares, and the Award agreement or agreement related to the Optioned Stock, Restricted Stock, or Restricted Stock Unit in respect thereof, shall be subject to all of the terms, conditions and restrictions which were applicable to the Award, Optioned Stock, Restricted Stock and Restricted Stock Unit prior to such adjustment.

(b) **Dissolution or Liquidation.** In the event of the dissolution or liquidation of the Company, each Award will terminate immediately prior to the consummation of such action, unless otherwise determined by the Administrator.

(c) **Triggering Events.** In the case of a Triggering Event, each outstanding Award shall be treated as the Administrator determines, which determination shall be made without the consent of any grantee and need not treat all outstanding Awards (or portion thereof) in any identical manner. Such determination may provide (without limitation) for one or more of the following in the event of a Triggering Event: (i) the assumption or continuation of such Award or the substitution by such successor corporation or a parent or subsidiary of such successor corporation (the "Successor Corporation") with new options or equity awards, or (ii) the termination of such Award in exchange for a payment of cash, securities and/or other property equal to the excess of the Fair Market Value of the portion of the Award that is vested and exercisable (if applicable) immediately prior to the consummation of the Triggering Event over the per Share exercise price thereof (if any). Notwithstanding the foregoing, in the event such Successor Corporation does not agree to such assumption, continuation or substitution, each such Award (including any unvested Restricted Stock) shall terminate and be forfeited upon the consummation of the Triggering Event, provided that any such forfeited unvested Restricted Stock shall be repurchased at a price per share equal to the original per share purchase price (as adjusted pursuant to Section 14(a)). For the avoidance of doubt, if the exercise price of an Award is equal to or greater than the Fair Market Value of the Common Stock, such Option (whether vested or unvested) may be canceled upon such Triggering Event for no consideration.

15. **Time of Granting Awards.** The date of grant of an Award shall, for all purposes, be the date on which the Administrator makes the determination granting such Award, or such other date as is determined by the Administrator, provided that in the case of any Incentive Stock Option, the grant date shall be the later of the date on which the Administrator makes the determination granting such Incentive Stock Option or the date of commencement of the Optionee's employment relationship with the Company.

16. **Amendment and Termination of the Plan.** The Board may at any time amend or terminate the Plan, but no amendment or termination (other than an adjustment pursuant to Section 14 above) shall be made that would materially and adversely affect the rights of any Participant under any outstanding Award, without his or her consent. In addition, to the extent necessary and desirable to comply with the Applicable Laws, the Company shall obtain the approval of holders of capital stock with respect to any Plan amendment in such a manner and to such a degree as required.

17. **Conditions Upon Issuance of Shares.** Notwithstanding any other provision of the Plan or any agreement entered into by the Company pursuant to the Plan, the Company shall not be obligated, and shall have no liability for failure, to issue or deliver any Shares under the Plan unless such issuance or delivery would comply with the Applicable Laws, with such compliance determined by the Company in consultation with its legal counsel. As a condition to the exercise of any Option, purchase of any Restricted Stock, or settlement of any Restricted Stock Unit, the Company may require the person exercising the Option, purchasing the Restricted Stock, or settling the Restricted Stock Unit (i) to represent and warrant at the time of any such exercise or purchase 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 Applicable Laws and/or (ii) to enter into any

stockholders agreements or other agreements with the Company and/or certain other of the Company's stockholders relating to the Common Stock. Shares issued upon exercise of Options, purchase of Restricted Stock, or settlement of Restricted Stock Unit prior to the date, if ever, on which the Common Stock becomes a Listed Security shall be subject to a right of first refusal in favor of the Company pursuant to which the Participant will be required to offer Shares to the Company before selling or transferring them to any third party on such terms and subject to such conditions as is reflected in the applicable Option Agreement, Restricted Stock Purchase Agreement, or Restricted Stock Unit Agreement.

18. **Beneficiaries.** Unless stated otherwise in an Award agreement, a Participant may designate one or more beneficiaries with respect to an Award by timely filing the prescribed form with the Company. A beneficiary designation may be changed by filing the prescribed form with the Company at any time before the Participant's death. If no beneficiary was designated or if no designated beneficiary survives the Participant, then after a Participant's death any vested Award(s) shall be transferred or distributed to the Participant's estate.

19. **Approval of Holders of Capital Stock.** If required by the Applicable Laws, continuance of the Plan shall be subject to approval by the holders of capital stock of the Company within twelve (12) months before or after the date the Plan is adopted or, to the extent required by Applicable Laws, any date the Plan is amended. Such approval shall be obtained in the manner and to the degree required under the Applicable Laws.

20. **Addenda.** The Administrator may approve such addenda to the Plan as it may consider necessary or appropriate for the purpose of granting Awards to Employees or Consultants, which Awards may contain such terms and conditions as the Administrator deems necessary or appropriate to accommodate differences in local law, tax policy or custom, which, if so required under Applicable Laws, may deviate from the terms and conditions set forth in this Plan. The terms of any such addenda shall supersede the terms of the Plan to the extent necessary to accommodate such differences but shall not otherwise affect the terms of the Plan as in effect for any other purpose.

ADDENDUM A
2019 STOCK PLAN

(California Participants)

Prior to the date, if ever, on which the Common Stock becomes a Listed Security and/or the Company is subject to the reporting requirements of the Exchange Act, the terms set forth herein shall apply to Awards issued to California Participants. All capitalized terms used herein but not otherwise defined shall have the respective meanings set forth in the Plan.

1. The following rules shall apply to any Option in the event of termination of the Participant's Continuous Service Status:

a. If such termination was for reasons other than death, "disability" (as defined below), or Cause, the Participant shall have at least thirty (30) days after the date of such termination to exercise his or her Option to the extent the Participant is entitled to exercise on his or her termination date, provided that in no event shall the Option be exercisable after the expiration of the Option term as set forth in the Option Agreement.

b. If such termination was due to death or disability, the Participant shall have at least six (6) months after the date of such termination to exercise his or her Option to the extent the Participant is entitled to exercise on his or her termination date, provided that in no event shall the Option be exercisable after the expiration of the Option term as set forth in the Option Agreement.

"Disability" for purposes of this Addendum shall mean the inability of the Participant, in the opinion of a qualified physician acceptable to the Company, to perform the major duties of the Participant's position with the Company or any Parent or Subsidiary because of the sickness of injury of the Participant.

2. Notwithstanding anything stated herein to the contrary, (i) no Option shall be exercisable on or after the tenth anniversary of the date of grant and any Award agreement shall terminate on or before the tenth anniversary of the date of grant and (ii) no Option may be granted after the tenth anniversary of the earlier of the date the Plan is approved by the Board of Directors or the date the Plan is approved by the holders of the Company's capital stock.

3. The Company shall furnish summary financial information (audited or unaudited) of the Company's financial condition and results of operations, consistent with the requirements of Applicable Laws, at least annually to each California Participant during the period such Participant has one or more Awards outstanding, and in the case of an individual who acquired Shares pursuant to the Plan, during the period such Participant owns such Shares. The Company shall not be required to provide such information if (i) the issuance is limited to key employees whose duties in connection with the Company assure their access to equivalent information or (ii) the Plan or any agreement complies with all conditions of Rule 701 of the Securities Act of 1933, as amended; provided that for purposes of determining such compliance, any registered domestic partner shall be considered a "family member" as that term is defined in Rule 701.

4. The Plan must be approved by holders of the Company's capital stock within 12 months of its adoption by the Board. If the holders of capital stock of the Company fail to approve the Plan within 12 months after its adoption by the Board of Directors, then any Awards granted or sold under the Plan shall be rescinded and no additional grants or sales shall thereafter be made under the Plan.

EMI Addendum. The provisions contained in this **EMI Addendum** are hereby incorporated into the Expensify, Inc. 2019 Stock Plan ("**Plan**"). To the extent that the terms and conditions set forth in the **EMI Addendum** in relation to EMI Options conflict with any other provisions of the Plan, the provisions of the **EMI Addendum** shall govern.

Expensify, Inc

EMI ADDENDUM (UNITED KINGDOM)

ARTICLE 1
PURPOSE

1.1 The Board has adopted this **EMI Addendum** for purposes of satisfying the requirements of Schedule 5 ("**Schedule 5**") to the United Kingdom ("**UK**") Income Tax (Earnings and Pensions) Act 2003 ("**ITEPA**"), which provides for the grant of options for commercial reasons in order to recruit and retain employees in the UK. EMI Options may only be granted under this **EMI Addendum** to an "eligible employee", within the meaning of part 4 of Schedule 5, and shall be subject to the limitations, terms and conditions of the Plan as supplemented by this **EMI Addendum**. Such "eligible employee" shall be an "**Optionee**" for the purposes of the Plan and shall be required to certify their eligibility by signing the EMI Option Agreement or in such other manner as is permitted by Schedule 5.

ARTICLE 2
DEFINITIONS

For purposes of this EMI Addendum, in addition to the definitions provided in the recitals above, the following terms shall have the meanings indicated:

2.1 "**Control**" shall have the same meaning as in Section 995 of the UK Income Tax Act 2007;

2.2 "**EMI Option**" means an Option which is intended to be a qualifying enterprise management incentive option pursuant to Schedule 5.

2.3 "**EMI Option Agreement**" means and Notice of Stock Option Grant and Option Agreement in respect of an EMI Option.

2.4 **Fair Market Value** shall mean the market value determined in accordance with sections 272-3 of the Taxation of Capital Gains Tax Act 1992.

2.5 "**Group**" means the Company, and any Subsidiary.

2.6 "**Shares**" means shares of common stock in the Company, having the rights and being subject to the provisions and restrictions set out in the Company's by laws (*including, without limitation, limited transferability, certain anti-dilution rights, drag and tag-along*) and any stockholder agreement from time to time in force in relation to the Company, section 11(b) of the Plan, any restrictions imposed by an EMI Option Agreement, and any further restrictions that may be imposed by the Board under the Plan.

2.7 "**Subsidiary**" means a company (wherever incorporated) which for the time being is under the Control of the Company.

ARTICLE 3
ELIGIBILITY

3.1 Only employees and directors who are “eligible employees” within the meaning of Schedule 5 shall be entitled to receive EMI Options under this **EMI Addendum**.

ARTICLE 4
EMI LIMIT

4.1 EMI Options granted under this **EMI Addendum** are intended to be "qualifying options" for the purposes of Schedule 5. The £250,000 maximum entitlement requirement set out in paragraph 5 of Schedule 5 (or such other limit as may apply from time to time) shall apply to each grant of EMI Options. If and to the extent that the aggregate Fair Market Value of all Shares granted to an Optionee pursuant to outstanding EMI Option exceeds such maximum entitlement, such EMI Options as are granted in excess of that maximum entitlement shall take effect as though they were unapproved options for UK tax purposes. Any EMI Options granted within the £250,000 limit will continue to take effect as qualifying EMI Options for the purposes of Schedule 5.

ARTICLE 5
TAX WITHHOLDING

5.1 An Optionee shall be accountable for any income tax and, subject to the following provisions, National Insurance liability which is chargeable on any assessable income deriving from the exercise of, or other dealing in, an EMI Option. In respect of such assessable income the Optionee shall indemnify the Company and (at the direction of the Company) any Subsidiary which is or may be treated as the employer of the Optionee in respect of the following (together, the "**Tax Liabilities**"):

(a) any income tax liability which falls to be paid to HM Revenue & Customs by the Company (or the relevant employing Subsidiary) under the PAYE system as it applies to income tax under ITEPA and the PAYE regulations referred to in it; and

(b) any National Insurance liability which falls to be paid to HM Revenue & Customs (“**HMRC**”) by the Company (or the relevant employing Subsidiary) under the PAYE system as it applies for national insurance purposes under the Social Security Contributions and Benefits Act 1992 and regulations referred to in it such national insurance liability being the aggregate of:

(i) all the employee's primary Class 1 National Insurance contributions; and

(ii) all the employer's secondary Class 1 National Insurance contributions.

5.2 Pursuant to the indemnity referred to in clause 5.1, an Optionee shall make such arrangements as the Company requires to meet the cost of the Tax Liabilities, including at the direction of the Company any of the following:

(a) making a cash payment of an appropriate amount to the relevant company whether by cheque, banker's draft or deduction from salary in time to enable the Company to remit

such amount to HM Revenue & Customs before the 14th day following the end of the month in which the event giving rise to the Tax Liabilities occurred; or

(b) appointing the Company as agent and/or attorney for the sale of sufficient Shares acquired pursuant to the exercise of the Option to cover the Tax Liabilities and authorising the payment to the relevant company of the appropriate amount (including all reasonable fees, commissions and expenses incurred by the relevant company in relation to such sale) out of the net proceeds of sale of the Shares;

(c) entering into an election whereby the employer's liability for secondary Class 1 National Insurance contributions is transferred to the Optionee on terms set out in the election and approved by HM Revenue & Customs.

5.3 Where the Shares to be acquired on exercise of the EMI Option are considered to be "restricted securities" for the purposes of the UK tax legislation (such determination to be at the sole discretion of the Company), it shall be a condition of exercise that the Optionee if so directed by the Company enter into a joint election with the Company or, if different, the relevant Subsidiary employing the Optionee pursuant to Section 431 ITEPA electing that the market value of the Shares to be acquired on the exercise of the EMI Option be calculated as if the Shares were not "restricted securities".

ARTICLE 6
MISCELLANEOUS

6.1 No part of the Plan shall apply to an EMI Option the extent that it is inconsistent with Schedule 5. The Board may designate an Option as an “EMI Option”, and section 5(b) shall be read accordingly.

6.2 Section 4(c) (viii) shall apply with the proviso that no surrender or cancellation of an EMI Option shall occur without the written consent of each affected Optionee

6.3 Payment of the exercise price shall be only by cash, check or Cashless Exercise, provided that such Cashless Exercise is in a form permitted by HMRC. Section 9(b) shall be read accordingly..

6.4 . In the event of the Optionee’s death while in an employment relationship with the Company, the Option may to the extent the Optionee is vested in the Optioned Stock on the date of death be exercised by his or her personal representatives within 12 months of the date of death. Section 10(b)(iv) shall be amended accordingly.

6.5 Section 13(b) shall not apply to EMI Options. An EMI Option shall be personal to the Optionee and may not be transferred, charged or otherwise dealt in. An EMI Option shall lapse in the event of any breach of this paragraph

6.6 Section 14(a) shall apply to EMI Options with the proviso that while it is intended that options granted under this EMI Addendum shall benefit from the tax advantages provided by Schedule 5, no adjustment to an EMI Option shall be made that would constitute a “disqualifying

event" within the meaning of section 532 to 539 of ITEPA, without the written consent of the affected Optionee

6.7 Section 14(c)(i) shall apply with the proviso that the written consent of the affected Optionee the assumption or substitution of any EMI Option. A termination of an EMI Option under Section 14(c)(ii) may occur only with the written consent of each affected Optionee.

6.8 Section 18 and Section 19 shall not apply to the Addendum.

6.9 The validity and enforceability of the Plan shall be governed by and construed in accordance with the laws of the State of Delaware without regard to otherwise governing principles of conflicts of law, except that provisions relating to UK taxation shall be governed by the laws of the United Kingdom.

AMENDMENT TO THE
EXPENSIFY, INC.
2019 STOCK PLAN

[Date]

This Amendment (this "Amendment") to the Expensify, Inc. 2019 Stock Plan ("2019 Plan"), is made and adopted by the Board of Directors ("Board") of Expensify Inc., a Delaware corporation ("Company"), effective as of the date first set above, subject to the approval of the Company's stockholders. The 2019 Plan is hereby amended as follows:

1. Section 2(k) of the 2019 Plan is hereby amended and restated in its entirety to read as follows:

> "(k) 'Common Stock' means the Company's Class A Common Stock or the Company's LT50 Common Stock, in either case, as adjusted in accordance with Section 14 below."

2. The first sentence of Section 3 of the 2019 Plan is hereby amended and restated in its entirety to read as follows:

> "Subject to the provisions of Section 14 of the Plan, the maximum aggregate number of Shares that may be issued under the Plan is (a) 16,856,770 Shares, plus (b) (i) any authorized shares available for issuance, and not issued or subject to outstanding awards, under the Company's 2009 Stock Plan (the "Prior Plan") as of April 12, 2019 (the "Effective Date") and (ii) any shares subject to outstanding awards under the Prior Plan on the Effective Date that cease to be subject to such awards following the Effective Date (other than by reason of exercise or settlement of the awards to the extent they are exercised for or settled in vested and nonforfeitable shares), effective on the date upon which they cease to be so subject to such awards, up to an aggregate maximum of 20,662,660 shares pursuant to clauses (i) and (ii) of this paragraph, subject to adjustment from time to time as provided in Section 14(a)."

3. This Amendment shall be and hereby is incorporated into and forms a part of the 2019 Plan, and except as expressly provided herein, all terms and conditions of the 2019 Plan shall remain in full force and effect.

Expensify, Inc.

2019 Stock Plan

EARLY EXERCISE NOTICE AND RESTRICTED STOCK PURCHASE AGREEMENT

This Agreement ("Agreement") is made as of ###EXERCISE_DATE### by and between Expensify, Inc., a Delaware corporation (the "Company"), and ###EMPLOYEE_NAME### ("Purchaser"). To the extent any capitalized terms used in this Agreement are not defined, they shall have the meaning ascribed to them in the 2019 Stock Plan.

1. **Exercise of Option.** Subject to the terms and conditions hereof, Purchaser hereby elects to exercise his or her option to purchase ###QUANTITY_EXERCISED### shares of the Common Stock (the "Shares") of the Company under and pursuant to the Company's 2019 Stock Plan (the "Plan") and the Stock Option Agreement dated ###GRANT_DATE### (the "Option Agreement"). Of these Shares, Purchaser has elected to purchase Shares which have become vested as of the date hereof under the Vesting Schedule set forth in the Notice of Stock Option Grant (the "Vested Shares") and ###NUM_SHARES_HELD_UNVESTED### Shares which have not yet vested under such Vesting Schedule (the "Unvested Shares"). The purchase price for the Shares shall be ###ORIGINAL_GRANT_PRICE### per Share for a total purchase price of ###FUNDS_TO_SOLIUM### The term "Shares" refers to the purchased Shares and all securities received in replacement of the Shares or as stock dividends or splits, all securities received in replacement of the Shares in a recapitalization, merger, reorganization, exchange or the like, and all new, substituted or additional securities or other properties to which Purchaser is entitled by reason of Purchaser's ownership of the Shares.
2. **Time and Place of Exercise.** The purchase and sale of the Shares under this Agreement shall occur at the principal office of the Company simultaneously with the execution and delivery of this Agreement in accordance with the provisions of Section 3(b) of the Option Agreement. On such date, the Company will deliver to Purchaser a certificate representing the Shares to be purchased by Purchaser (which shall be issued in Purchaser's name) against payment of the purchase price therefor by Purchaser by (a) check made payable to the Company, (b) cash deposited by Purchaser into Purchaser's Shareworks holdings account with Solium wiring funds to the Company on Purchaser's behalf, (c) cancellation of indebtedness of the Company to Purchaser, (d) delivery of shares of the Common Stock of the Company in accordance with Section 4 of the Option Agreement, or (e) a combination of the foregoing.
3. **Limitations on Transfer.** In addition to any other limitation on transfer created by applicable securities laws, Purchaser shall not assign, encumber or dispose of any interest in the Shares while the Shares are subject to the Company's Repurchase Option (as defined below). After any Shares have been released from such Repurchase Option, Purchaser shall not assign, encumber or dispose of any interest in such Shares except in compliance with the provisions below and applicable securities laws.
    1. **Repurchase Option.**
        1. In the event of the voluntary or involuntary termination of Purchaser's employment or consulting relationship with the Company for any reason (including death or disability), with or without cause, the Company shall upon the date of such termination (the "Termination Date") have an irrevocable, exclusive option (the "Repurchase Option") for a period of 90 days from such date to repurchase all or any portion of the Shares held by Purchaser as of the Termination Date which have not yet been released from the Company's Repurchase Option at the original purchase price per Share specified in Section 1 (adjusted for any stock splits, stock dividends and the like).
        2. Unless the Company notifies Purchaser within 90 days from the date of termination of Purchaser's employment or consulting relationship that it does not intend to exercise its Repurchase Option with respect to some or all of the Shares, the Repurchase Option shall be deemed automatically exercised by the Company as of the 90th day following such termination, provided that the Company may notify Purchaser that it is exercising its Repurchase Option as of a date prior to such 90th day. Unless Purchaser is otherwise notified by the Company pursuant to the preceding sentence that the Company does not intend to exercise its Repurchase Option as to some or all of the Shares to which it applies at the time of termination, execution of this Agreement by Purchaser constitutes written notice to Purchaser of the Company's intention to exercise its Repurchase Option with respect to all Shares to which such Repurchase Option applies. The Company, at its choice, may satisfy its payment obligation to Purchaser with respect to exercise of the Repurchase Option by either (A) delivering a check to Purchaser in the amount of the

purchase price for the Shares being repurchased, or (B) in the event Purchaser is indebted to the Company, canceling an amount of such indebtedness equal to the purchase price for the Shares being repurchased, or (C) by a combination of (A) and (B) so that the combined payment and cancellation of indebtedness equals such purchase price. In the event of any deemed automatic exercise of the Repurchase Option pursuant to this Section 3(a)(ii) in which Purchaser is indebted to the Company, such indebtedness equal to the purchase price of the Shares being repurchased shall be deemed automatically canceled as of the 90th day following termination of Purchaser's employment or consulting relationship unless the Company otherwise satisfies its payment obligations. As a result of any repurchase of Shares pursuant to this Section 3(a), the Company shall become the legal and beneficial owner of the Shares being repurchased and shall have all rights and interest therein or related thereto, and the Company shall have the right to transfer to its own name the number of Shares being repurchased by the Company, without further action by Purchaser.

3. One hundred percent (100%) of the Unvested Shares shall initially be subject to the Repurchase Option. The Unvested Shares shall be released from the Repurchase Option in accordance with the Vesting Schedule set forth in the Notice of Stock Option Grant until all Shares are released from the Repurchase Option. Fractional shares shall be rounded to the nearest whole share.

2. **Right of First Refusal.** Before any Shares held by Purchaser or any transferee of Purchaser (either being sometimes referred to herein as the "Holder") may be sold or otherwise transferred (including transfer by gift or operation of law), the Company or its assignee(s) shall have a right of first refusal to purchase the Shares on the terms and conditions set forth in this Section 3(b) (the "Right of First Refusal").

    1. **Notice of Proposed Transfer.** The Holder of the Shares shall deliver to the Company a written notice (the "Notice") stating: (i) the Holder's bona fide intention to sell or otherwise transfer such Shares; (ii) the name of each proposed purchaser or other transferee ("Proposed Transferee"); (iii) the number of Shares to be transferred to each Proposed Transferee; and (iv) the terms and conditions of each proposed sale or transfer. The Holder shall offer the Shares at the same price (the "Offered Price") and upon the same terms (or terms as similar as reasonably possible) to the Company or its assignee(s).
    2. **Exercise of Right of First Refusal.** At any time within 30 days after receipt of the Notice, the Company and/or its assignee(s) may, by giving written notice to the Holder, elect to purchase all, but not less than all, of the Shares proposed to be transferred to any one or more of the Proposed Transferees, at the purchase price determined in accordance with subsection (iii) below.
    3. **Purchase Price.** The purchase price ("Purchase Price") for the Shares purchased by the Company or its assignee(s) under this Section 3(b) shall be the Offered Price. If the Offered Price includes consideration other than cash, the cash equivalent value of the non-cash consideration shall be determined by the Board of Directors of the Company in good faith.
    4. **Payment.** Payment of the Purchase Price shall be made, at the option of the Company or its assignee(s), in cash (by check), by cancellation of all or a portion of any outstanding indebtedness of the Holder to the Company (or, in the case of repurchase by an assignee, to the assignee), or by any combination thereof within 30 days after receipt of the Notice or in the manner and at the times set forth in the Notice.
    5. **Holder's Right to Transfer.** If all of the Shares proposed in the Notice to be transferred to a given Proposed Transferee are not purchased by the Company and/or its assignee(s) as provided in this Section 3(b), then the Holder may sell or otherwise transfer such Shares to that Proposed Transferee at the Offered Price or at a higher price, provided that such sale or other transfer is consummated within 60 days after the date of the Notice and provided further that any such sale or other transfer is effected in accordance with any applicable securities laws and the Proposed Transferee agrees in writing that the provisions of this Section 3 shall continue to apply to the Shares in the hands of such Proposed Transferee. If the Shares described in the Notice are not transferred to the Proposed Transferee within such period, or if the Holder proposes to change the price or other terms to make them more favorable to the Proposed Transferee, a new Notice shall be given to the Company, and the Company and/or its assignees shall again be offered the Right of First Refusal before any Shares held by the Holder may be sold or otherwise transferred.

6. **Exception for Certain Transfers.** Anything to the contrary contained in this Section 3(b) notwithstanding, the transfer of any or all of the Shares during Purchaser's lifetime or on Purchaser's death by will or intestacy to Purchaser's Immediate Family or a trust for the benefit of Purchaser or Purchaser's Immediate Family shall be exempt from the provisions of this Section 3(b). As used herein, a person is deemed to be a "Spouse" if (i) the relevant person and the related party are married under the applicable law of the state or country at the time and place the marriage was entered into, or (ii) are registered as "domestic partners" or have entered into a civil union or comparable relationship in a state or nation that sanctions such unions by law, such relationship is valid pursuant to applicable law at the time the parties entered into the relationship, and such relationship has not been dissolved under the law of the state or nation in which such relationship was initially or is currently recognized, provided the following circumstances are true: (a) the relevant person and the Spouse reside together, are the sole spousal equivalent of the other and intend to remain so indefinitely, (b) neither are married to anyone else, (c) both are at least 18 years of age and mentally competent to consent to contract, (d) they are not related by blood to a degree of closeness that which would prohibit legal marriage in the state in which they legally reside, (e) they are jointly responsible for each other's common welfare and financial obligations. "Immediate Family" as used herein shall mean Purchaser's Spouse, the lineal descendant or antecedent, brother or sister, of Purchaser or Purchaser's Spouse, or the Spouse of any lineal descendant or antecedent, brother or sister of Purchaser, or Purchaser's Spouse. In such case, the transferee or other recipient shall receive and hold the Shares so transferred subject to the provisions of this Section 3, and there shall be no further transfer of such Shares except in accordance with the terms of this Section 3.

3. **Involuntary Transfer.**
    1. **Company's Right to Purchase upon Involuntary Transfer.** In the event, at any time after the date of this Agreement, of any transfer by operation of law or other involuntary transfer (including divorce or death, but excluding, in the event of death, a transfer to Immediate Family as set forth in Section 3(b)(vi) above) of all or a portion of the Shares by the record holder thereof, the Company shall have the right to purchase all of the Shares transferred at the greater of the purchase price paid by Purchaser pursuant to this Agreement or the Fair Market Value of the Shares on the date of transfer. Upon such a transfer, the person acquiring the Shares shall promptly notify the Secretary of the Company of such transfer. The right to purchase such Shares shall be provided to the Company for a period of 30 days following receipt by the Company of written notice by the person acquiring the Shares.
    2. **Price for Involuntary Transfer.** With respect to any stock to be transferred pursuant to Section 3(c)(i), the price per Share shall be a price set by the Board of Directors of the Company that will reflect the current value of the stock in terms of present earnings and future prospects of the Company. The Company shall notify Purchaser or his or her executor of the price so determined within thirty (30) days after receipt by it of written notice of the transfer or proposed transfer of Shares. However, if the Purchaser does not agree with the valuation as determined by the Board of Directors of the Company, the Purchaser shall be entitled to have the valuation determined by an independent appraiser to be mutually agreed upon by the Company and the Purchaser and whose fees shall be borne equally by the Company and the Purchaser.
4. **Assignment.** The right of the Company to purchase any part of the Shares may be assigned in whole or in part to any shareholder or shareholders of the Company or other persons or organizations.
5. **Restrictions Binding on Transferees.** All transferees of Shares or any interest therein will receive and hold such Shares or interest subject to the provisions of this Agreement, including, insofar as applicable, the Repurchase Option. In the event of any purchase by the Company hereunder where the Shares or interest are held by a transferee, the transferee shall be obligated, if requested by the Company, to transfer the Shares or interest to the Purchaser for consideration equal to the amount to be paid by the Company hereunder. In the event the Repurchase Option is deemed exercised by the Company pursuant to Section 3(a)(ii) hereof, the Company may deem any transferee to have transferred the Shares or interest to Purchaser prior to their purchase by the Company, and payment of the purchase price by the Company to such transferee shall be deemed to satisfy Purchaser's obligation to pay such transferee for such Shares or interest, and also to

satisfy the Company's obligation to pay Purchaser for such Shares or interest. Any sale or transfer of the Shares shall be void unless the provisions of this Agreement are satisfied.

6. **Termination of Rights.** The Right of First Refusal and the Company's right to repurchase the Shares in the event of an involuntary transfer pursuant to Section 3(c) above shall terminate upon the first sale of Common Stock of the Company to the general public pursuant to a registration statement filed with and declared effective by the Securities and Exchange Commission under the Securities Act of 1933, as amended (the "Securities Act").
7. **Market Standoff Agreement.** In connection with the initial public offering of the Company's securities and upon request of the Company or the underwriters managing such underwritten offering of the Company's securities, Purchaser agrees not to sell, make any short sale of, loan, grant any option for the purchase of, or otherwise dispose of any securities of the Company (other than those included in the registration) without the prior written consent of the Company or such underwriters, as the case may be, for such period of time (not to exceed 180 days) from the effective date of such registration as may be requested by the Company or such managing underwriters and to execute an agreement reflecting the foregoing as may be requested by the underwriters at the time of the Company's initial public offering; provided however that, if during the last 17 days of the restricted period the Company issues an earnings release or material news or a material event relating to the Company occurs, or prior to the expiration of the restricted period the Company announces that it will release earnings results during the 16-day period beginning on the last day of the restricted period, then, upon the request of the managing underwriter, to the extent required by any FINRA rules, the restrictions imposed by this subsection (g) shall continue to apply until the end of the third trading day following the expiration of the 15-day period beginning on the issuance of the earnings release or the occurrence of the material news or material event. In no event will the restricted period extend beyond 216 days after the effective date of the registration statement.

4. **Escrow of Unvested Shares.** For purposes of facilitating the enforcement of the provisions of Section 3 above, Purchaser agrees, immediately upon receipt of the certificate(s) for the Shares subject to the Repurchase Option, to deliver such certificate(s), together with an Assignment Separate from Certificate in the form attached to this Agreement as Attachment A executed by Purchaser and by Purchaser's spouse (if required for transfer), in blank, to the Secretary of the Company, or the Secretary's designee, to hold such certificate(s) and Assignment Separate from Certificate in escrow and to take all such actions and to effectuate all such transfers and/or releases as are in accordance with the terms of this Agreement. Purchaser hereby acknowledges that the Secretary of the Company, or the Secretary's designee, is so appointed as the escrow holder with the foregoing authorities as a material inducement to make this Agreement and that said appointment is coupled with an interest and is accordingly irrevocable. Purchaser agrees that said escrow holder shall not be liable to any party hereof (or to any other party). The escrow holder may rely upon any letter, notice or other document executed by any signature purported to be genuine and may resign at any time. Purchaser agrees that if the Secretary of the Company, or the Secretary's designee, resigns as escrow holder for any or no reason, the Board of Directors of the Company shall have the power to appoint a successor to serve as escrow holder pursuant to the terms of this Agreement.
5. **Investment and Taxation Representations.** In connection with the purchase of the Shares, Purchaser represents to the Company the following:
    1. Purchaser is aware of the Company's business affairs and financial condition and has acquired sufficient information about the Company to reach an informed and knowledgeable decision to acquire the Shares. Purchaser is purchasing the Shares for investment for his or her own account only and not with a view to, or for resale in connection with, any "distribution" thereof within the meaning of the Securities Act. Purchaser does not have any present intention to transfer the Shares to any other person or entity.
    2. Purchaser understands that the Shares have not been registered under the Securities Act by reason of a specific exemption therefrom, which exemption depends upon, among other things, the bona fide nature of Purchaser's investment intent as expressed herein.
    3. Purchaser understands that the Shares are "restricted securities" under applicable U.S. federal and state securities laws and that, pursuant to these laws, Purchaser must hold the Shares indefinitely unless they are registered with the Securities and Exchange Commission and qualified by state authorities, or an exemption from such registration and qualification requirements is available. Purchaser acknowledges that the Company has no obligation to register or qualify the Shares for resale. Purchaser further acknowledges that if an exemption from registration or qualification is available, it may be conditioned on various requirements including, but not limited to, the time and manner of sale, the holding period for the Shares, and requirements relating to the Company which

are outside of the Purchaser's control, and which the Company is under no obligation and may not be able to satisfy.

4. Purchaser understands that Purchaser may suffer adverse tax consequences as a result of Purchaser's purchase or disposition of the Shares. Purchaser represents that Purchaser has consulted any tax consultants Purchaser deems advisable in connection with the purchase or disposition of the Shares and that Purchaser is not relying on the Company for any tax advice.

6. **Restrictive Legends and Stop-Transfer Orders.**
    1. **Legends.** The certificate or certificates representing the Shares shall bear the following legends (as well as any legends required by applicable state and federal corporate and securities laws):
        1. THE SHARES REPRESENTED BY THIS CERTIFICATE HAVE NOT BEEN REGISTERED UNDER THE SECURITIES ACT OF 1933, AND HAVE BEEN ACQUIRED FOR INVESTMENT AND NOT WITH A VIEW TO, OR IN CONNECTION WITH, THE SALE OR DISTRIBUTION THEREOF. NO SUCH SALE OR DISTRIBUTION MAY BE EFFECTED WITHOUT AN EFFECTIVE REGISTRATION STATEMENT RELATED THERETO OR AN OPINION OF COUNSEL IN A FORM SATISFACTORY TO THE COMPANY THAT SUCH REGISTRATION IS NOT REQUIRED UNDER THE SECURITIES ACT OF 1933.
        2. THE SHARES REPRESENTED BY THIS CERTIFICATE MAY BE TRANSFERRED ONLY IN ACCORDANCE WITH THE TERMS OF AN AGREEMENT BETWEEN THE COMPANY AND THE STOCKHOLDER, A COPY OF WHICH IS ON FILE WITH THE SECRETARY OF THE COMPANY.
    2. **Stop-Transfer Notices.** Purchaser agrees that, in order to ensure compliance with the restrictions referred to herein, the Company may issue appropriate "stop transfer" instructions to its transfer agent, if any, and that, if the Company transfers its own securities, it may make appropriate notations to the same effect in its own records.
    3. **Refusal to Transfer.** The Company shall not be required (i) to transfer on its books any Shares that have been sold or otherwise transferred in violation of any of the provisions of this Agreement or (ii) to treat as owner of such Shares or to accord the right to vote or pay dividends to any purchaser or other transferee to whom such Shares shall have been so transferred.
    4. **Removal of Legend.** When all of the following events have occurred, the Shares then held by Purchaser will no longer be subject to the legend referred to in Section 6(a)(ii): (i) the termination of the Right of First Refusal; (ii) the expiration or termination of the market standoff provisions of Section 3(g) (and of any agreement entered pursuant to Section 3(g)); and (iii) the expiration or exercise in full of the Repurchase Option. After such time, and upon Purchaser's request, a new certificate or certificates representing the Shares not repurchased shall be issued without the legend referred to in Section 6(a)(ii), and delivered to Purchaser.

7. **No Employment Rights.** Nothing in this Agreement shall affect in any manner whatsoever the right or power of the Company, or a Parent or Subsidiary of the Company, to terminate Purchaser's employment or consulting relationship, for any reason, with or without cause.

8. **Section 83(b) Election.** Purchaser understands that Section 83(a) of the Internal Revenue Code of 1986, as amended (the "Code"), taxes as ordinary income for a Nonstatutory Stock Option and as alternative minimum taxable income for an Incentive Stock Option the difference between the amount paid for the Shares and the Fair Market Value of the Shares as of the date any restrictions on the Shares lapse. In this context, "restriction" means the right of the Company to buy back the Unvested Shares pursuant to the Repurchase Option set forth in Section 3(a) of this Agreement. Purchaser understands that Purchaser may elect to be taxed at the time the Unvested Shares are purchased, rather than when and as the Repurchase Option expires, by filing an election under Section 83(b) (an "83(b) Election") of the Code with the Internal Revenue Service within 30 days from the date of purchase. Even if the Fair Market Value of the Unvested Shares at the time of the execution of this Agreement equals the amount paid for the Unvested Shares, the election must be made to avoid income and alternative minimum tax treatment under Section 83(a) in the future. Purchaser understands that failure to file such an election in a timely manner may result in adverse tax consequences for Purchaser. Purchaser further understands that an additional copy of such election form should be filed with his or her federal income tax return for the calendar year in which the date of this Agreement falls. Purchaser acknowledges that the foregoing is only a summary of the effect of United States federal income taxation with respect to purchase of the Shares hereunder, and does not purport to be complete. Purchaser further acknowledges that the Company has directed Purchaser to seek independent advice regarding the applicable provisions of the Code, the income tax laws of any municipality, state or foreign country in which Purchaser may reside, and the tax consequences of Purchaser's death.

Purchaser agrees that he or she will execute and deliver to the Company with this executed Agreement a copy of the Acknowledgment and Statement of Decision Regarding Section 83(b) Election (the "Acknowledgment") attached hereto as Attachment B. Purchaser further agrees that he or she will execute and submit with the Acknowledgment a copy of the 83(b) Election attached hereto as Attachment C (for tax purposes in connection with the early exercise of an option) if Purchaser has indicated in the Acknowledgment his or her decision to make such an election.

1. **Tax Consequences.** PURCHASER UNDERSTANDS THAT PURCHASER MAY SUFFER ADVERSE TAX CONSEQUENCES AS A RESULT OF PURCHASER'S PURCHASE OR DISPOSITION OF THE SHARES. PURCHASER REPRESENTS THAT: (a) PURCHASER HAS CONSULTED WITH ANY TAX ADVISER WHO PURCHASER DEEMS ADVISABLE IN CONNECTION WITH THE PURCHASE OR DISPOSITION OF THE SHARES AND (b) PURCHASER IS NOT RELYING ON THE COMPANY FOR ANY TAX ADVICE. Set forth below is a brief summary as of the date the Plan was adopted by the Board of some of the U.S. Federal and California tax consequences of exercise of the Option and disposition of the Shares. THIS SUMMARY IS NECESSARILY INCOMPLETE, AND THE TAX LAWS AND REGULATIONS ARE SUBJECT TO CHANGE. PURCHASER SHOULD CONSULT HIS OR HER OWN TAX ADVISER BEFORE EXERCISING THIS OPTION OR DISPOSING OF THE SHARES.
    1. **Exercise of Incentive Stock Option.** If the Option qualifies as an Incentive Stock Option, there will be no regular U.S. Federal income tax liability or California income tax liability upon the exercise of the Option, although the excess, if any, of the Fair Market Value of the Shares on the date of exercise over the Exercise Price will be treated as a tax preference item for U.S. Federal alternative minimum tax purposes and may subject Purchaser to the alternative minimum tax in the year of exercise.
    2. **Exercise of Nonqualified Stock Option.** If the Option does not qualify as an Incentive Stock Option, there may be a regular U.S. Federal income tax liability and a California income tax liability upon the exercise of the Option. Purchaser will be treated as having received compensation income (taxable at ordinary income tax rates) equal to the excess, if any, of the Fair Market Value of the Shares on the date of exercise over the Exercise Price. If Purchaser is a current or former employee of the Company, the Company may be required to withhold from Purchaser's compensation or collect from Purchaser and pay to the applicable taxing authorities an amount equal to a percentage of this compensation income at the time of exercise.
    3. **Disposition of Shares.** The following tax consequences may apply upon disposition of the Shares.
        1. Incentive Stock Options. If the Shares are held for more than twelve (12) months after the date of the transfer of the Shares pursuant to the exercise of an Incentive Stock Option and are disposed of more than two (2) years after the Date of Grant, any gain realized on disposition of the Shares will be treated as long term capital gain for U.S. Federal and California income tax purposes. If Shares purchased under an Incentive Stock Option are disposed of within the applicable one (1) year or two (2) year period, any gain realized on such disposition will be treated as compensation income (taxable at ordinary income rates in the year of the disposition) to the extent of the excess, if any, of the Fair Market Value of the Shares on the date of exercise over the Exercise Price.
        2. Nonstatutory Stock Options. If the Shares are held for more than twelve (12) months after the date of the transfer of the Shares pursuant to the exercise of a Nonstatutory Stock Option, any gain realized on disposition of the Shares will be treated as long term capital gain.
        3. Withholding. The Company may be required to withhold from the Purchaser's compensation or collect from the Purchaser and pay to the applicable taxing authorities an amount equal to a percentage of this compensation income.
    4. **Notice of Disqualifying Disposition of Incentive Stock Option Shares.** If the Option is an Incentive Stock Option, and if Purchaser sells or otherwise disposes of any of the Shares acquired pursuant to the Incentive Stock Option on or before the later of (a) the date two (2) years after the Date of Grant, and (b) the date one (1) year after transfer of such Shares to Purchaser upon exercise of the Option, Purchaser shall immediately notify the Company in writing of such disposition. Purchaser agrees that Purchaser may be subject to income tax withholding by the Company on the compensation income recognized by Purchaser from the early disposition by payment in cash or out of the current wages or other compensation payable to Purchaser.
2. **Miscellaneous.**
    1. **Governing Law.** This Agreement and all acts and transactions pursuant hereto and the rights and obligations of the parties hereto shall be governed, construed and interpreted in accordance with the laws of the State of Delaware, without giving effect to principles of conflicts of law.

2. **Entire Agreement; Enforcement of Rights.** This Agreement sets forth the entire agreement and understanding of the parties relating to the subject matter herein and merges all prior discussions between them. No modification of or amendment to this Agreement, nor any waiver of any rights under this Agreement, shall be effective unless in writing signed by the parties to this Agreement. The failure by either party to enforce any rights under this Agreement shall not be construed as a waiver of any rights of such party.
3. **Severability.** If one or more provisions of this Agreement are held to be unenforceable under applicable law, the parties agree to renegotiate such provision in good faith. In the event that the parties cannot reach a mutually agreeable and enforceable replacement for such provision, then (i) such provision shall be excluded from this Agreement, (ii) the balance of the Agreement shall be interpreted as if such provision were so excluded and (iii) the balance of the Agreement shall be enforceable in accordance with its terms.
4. **Construction.** This Agreement is the result of negotiations between and has been reviewed by each of the parties hereto and their respective counsel, if any; accordingly, this Agreement shall be deemed to be the product of all of the parties hereto, and no ambiguity shall be construed in favor of or against any one of the parties hereto.
5. **Notices.** Any notice required or permitted by this Agreement shall be in writing and shall be deemed sufficient when delivered personally or sent by telegram or fax or forty-eight (48) hours after being deposited in the U.S. mail, as certified or registered mail, with postage prepaid, and addressed to the party to be notified at such party's address as set forth below or as subsequently modified by written notice.
6. **Counterparts.** This Agreement may be executed in two or more counterparts, each of which shall be deemed an original and all of which together shall constitute one instrument.
7. **Successors and Assigns.** The rights and benefits of this Agreement shall inure to the benefit of, and be enforceable by the Company's successors and assigns. The rights and obligations of Purchaser under this Agreement may only be assigned with the prior written consent of the Company.
8. **California Corporate Securities Law.** THE SALE OF THE SECURITIES WHICH ARE THE SUBJECT OF THIS AGREEMENT HAS NOT BEEN QUALIFIED WITH THE COMMISSIONER OF CORPORATIONS OF THE STATE OF CALIFORNIA AND THE ISSUANCE OF THE SECURITIES OR THE PAYMENT OR RECEIPT OF ANY PART OF THE CONSIDERATION THEREFOR PRIOR TO THE QUALIFICATION IS UNLAWFUL, UNLESS THE SALE OF SECURITIES IS EXEMPT FROM QUALIFICATION BY SECTION 25100, 25102 OR 25105 OF THE CALIFORNIA CORPORATIONS CODE. THE RIGHTS OF ALL PARTIES TO THIS AGREEMENT ARE EXPRESSLY CONDITIONED UPON THE QUALIFICATION BEING OBTAINED, UNLESS THE SALE IS SO EXEMPT.

[*Signature Page Follows*]

The parties have executed this Exercise Agreement as of the date first set forth above.

COMPANY:

Expensify, Inc.

By: _____

Name: David Barrett

Title: President & CFO

PURCHASER:

###EMPLOYEE_NAME###

_____

(Signature)

Address: ###HOME_ADDRESS_AT_EXERCISE###

I, _____, spouse of ###EMPLOYEE_NAME###, have read and hereby approve the foregoing Agreement. In consideration of the Company's granting my spouse the right to purchase the Shares as set forth in the Agreement, I hereby agree to be bound irrevocably by the Agreement and further agree that any community property or similar interest that I may have in the Shares shall hereby be similarly bound by the Agreement. I hereby appoint my spouse as my attorney-in-fact with respect to any amendment or exercise of any rights under the Agreement.

_____

Spouse of###EMPLOYEE_NAME### (if applicable)

ATTACHMENT A
ASSIGNMENT SEPARATE FROM CERTIFICATE

FOR VALUE RECEIVED and pursuant to that certain Early Exercise Notice and Restricted Stock Purchase Agreement between the undersigned ("Purchaser") and Expensify, Inc. (the "Company") dated ###GRANT_DATE### (the "Agreement"), Purchaser hereby sells, assigns and transfers unto the Company _____ (_____) shares of the Common Stock of the Company, standing in Purchaser's name on the books of the Company and represented by Certificate No. _____, and hereby irrevocably appoints Expensify, Inc. to transfer said stock on the books of the Company with full power of substitution in the premises. THIS ASSIGNMENT MAY ONLY BE USED AS AUTHORIZED BY THE AGREEMENT AND THE ATTACHMENTS THERETO.

Dated: _____

Signature:

_____

###EMPLOYEE_NAME###

_____

Spouse of ###EMPLOYEE_NAME### (if applicable)

Instruction: Please do not fill in any blanks other than the signature line. The purpose of this assignment is to enable the Company to exercise its Repurchase Option set forth in the Agreement without requiring additional signatures on the part of Purchaser.

ATTACHMENT B
ACKNOWLEDGMENT AND STATEMENT OF DECISION REGARDING SECTION 83(b) ELECTION

The undersigned (which term includes the undersigned's spouse), a purchaser of _____ shares of Common Stock of Expensify, Inc., a Delaware corporation (the "Company") by exercise of an option (the "Option") granted pursuant to the Company's 2019 Stock Plan (the "Plan"), hereby states as follows:

1. The undersigned acknowledges receipt of a copy of the Plan relating to the offering of such shares. The undersigned has carefully reviewed the Plan and the option agreement pursuant to which the Option was granted.

2. The undersigned either [check and complete as applicable]:

(a) ____ has consulted, and has been fully advised by, the undersigned's own tax advisor, _____, whose business address is _____, regarding the federal, state and local tax consequences of purchasing shares under the Plan, and particularly regarding the advisability of making elections pursuant to Section 83(b) of the Internal Revenue Code of 1986, as amended (the "Code") and pursuant to the corresponding provisions, if any, of applicable state law; or

(b) ____ has knowingly chosen not to consult such a tax advisor.

3. The undersigned hereby states that the undersigned has decided [check as applicable]:

(a) ____ to make an election pursuant to Section 83(b) of the Code, and is submitting to the Company, together with the undersigned's executed Early Exercise Notice and Restricted Stock Purchase Agreement, an executed form entitled "Election Under Section 83(b) of the Internal Revenue Code of 1986;" or

(b) ____ not to make an election pursuant to Section 83(b) of the Code.

4. Neither the Company nor any subsidiary or representative of the Company has made any warranty or representation to the undersigned with respect to the tax consequences of the undersigned's purchase of shares under the Plan or of the making or failure to make an election pursuant to Section 83(b) of the Code or the corresponding provisions, if any, of applicable state law.

Date: _____ _____

###EMPLOYEE_NAME###

Date: _____ _____

Spouse of ###EMPLOYEE_NAME### (if applicable)

PLEASE BE ADVISED:

It is purchaser's responsibility to file the enclosed 83(b) Election with the Internal Revenue Service on or before 30 days from the date of the agreement.

Purchaser SHOULD SEND by certified mail, return receipt requested, AN ORIGINAL, SIGNED 83(b) Election, along with a copy and a self-addressed stamped return envelope TO THE IRS AT the irs service center where the taxpayer files his or her tax return.

Purchaser's cover letter should request that the IRS return the copy of the 83(b) Election back to Purchaser via the self-addressed stamped return envelope.

Purchaser understands that failure to file such an election in a timely manner may result in adverse tax consequences for Purchaser. Purchaser further understands that an additional copy of such election form should be filed with Purchaser's federal income tax return for the calendar year in which the date of this Agreement falls.

ATTACHMENT C
ELECTION UNDER SECTION 83(b)
OF THE INTERNAL REVENUE CODE OF 1986

The undersigned taxpayer hereby elects, pursuant to Section 83(b) of the Internal Revenue Code, to include in taxpayer's gross income or alternative minimum taxable income, as applicable, for the current taxable year, the amount of any income that may be taxable to taxpayer in connection with taxpayer's receipt of the property described below:

1. The name, address, taxpayer identification number and taxable year of the undersigned are as follows:

NAME OF TAXPAYER: ###EMPLOYEE_NAME###

NAME OF SPOUSE: _____

ADDRESS:

IDENTIFICATION NO. OF TAXPAYER: _____

IDENTIFICATION NO. OF SPOUSE: _____

TAXABLE YEAR: _____

2. The property with respect to which the election is made is described as follows:

_____ shares of the Common Stock of Expensify, Inc., a Delaware corporation (the "Company").

3. The date on which the property was transferred is: _____

4. The property is subject to the following restrictions:

Repurchase option at cost in favor of the Company upon termination of taxpayer's employment or consulting relationship.

5. The Fair Market Value at the time of transfer, determined without regard to any restriction other than a restriction which by its terms will never lapse, of such property is: $_____

6. The amount (if any) paid for such property: $_____

The undersigned has submitted a copy of this statement to the person for whom the services were performed in connection with the undersigned's receipt of the above-described property. The transferee of such property is the person performing the services in connection with the transfer of said property.

The undersigned understands that the foregoing election may not be revoked except with the consent of the Commissioner.

Date: _____ _____

###EMPLOYEE_NAME###

Date: _____ _____

Spouse of ###EMPLOYEE_NAME### (if applicable)

EXHIBIT A

EXPENSIFY, INC.

2019 STOCK PLAN (EMI ADDENDUM)

EXERCISE AGREEMENT

This Exercise Agreement (this "Agreement") is made as of ###EXERCISE_DATE### , by and between Expensify, Inc., a Delaware corporation (the "Company"), and ###EMPLOYEE_NAME### ("Purchaser").

To the extent any capitalized terms used in this Agreement are not defined, they shall have the meaning ascribed to them in the EMI Addendum to the Company's 2019 Stock Plan (the "Plan").

1. **Exercise of Option.** Subject to the terms and conditions hereof, Purchaser hereby elects to exercise his or her option to purchase ###QUANTITY_EXERCISED### shares of the Common Stock (the "Shares") of the Company under and pursuant to the Plan and the Stock Option Agreement dated ###GRANT_DATE### (the "Option Agreement"). The purchase price for the Shares shall be USD ###GRANT_PRICE### per Share for a total purchase price of USD $###PROCEEDS_TO_COMPANY###. The term "Shares" refers to the purchased Shares and all securities received as stock dividends or splits, all securities received in replacement of the Shares in a recapitalization, merger, reorganization, exchange or the like, and all new, substituted or additional securities or other property to which Purchaser is entitled by reason of Purchaser's ownership of the
2. **Time and Place of Exercise.** The purchase and sale of the Shares under this Agreement shall occur at the principal office of the Company simultaneously with the execution and delivery of this Agreement, the payment of the aggregate exercise price by any method listed in Section 4 of the Option Agreement, and the satisfaction of any applicable tax withholding obligations, all in accordance with the provisions of Section 3(b) of the Option Agreement. The Company shall issue the Shares to Purchaser by entering such Shares in Purchaser's name as of such date in the books and records of the Company or, if applicable, a duly authorized transfer agent of the Company, against payment of the exercise price therefor by Purchaser. If applicable, the Company will deliver to Purchaser a certificate representing the Shares as soon as practicable following such
3. **Limitations on Transfer.** In addition to any other limitation on transfer created by applicable securities laws, Purchaser shall not assign, encumber or dispose of any interest in the Shares except in compliance with the provisions below and applicable securities
    - **Right of First Refusal.** Before any Shares held by Purchaser or any transferee of Purchaser (either being sometimes referred to herein as the "Holder") may be sold or otherwise transferred (including transfer by gift or operation of law), the Company or its assignee(s) shall have a right of first refusal to purchase the Shares on the terms and conditions set forth in this Section 3(a) (the "Right of First Refusal").
        - **Notice of Proposed Transfer.** The Holder of the Shares shall deliver to the Company a written notice (the "Notice") stating: (i) the Holder's bona fide intention to sell or otherwise transfer such Shares; (ii) the name of each proposed purchaser or other transferee ("Proposed Transferee"); (iii) the number of Shares to be transferred to each Proposed Transferee; and (iv) the terms and conditions of each proposed sale or transfer. The Holder shall offer the Shares at the same price (the "Purchase Price") and upon the same terms (or terms as similar as reasonably possible) to the Company or its assignee(s).
        - **Exercise of Right of First Refusal.** At any time within thirty (30) days after receipt of the Notice, the Company and/or its assignee(s) may, by giving written notice to the Holder, elect to purchase all, but not less than all, of the Shares proposed to be transferred to any one or more of the Proposed Transferees, at the Purchase Price. If the Purchase Price includes consideration other than cash,

the cash equivalent value of the non-cash consideration shall be determined by the Board in good

- **Payment.** Payment of the Purchase Price shall be made, at the election of the Company or its assignee(s), in cash (by check), by cancellation of all or a portion of any outstanding indebtedness, or by any combination thereof within sixty (60) days after receipt of the Notice or in the manner and at the times set forth in the
- **Holder's Right to Transfer.** If all of the Shares proposed in the Notice to be transferred to a given Proposed Transferee are not purchased by the Company and/or its assignee(s) as provided in this Section 3(a), then the Holder may sell or otherwise transfer such Shares to that Proposed Transferee at the Purchase Price or at a higher price, provided that such sale or other transfer is consummated within one hundred twenty (120) days after the date of the Notice and provided further that any such sale or other transfer is effected in accordance with any applicable securities laws and the Proposed Transferee agrees in writing that the provisions of this Section 3 shall continue to apply to the Shares in the hands of such Proposed Transferee. If the Shares described in the Notice are not transferred to the Proposed Transferee within such period, or if the Holder proposes to change the price or other terms to make them more favorable to the Proposed Transferee, a new Notice shall be given to the Company, and the Company and/or its assignees shall again be offered the Right of First Refusal before any Shares held by the Holder may be sold or otherwise
- **Exception for Certain Transfers.** Anything to the contrary contained in this Section 3(a) notwithstanding, the transfer of any or all of the Shares during Purchaser's lifetime or on Purchaser's death by will or intestacy to Purchaser's Immediate Family or a trust for the benefit of Purchaser or Purchaser's Immediate Family shall be exempt from the provisions of this Section 3(a). As used herein, a person is deemed to be a "Spouse" if (i) the relevant person and the related party are married under the applicable law of the state or country at the time and place the marriage was entered into, or (ii) are registered as "domestic partners" or have entered into a civil union or comparable relationship in a state or nation that sanctions such unions by law, such relationship is valid pursuant to applicable law at the time the parties entered into the relationship, and such relationship has not been dissolved under the law of the state or nation in which such relationship was initially or is currently recognized, provided the following circumstances are true: (a) the relevant person and the Spouse reside together, are the sole spousal equivalent of the other and intend to remain so indefinitely, (b) neither are married to anyone else, both are at least 18 years of age and mentally competent to consent to contract, (d) they are not related by blood to a degree of closeness that which would prohibit legal marriage in the state in which they legally reside, (e) they are jointly responsible for each other's common welfare and financial "Immediate Family" as used herein shall mean Purchaser's Spouse, the lineal descendant or antecedent, brother or sister, of Purchaser or Purchaser's Spouse, or the Spouse of any lineal descendant or antecedent, brother or sister of Purchaser, or Purchaser's Spouse. In such case, the transferee or other recipient shall receive and hold the Shares so transferred subject to the provisions of this Section 3, and there shall be no further transfer of such Shares except in accordance with the terms of this Section 3.

- **Company's Right to Purchase upon Involuntary Transfer.** In the event of any transfer by operation of law or other involuntary transfer (including death or divorce, but excluding

a transfer to Immediate Family as set forth in Section 3(a)(v) above) of all or a portion of the Shares by the record holder thereof, the Company shall have an option to purchase all of the Shares transferred at the greater of the purchase price paid by Purchaser pursuant to this Agreement or the Fair Market Value of the Shares on the date of transfer (as determined by the Board). Upon such a transfer, the person acquiring the Shares shall promptly notify the Secretary of the Company of such transfer. The right to purchase such Shares shall be provided to the Company for a period of thirty (30) days following receipt by the Company of written notice by the person acquiring the Shares.

- **Assignment.** The right of the Company to purchase any part of the Shares may be assigned in whole or in part to any holder or holders of capital stock of the Company or other persons or
- **Restrictions Binding on Transferees.** All transferees of Shares or any interest therein will receive and hold such Shares or interest subject to the provisions of this Agreement. Any sale or transfer of the Company's Shares shall be void unless the provisions of this Agreement are
- **Termination of Rights.** The right of first refusal granted the Company by Section 3(a) above and the option to repurchase the Shares in the event of an involuntary transfer granted the Company by Section 3(b) above shall terminate upon the first sale of Common Stock of the Company to the general public pursuant to a registration statement filed with and declared effective by the Securities and Exchange Commission under the Securities Act of 1933, as amended (the "Securities Act"). Upon termination of the right of first refusal described in Section 3(a) above the Company will remove any stop-transfer notices referred to in Section 5(b) below and related to the restrictions in this Section 3 and, if certificates are issued, a new certificate or certificates representing the Shares not repurchased shall be issued, on request, without the legend referred to in Section 5(a)(ii) below and delivered to

1. **Investment and Taxation Representations.** In connection with the purchase of the Shares, Purchaser represents to the Company the following:
    - Purchaser is aware of the Company's business affairs and financial condition and has acquired sufficient information about the Company to reach an informed and knowledgeable decision to acquire the Shares. Purchaser is purchasing these securities for investment for his or her own account only and not with a view to, or for resale in connection with, any "distribution" thereof within the meaning of the Securities Act or under any applicable provision of state law. Purchaser does not have any present intention to transfer the Shares to any person or entity.
    - Purchaser understands that the Shares have not been registered under the Securities Act by reason of a specific exemption therefrom, which exemption depends upon, among other things, the bona fide nature of Purchaser's investment intent as expressed
    - Purchaser further acknowledges and understands that the securities must be held indefinitely unless they are subsequently registered under the Securities Act or an exemption from such registration is available. Purchaser further acknowledges and understands that the Company is under no obligation to register the securities. Purchaser understands that the certificate(s) evidencing the securities will be imprinted with a legend which prohibits the transfer of the securities unless they are registered or such registration is not required in the opinion of counsel for the
    - Purchaser is familiar with the provisions of Rules 144 and 701, each promulgated under the Securities Act, which, in substance, permit limited public resale of "restricted securities" acquired, directly or indirectly, from the issuer of the securities (or from an

affiliate of such issuer), in a non-public offering subject to the satisfaction of certain conditions. Purchaser understands that the Company provides no assurances as to whether he or she will be able to resell any or all of the Shares pursuant to Rule 144 or Rule 701, which rules require, among other things, that the Company be subject to the reporting requirements of the Securities Exchange Act of 1934, as amended, that resales of securities take place only after the holder of the Shares has held the Shares for certain specified time periods, and under certain circumstances, that resales of securities be limited in volume and take place only pursuant to brokered transactions. Notwithstanding this paragraph (d), Purchaser acknowledges and agrees to the restrictions set forth in paragraph (e)

- Purchaser further understands that in the event all of the applicable requirements of Rule 144 or 701 are not satisfied, registration under the Securities Act, compliance with Regulation A, or some other registration exemption will be required; and that, notwithstanding the fact that Rules 144 and 701 are not exclusive, the Staff of the Securities and Exchange Commission has expressed its opinion that persons proposing to sell private placement securities other than in a registered offering and otherwise than pursuant to Rule 144 or 701 will have a substantial burden of proof in establishing that an exemption from registration is available for such offers or sales, and that such persons and their respective brokers who participate in such transactions do so at their own
- Purchaser understands that Purchaser may suffer adverse tax consequences as a result of Purchaser's purchase or disposition of the Purchaser represents that Purchaser has consulted any tax consultants Purchaser deems advisable in connection with the purchase or disposition of the Shares and that Purchaser is not relying on the Company for any tax advice.

5. Restrictive Legends and Stop-Transfer Orders.

- **Legends.** The certificate or certificates representing the Shares shall bear the following legends (as well as any legends required by applicable state and federal corporate and securities laws):
  - THE SHARES REPRESENTED BY THIS CERTIFICATE HAVE NOT BEEN REGISTERED UNDER THE SECURITIES ACT OF 1933, AND HAVE BEEN ACQUIRED FOR INVESTMENT AND NOT WITH A VIEW TO, OR IN CONNECTION WITH, THE SALE OR DISTRIBUTION THEREOF. NO SUCH SALE OR DISTRIBUTION MAY BE EFFECTED WITHOUT AN EFFECTIVE REGISTRATION STATEMENT RELATED THERETO OR AN OPINION OF COUNSEL FOR THE COMPANY THAT SUCH REGISTRATION IS NOT REQUIRED UNDER THE SECURITIES ACT OF
  - THE SHARES REPRESENTED BY THIS CERTIFICATE MAY BE TRANSFERRED ONLY IN ACCORDANCE WITH THE TERMS OF AN AGREEMENT BETWEEN THE COMPANY AND THE HOLDER, A COPY OF WHICH IS ON FILE WITH THE SECRETARY OF THE
- **Stop-Transfer Notices.** Purchaser agrees that, in order to ensure compliance with the restrictions referred to herein, the Company may issue appropriate "stop transfer" instructions to its transfer agent, if any, and that, if the Company transfers its own securities, it may make appropriate notations to the same effect in its own
- **Refusal to Transfer.** The Company shall not be required (i) to transfer on its books any Shares that have been sold or otherwise transferred in violation of any of the provisions of this Agreement or (ii) to treat as owner of such Shares or to accord the right to vote or pay dividends to any purchaser or other transferee to whom such Shares shall have been so transferred.

1. **No Employment Rights.** Nothing in this Agreement shall affect in any manner whatsoever the right or power of the Company, or a parent or subsidiary of the Company, to terminate Purchaser's employment or consulting relationship, for any reason, with or without cause.
2. **Lock-Up Agreement.** In connection with the initial public offering of the Company's securities and upon request of the Company or the underwriters managing any underwritten offering of the Company's securities, Purchaser agrees not to sell, make any short sale of, loan, grant any option for the purchase of, or otherwise dispose of any securities of the Company however or whenever acquired (other than those included in the registration) without the prior written consent of the Company or such underwriters, as the case may be, for such period of time (not to exceed one hundred eighty (180) days) from the effective date of such registration as may be requested by the Company or such managing underwriters and to execute an agreement reflecting the foregoing as may be requested by the underwriters at the time of the public offering; provided however that, if during the last 17 days of the restricted period the Company issues an earnings release or material news or a material event relating to the Company occurs, or prior to the expiration of the restricted period the Company announces that it will release earnings results during the 16-day period beginning on the last day of the restricted period, then, upon the request of the managing underwriter, to the extent required by any FINRA rules, the restrictions imposed by this Section 7 shall continue to apply until the end of the third trading day following the expiration of the 15-day period beginning on the issuance of the earnings release or the occurrence of the material news or material event. In no event will the restricted period extend beyond 216 days after the effective date of the registration statement.
3. **Tax Consequences.** PURCHASER UNDERSTANDS THAT PURCHASER MAY SUFFER ADVERSE TAX CONSEQUENCES AS A RESULT OF PURCHASER'S PURCHASE OR DISPOSITION OF THE SHARES. PURCHASER REPRESENTS THAT: (a) PURCHASER HAS CONSULTED WITH ANY TAX ADVISER WHO PURCHASER DEEMS ADVISABLE IN CONNECTION WITH THE PURCHASE OR DISPOSITION OF THE SHARES AND (b) PURCHASER IS NOT RELYING ON THE COMPANY FOR ANY TAX ADVICE. Set forth below is a brief summary as of the date the Plan was adopted by the Board of some of the UK tax consequences of exercise of the Option and disposition of the Shares. THIS SUMMARY IS NECESSARILY INCOMPLETE, AND THE TAX LAWS AND REGULATIONS ARE SUBJECT TO CHANGE. PURCHASER SHOULD CONSULT HIS OR HER OWN TAX ADVISER BEFORE EXERCISING THIS OPTION OR DISPOSING OF THE
    - **Exercise of EMI Options.** If the Option qualifies as an EMI Option, and no disqualifying event (such as your ceasing to be employed within the group) has occurred at the exercise date, there will be no income tax charge on exercise, unless HMRC demonstrates that the exercise price was less than Fair Market Value at the date of grant, in which case there will be an income tax or such discount at the date of exercise.
    - **Disposition of Shares.** The following tax consequences may apply upon disposition of the

EMI Options. Provided no disqualifying event has occurred, any gain realized on disposition of the Shares will be subject to capital gains tax ("CGT"). You may be able to benefit from the annual CGT exemption (currently £11,100 for the year 2015/6). If the Shares are sold 12 months or more after the date of grant of the EMI Option , and you remain employed within the Group, CGT will be payable at 10% after taking account of the annual CGT exemption.

9. Miscellaneous.

- **Governing Law.** This Agreement and all acts and transactions pursuant hereto and the rights and obligations of the parties hereto shall be governed, construed and interpreted in accordance with the laws of the State of Delaware, without giving effect to principles of conflicts of law, except for matters relating to UK taxation, which shall be subject to English law.
- **Entire Agreement; Enforcement of Rights.** This Agreement sets forth the entire agreement and understanding of the parties relating to the subject matter herein and merges all prior discussions between them. No modification of or amendment to this Agreement, nor any waiver of any rights under this Agreement, shall be effective unless in writing signed by the parties to this Agreement. The failure by either party to enforce any rights under this Agreement shall not be construed as a waiver of any rights of such

- **Severability.** If one or more provisions of this Agreement are held to be unenforceable under Applicable Laws, the parties agree to renegotiate such provision in good In the event that the parties cannot reach a mutually agreeable and enforceable replacement for such provision, then (i) such provision shall be excluded from this Agreement, (ii) the balance of the Agreement shall be interpreted as if such provision were so excluded and (iii) the balance of the Agreement shall be enforceable in accordance with its terms.
- **Notices.** Any notice required or permitted by this Agreement shall be in writing and shall be deemed sufficient when delivered personally or sent by telegram or fax or forty-eight (48) hours after being deposited in the U.S. mail, as certified or registered mail, with postage prepaid, and addressed to the party to be notified at such party's address as set forth below or as subsequently modified by written
- **Counterparts.** This Agreement may be executed in two or more counterparts, each of which shall be deemed an original and all of which together shall constitute one
- **Successors and Assigns.** The rights and benefits of this Agreement shall inure to the benefit of, and be enforceable by the Company's successors and assigns. The rights and obligations of Purchaser under this Agreement may only be assigned with the prior written consent of the
- **California Corporate Securities Law.** THE SALE OF THE SECURITIES WHICH ARE THE SUBJECT OF THIS AGREEMENT HAS NOT BEEN QUALIFIED WITH THE COMMISSIONER OF CORPORATIONS OF THE STATE OF CALIFORNIA AND THE ISSUANCE OF THE SECURITIES OR THE PAYMENT OR RECEIPT OF ANY PART OF THE CONSIDERATION THEREFOR PRIOR TO THE QUALIFICATION IS UNLAWFUL, UNLESS THE SALE OF SECURITIES IS EXEMPT FROM QUALIFICATION BY SECTION 25100, 25102 OR 25105 OF THE CALIFORNIA CORPORATIONS CODE. THE RIGHTS OF ALL PARTIES TO THIS AGREEMENT ARE EXPRESSLY CONDITIONED UPON THE QUALIFICATION BEING OBTAINED, UNLESS THE SALE IS SO

[Signature Page Follows]

The parties have executed this Exercise Agreement as of the date first set forth above.

THE COMPANY:

EXPENSIFY, INC.

By: _____

(signature)

Name:

Title:

Address:

PURCHASER:

###EMPLOYEE_NAME###

_____

(signature)

Address:

_

Attachment A

Section 431 Election

Joint Election under s431 ITEPA 2003 for full or partial disapplication of Chapter 2 Income Tax (Earnings and Pensions) Act 2003

One Part Election

1. **Between**

the Employee	###EMPLOYEE_NAME###
whose National Insurance Number is	_____
and	
the Company (who is the Employee's employer)	Expensify, Inc.
of Company Registration Number	9744432

1. **Purpose of Election**

This joint election is made pursuant to section 431(1) or 431(2) Income Tax (Earnings and Pensions) Act 2003 (ITEPA) and applies where employment-related securities, which are restricted securities by reason of section 423 ITEPA, are acquired.

The effect of an election under section 431(1) is that, for the relevant Income Tax and NIC purposes, the employment-related securities and their market value will be treated as if they were not restricted securities and that sections 425 to 430 ITEPA do not apply. An election under section 431(2) will ignore one or more of the restrictions in computing the charge on acquisition. Additional Income Tax will be payable (with PAYE and NIC where the securities are Readily Convertible Assets).

Should the value of the securities fall following the acquisition, it is possible that Income Tax/NIC that would have arisen because of any future chargeable event (in the absence of an election) would have been less than the Income Tax/NIC due by reason of this election. Should this be the case, there is no Income Tax/NIC relief available under Part 7 of ITEPA 2003; nor is it available if the securities acquired are subsequently transferred, forfeited or revert to the original owner.

1. **Application**

This joint election is made not later than 14 days after the date of acquisition of the securities by the employee and applies to:

Number of securities	###QUANTITY EXERCISED###
Description of securities	Common Stock
Name of issuer of securities	Expensify, Inc.

To be acquired by the Employee after ###GRANT_DATE### under the terms of UK EMI Addendum to the Expensify, Inc. 2019 Stock Plan.

1. **Extent of Application**

This election disapplies:

S.431(1) ITEPA: All restrictions attaching to the securities.

1. **Declaration**

This election will become irrevocable upon the later of its signing or the acquisition (* and each subsequent acquisition) of employment-related securities to which this election applies.

(delete as appropriate – see Note)*

In signing this joint election, we agree to be bound by its terms as stated above.

###EXERCISE_DATE###

Signature (Employee)	Date
Signature (for and on behalf of the Company)	Date

Chief Executive Officer

Position in company

Note: Where the election is in respect of multiple acquisitions, prior to the date of any subsequent acquisition of a security it may be revoked by agreement between the employee and employer in respect of that and any later acquisition.

Expensify, Inc.

2019 Stock Plan

EXERCISE AGREEMENT

This Exercise Agreement (this "Agreement") is made as of ###EXERCISE_DATE###, by and between Expensify, Inc., a Delaware corporation (the "Company"), and ###EMPLOYEE_NAME### ("Purchaser"). To the extent any capitalized terms used in this Agreement are not defined, they shall have the meaning ascribed to them in the Company's 2019 Stock Plan (the "Plan").

1. **Exercise of Option.** Subject to the terms and conditions hereof, Purchaser hereby elects to exercise his or her option to purchase ###QUANTITY_EXERCISED### shares of the Common Stock (the "Shares") of the Company under and pursuant to the Plan and the Stock Option Agreement dated ###EXERCISE_DATE### (the "Option Agreement"). The purchase price for the Shares shall be ###GRANT_PRICE### per Share for a total purchase price of ###FUNDS_TO_SOLIUM### . The term "Shares" refers to the purchased Shares and all securities received as stock dividends or splits, all securities received in replacement of the Shares in a recapitalization, merger, reorganization, exchange or the like, and all new, substituted or additional securities or other property to which Purchaser is entitled by reason of Purchaser's ownership of the Shares.
2. **Time and Place of Exercise.** The purchase and sale of the Shares under this Agreement shall occur at the principal office of the Company simultaneously with the execution and delivery of this Agreement, the payment of the aggregate exercise price by any method listed in Section 4 of the Option Agreement, and the satisfaction of any applicable tax withholding obligations, all in accordance with the provisions of Section 3(b) of the Option Agreement. The Company shall issue the Shares to Purchaser by entering such Shares in Purchaser's name as of such date in the books and records of the Company or, if applicable, a duly authorized transfer agent of the Company, against payment of the exercise price therefor by Purchaser. If applicable, the Company will deliver to Purchaser a certificate representing the Shares as soon as practicable following such date.
3. **Limitations on Transfer.** In addition to any other limitation on transfer created by applicable securities laws, Purchaser shall not assign, encumber or dispose of any interest in the Shares except in compliance with the provisions below and applicable securities laws.
    1. **Right of First Refusal.** Before any Shares held by Purchaser or any transferee of Purchaser (either being sometimes referred to herein as the "Holder") may be sold or otherwise transferred (including transfer by gift or operation of law), the Company or its assignee(s) shall have a right of first refusal to purchase the Shares on the terms and conditions set forth in this Section 3(a) (the "Right of First Refusal").
        1. **Notice of Proposed Transfer.** The Holder of the Shares shall deliver to the Company a written notice (the "Notice") stating: (i) the Holder's bona fide intention to sell or otherwise transfer such Shares; (ii) the name of each proposed purchaser or other transferee ("Proposed Transferee"); (iii) the number of Shares to be transferred to each Proposed Transferee; and (iv) the terms and conditions of each proposed sale or transfer. The Holder shall offer the Shares at the same price (the "Purchase Price") and upon the same terms (or terms as similar as reasonably possible) to the Company or its assignee(s).
        2. **Exercise of Right of First Refusal.** At any time within thirty (30) days after receipt of the Notice, the Company and/or its assignee(s) may, by giving written notice to the Holder, elect to purchase all, but not less than all, of the Shares proposed to be transferred to any one or more of the Proposed Transferees, at the Purchase Price. If the Purchase Price includes consideration other than cash, the cash equivalent value of the non-cash consideration shall be determined by the Board in good faith.
        3. **Payment.** Payment of the Purchase Price shall be made, at the election of the Company or its assignee(s), in cash (by check), by cancellation of all or a portion of any outstanding indebtedness, or by any combination thereof within sixty (60) days after receipt of the Notice or in the manner and at the times set forth in the Notice.
        4. **Holder's Right to Transfer.** If all of the Shares proposed in the Notice to be transferred to a given Proposed Transferee are not purchased by the Company and/or its assignee(s) as provided in this Section 3(a), then the Holder may sell or otherwise transfer such Shares to that Proposed Transferee at the Purchase Price or at a higher price, provided that such sale or other transfer is consummated within one hundred twenty (120) days after the date of the Notice and provided further that any such sale or other transfer is effected in accordance with any applicable securities laws and the Proposed Transferee

agrees in writing that the provisions of this Section 3 shall continue to apply to the Shares in the hands of such Proposed Transferee. If the Shares described in the Notice are not transferred to the Proposed Transferee within such period, or if the Holder proposes to change the price or other terms to make them more favorable to the Proposed Transferee, a new Notice shall be given to the Company, and the Company and/or its assignees shall again be offered the Right of First Refusal before any Shares held by the Holder may be sold or otherwise transferred.

5. **Exception for Certain Transfers.** Anything to the contrary contained in this Section 3(a) notwithstanding, the transfer of any or all of the Shares during Purchaser's lifetime or on Purchaser's death by will or intestacy to Purchaser's Immediate Family or a trust for the benefit of Purchaser or Purchaser's Immediate Family shall be exempt from the provisions of this Section 3(a). As used herein, a person is deemed to be a "Spouse" if (i) the relevant person and the related party are married under the applicable law of the state or country at the time and place the marriage was entered into, or (ii) are registered as "domestic partners" or have entered into a civil union or comparable relationship in a state or nation that sanctions such unions by law, such relationship is valid pursuant to applicable law at the time the parties entered into the relationship, and such relationship has not been dissolved under the law of the state or nation in which such relationship was initially or is currently recognized, provided the following circumstances are true: (a) the relevant person and the Spouse reside together, are the sole spousal equivalent of the other and intend to remain so indefinitely, (b) neither are married to anyone else, (c) both are at least 18 years of age and mentally competent to consent to contract, (d) they are not related by blood to a degree of closeness that which would prohibit legal marriage in the state in which they legally reside, (e) they are jointly responsible for each other's common welfare and financial obligations. "Immediate Family" as used herein shall mean Purchaser's Spouse, the lineal descendant or antecedent, brother or sister, of Purchaser or Purchaser's Spouse, or the Spouse of any lineal descendant or antecedent, brother or sister of Purchaser, or Purchaser's Spouse. In such case, the transferee or other recipient shall receive and hold the Shares so transferred subject to the provisions of this Section 3, and there shall be no further transfer of such Shares except in accordance with the terms of this Section 3.

2. **Company's Right to Purchase upon Involuntary Transfer.** In the event of any transfer by operation of law or other involuntary transfer (including death or divorce, but excluding a transfer to Immediate Family as set forth in Section 3(a)(v) above) of all or a portion of the Shares by the record holder thereof, the Company shall have an option to purchase all of the Shares transferred at the greater of the purchase price paid by Purchaser pursuant to this Agreement or the Fair Market Value of the Shares on the date of transfer (as determined by the Board). Upon such a transfer, the person acquiring the Shares shall promptly notify the Secretary of the Company of such transfer. The right to purchase such Shares shall be provided to the Company for a period of thirty (30) days following receipt by the Company of written notice by the person acquiring the Shares.
3. **Assignment.** The right of the Company to purchase any part of the Shares may be assigned in whole or in part to any holder or holders of capital stock of the Company or other persons or organizations.
4. **Restrictions Binding on Transferees.** All transferees of Shares or any interest therein will receive and hold such Shares or interest subject to the provisions of this Agreement. Any sale or transfer of the Company's Shares shall be void unless the provisions of this Agreement are satisfied.
5. **Termination of Rights.** The right of first refusal granted the Company by Section 3(a) above and the option to repurchase the Shares in the event of an involuntary transfer granted the Company by Section 3(b) above shall terminate upon the first sale of Common Stock of the Company to the general public pursuant to a registration statement filed with and declared effective by the Securities and Exchange Commission under the Securities Act of 1933, as amended (the "Securities Act"). Upon termination of the right of first refusal described in Section 3(a) above the Company will remove any stop-transfer notices referred to in Section 5(b) below and related to the restrictions in this Section 3 and, if certificates are issued, a new certificate or certificates representing the Shares not repurchased shall be issued, on request, without the legend referred to in Section 5(a)(ii) below and delivered to Purchaser.

4. **Investment and Taxation Representations.** In connection with the purchase of the Shares, Purchaser represents to the Company the following:
    1. Purchaser is aware of the Company's business affairs and financial condition and has acquired sufficient information about the Company to reach an informed and knowledgeable decision to acquire the Shares. Purchaser is purchasing these securities for investment for his or her own account only and not with a view to, or for resale in connection with, any "distribution" thereof within the meaning of the Securities Act or under any applicable provision of state law. Purchaser does not have any present intention to transfer the Shares to any person or entity.
    2. Purchaser understands that the Shares have not been registered under the Securities Act by reason of a specific exemption therefrom, which exemption depends upon, among other things, the bona fide nature of Purchaser's investment intent as expressed herein.
    3. Purchaser further acknowledges and understands that the securities must be held indefinitely unless they are subsequently registered under the Securities Act or an exemption from such registration is available. Purchaser further acknowledges and understands that the Company is under no obligation to register the securities. Purchaser understands that the certificate(s) evidencing the securities will be imprinted with a legend which prohibits the transfer of the securities unless they are registered or such registration is not required in the opinion of counsel for the Company.
    4. Purchaser is familiar with the provisions of Rules 144 and 701, each promulgated under the Securities Act, which, in substance, permit limited public resale of "restricted securities" acquired, directly or indirectly, from the issuer of the securities (or from an affiliate of such issuer), in a non-public offering subject to the satisfaction of certain conditions. Purchaser understands that the Company provides no assurances as to whether he or she will be able to resell any or all of the Shares pursuant to Rule 144 or Rule 701, which rules require, among other things, that the Company be subject to the reporting requirements of the Securities Exchange Act of 1934, as amended, that resales of securities take place only after the holder of the Shares has held the Shares for certain specified time periods, and under certain circumstances, that resales of securities be limited in volume and take place only pursuant to brokered transactions. Notwithstanding this paragraph (d), Purchaser acknowledges and agrees to the restrictions set forth in paragraph (e) below.
    5. Purchaser further understands that in the event all of the applicable requirements of Rule 144 or 701 are not satisfied, registration under the Securities Act, compliance with Regulation A, or some other registration exemption will be required; and that, notwithstanding the fact that Rules 144 and 701 are not exclusive, the Staff of the Securities and Exchange Commission has expressed its opinion that persons proposing to sell private placement securities other than in a registered offering and otherwise than pursuant to Rule 144 or 701 will have a substantial burden of proof in establishing that an exemption from registration is available for such offers or sales, and that such persons and their respective brokers who participate in such transactions do so at their own risk.
    6. Purchaser understands that Purchaser may suffer adverse tax consequences as a result of Purchaser's purchase or disposition of the Shares. Purchaser represents that Purchaser has consulted any tax consultants Purchaser deems advisable in connection with the purchase or disposition of the Shares and that Purchaser is not relying on the Company for any tax advice.
5. **Restrictive Legends and Stop-Transfer Orders.**
    1. **Legends.** The certificate or certificates representing the Shares shall bear the following legends (as well as any legends required by applicable state and federal corporate and securities laws):
        1. THE SHARES REPRESENTED BY THIS CERTIFICATE HAVE NOT BEEN REGISTERED UNDER THE SECURITIES ACT OF 1933, AND HAVE BEEN ACQUIRED FOR INVESTMENT AND NOT WITH A VIEW TO, OR IN CONNECTION WITH, THE SALE OR DISTRIBUTION THEREOF. NO SUCH SALE OR DISTRIBUTION MAY BE EFFECTED WITHOUT AN EFFECTIVE REGISTRATION STATEMENT RELATED THERETO OR AN OPINION OF COUNSEL FOR THE COMPANY THAT SUCH REGISTRATION IS NOT REQUIRED UNDER THE SECURITIES ACT OF 1933.
        2. THE SHARES REPRESENTED BY THIS CERTIFICATE MAY BE TRANSFERRED ONLY IN ACCORDANCE WITH THE TERMS OF AN AGREEMENT BETWEEN THE COMPANY AND THE HOLDER, A COPY OF WHICH IS ON FILE WITH THE SECRETARY OF THE COMPANY.
    2. **Stop-Transfer Notices.** Purchaser agrees that, in order to ensure compliance with the restrictions referred to herein, the Company may issue appropriate "stop transfer" instructions to its transfer agent, if any, and that, if the Company transfers its own securities, it may make appropriate notations to the same effect in its own records.

3. **Refusal to Transfer.** The Company shall not be required (i) to transfer on its books any Shares that have been sold or otherwise transferred in violation of any of the provisions of this Agreement or (ii) to treat as owner of such Shares or to accord the right to vote or pay dividends to any purchaser or other transferee to whom such Shares shall have been so transferred.

6. **No Employment Rights.** Nothing in this Agreement shall affect in any manner whatsoever the right or power of the Company, or a parent or subsidiary of the Company, to terminate Purchaser's employment or consulting relationship, for any reason, with or without cause.

7. **Lock-Up Agreement.** In connection with the initial public offering of the Company's securities and upon request of the Company or the underwriters managing any underwritten offering of the Company's securities, Purchaser agrees not to sell, make any short sale of, loan, grant any option for the purchase of, or otherwise dispose of any securities of the Company however or whenever acquired (other than those included in the registration) without the prior written consent of the Company or such underwriters, as the case may be, for such period of time (not to exceed one hundred eighty (180) days) from the effective date of such registration as may be requested by the Company or such managing underwriters and to execute an agreement reflecting the foregoing as may be requested by the underwriters at the time of the public offering; provided however that, if during the last 17 days of the restricted period the Company issues an earnings release or material news or a material event relating to the Company occurs, or prior to the expiration of the restricted period the Company announces that it will release earnings results during the 16-day period beginning on the last day of the restricted period, then, upon the request of the managing underwriter, to the extent required by any FINRA rules, the restrictions imposed by this Section 7 shall continue to apply until the end of the third trading day following the expiration of the 15-day period beginning on the issuance of the earnings release or the occurrence of the material news or material event. In no event will the restricted period extend beyond 216 days after the effective date of the registration statement.

8. **Tax Consequences.** PURCHASER UNDERSTANDS THAT PURCHASER MAY SUFFER ADVERSE TAX CONSEQUENCES AS A RESULT OF PURCHASER'S PURCHASE OR DISPOSITION OF THE SHARES. PURCHASER REPRESENTS THAT: (a) PURCHASER HAS CONSULTED WITH ANY TAX ADVISER WHO PURCHASER DEEMS ADVISABLE IN CONNECTION WITH THE PURCHASE OR DISPOSITION OF THE SHARES AND (b) PURCHASER IS NOT RELYING ON THE COMPANY FOR ANY TAX ADVICE. Set forth below is a brief summary as of the date the Plan was adopted by the Board of some of the U.S. Federal and California tax consequences of exercise of the Option and disposition of the Shares. THIS SUMMARY IS NECESSARILY INCOMPLETE, AND THE TAX LAWS AND REGULATIONS ARE SUBJECT TO CHANGE. PURCHASER SHOULD CONSULT HIS OR HER OWN TAX ADVISER BEFORE EXERCISING THIS OPTION OR DISPOSING OF THE SHARES.
    1. **Exercise of Incentive Stock Option.** If the Option qualifies as an Incentive Stock Option, there will be no regular U.S. Federal income tax liability or California income tax liability upon the exercise of the Option, although the excess, if any, of the Fair Market Value of the Shares on the date of exercise over the Exercise Price will be treated as a tax preference item for U.S. Federal alternative minimum tax purposes and may subject Purchaser to the alternative minimum tax in the year of exercise.
    2. **Exercise of Nonqualified Stock Option.** If the Option does not qualify as an Incentive Stock Option, there may be a regular U.S. Federal income tax liability and a California income tax liability upon the exercise of the Option. Purchaser will be treated as having received compensation income (taxable at ordinary income tax rates) equal to the excess, if any, of the Fair Market Value of the Shares on the date of exercise over the Exercise Price. If Purchaser is a current or former employee of the Company, the Company may be required to withhold from Purchaser's compensation or collect from Purchaser and pay to the applicable taxing authorities an amount equal to a percentage of this compensation income at the time of exercise.
    3. **Disposition of Shares.** The following tax consequences may apply upon disposition of the Shares.
        1. Incentive Stock Options. If the Shares are held for more than twelve (12) months after the date of the transfer of the Shares pursuant to the exercise of an Incentive Stock Option and are disposed of more than two (2) years after the Date of Grant, any gain realized on disposition of the Shares will be treated as long term capital gain for U.S. Federal and California income tax purposes. If Shares purchased under an Incentive Stock Option are disposed of within the applicable one (1) year or two (2) year period, any gain realized on such disposition will be treated as compensation income (taxable at ordinary income rates in the year of the disposition) to the extent of the excess, if any, of the Fair Market Value of the Shares on the date of exercise over the Exercise Price.
        2. Nonstatutory Stock Options. If the Shares are held for more than twelve (12) months after the date of the transfer of the Shares pursuant to the exercise of a Nonstatutory Stock

Option, any gain realized on disposition of the Shares will be treated as long term capital gain.

3. Withholding. The Company may be required to withhold from the Purchaser's compensation or collect from the Purchaser and pay to the applicable taxing authorities an amount equal to a percentage of this compensation income.

4. **Notice of Disqualifying Disposition of Incentive Stock Option Shares.** If the Option is an Incentive Stock Option, and if Purchaser sells or otherwise disposes of any of the Shares acquired pursuant to the Incentive Stock Option on or before the later of (a) the date two (2) years after the Date of Grant, and (b) the date one (1) year after transfer of such Shares to Purchaser upon exercise of the Option, Purchaser shall immediately notify the Company in writing of such disposition. Purchaser agrees that Purchaser may be subject to income tax withholding by the Company on the compensation income recognized by Purchaser from the early disposition by payment in cash or out of the current wages or other compensation payable to Purchaser.

9. **Miscellaneous.**

1. **Governing Law.** This Agreement and all acts and transactions pursuant hereto and the rights and obligations of the parties hereto shall be governed, construed and interpreted in accordance with the laws of the State of Delaware, without giving effect to principles of conflicts of law.
2. **Entire Agreement; Enforcement of Rights.** This Agreement sets forth the entire agreement and understanding of the parties relating to the subject matter herein and merges all prior discussions between them. No modification of or amendment to this Agreement, nor any waiver of any rights under this Agreement, shall be effective unless in writing signed by the parties to this Agreement. The failure by either party to enforce any rights under this Agreement shall not be construed as a waiver of any rights of such party.
3. **Severability.** If one or more provisions of this Agreement are held to be unenforceable under Applicable Laws, the parties agree to renegotiate such provision in good faith. In the event that the parties cannot reach a mutually agreeable and enforceable replacement for such provision, then (i) such provision shall be excluded from this Agreement, (ii) the balance of the Agreement shall be interpreted as if such provision were so excluded and (iii) the balance of the Agreement shall be enforceable in accordance with its terms.
4. **Notices.** Any notice required or permitted by this Agreement shall be in writing and shall be deemed sufficient when delivered personally or sent by telegram or fax or forty-eight (48) hours after being deposited in the U.S. mail, as certified or registered mail, with postage prepaid, and addressed to the party to be notified at such party's address as set forth below or as subsequently modified by written notice.
5. **Counterparts.** This Agreement may be executed in two or more counterparts, each of which shall be deemed an original and all of which together shall constitute one instrument.
6. **Successors and Assigns.** The rights and benefits of this Agreement shall inure to the benefit of, and be enforceable by the Company's successors and assigns. The rights and obligations of Purchaser under this Agreement may only be assigned with the prior written consent of the Company.
7. **California Corporate Securities Law.** THE SALE OF THE SECURITIES WHICH ARE THE SUBJECT OF THIS AGREEMENT HAS NOT BEEN QUALIFIED WITH THE COMMISSIONER OF CORPORATIONS OF THE STATE OF CALIFORNIA AND THE ISSUANCE OF THE SECURITIES OR THE PAYMENT OR RECEIPT OF ANY PART OF THE CONSIDERATION THEREFOR PRIOR TO THE QUALIFICATION IS UNLAWFUL, UNLESS THE SALE OF SECURITIES IS EXEMPT FROM QUALIFICATION BY SECTION 25100, 25102 OR 25105 OF THE CALIFORNIA CORPORATIONS CODE. THE RIGHTS OF ALL PARTIES TO THIS AGREEMENT ARE EXPRESSLY CONDITIONED UPON THE QUALIFICATION BEING OBTAINED, UNLESS THE SALE IS SO EXEMPT.

[Signature Page Follows]

The parties have executed this Exercise Agreement as of the date first set forth above.

THE COMPANY:

Expensify, Inc.

By: _____

(signature)

Name: David Barrett

Title: President/CEO

Address: _____

PURCHASER: ###EMPLOYEE_NAME###

_____

(signature)

Address: ###HOME_ADDRESS_AT_EXERCISE###

I, _____, spouse of ###EMPLOYEE_NAME###, have read and hereby approve the foregoing Agreement. In consideration of the Company's granting my spouse the right to purchase the Shares as set forth in the Agreement, I hereby agree to be irrevocably bound by the Agreement and further agree that any community property or other such interest shall hereby by similarly bound by the Agreement. I hereby appoint my spouse as my attorney-in-fact with respect to any amendment or exercise of any rights under the Agreement.

_____

Spouse of ###EMPLOYEE_NAME### (if applicable)

EXPENSIFY, INC.

2019 STOCK PLAN

NOTICE OF STOCK OPTION GRANT

_____

You have been granted an option to purchase Common Stock of Expensify, Inc., a Delaware corporation (the "Company"), as follows:

Date of Grant:	_____
Exercise Price Per Share:	$___.__
Total Number of Shares:	__,___.___
Total Exercise Price:	$_,___.__
Type of Option:	[Incentive/Nonstatutory] Stock Option
Expiration Date:	_____
Vesting Commencement Date:	_____
Vesting Schedule:	The Option may be exercised in whole or in part at any time after the Date of Grant. So long as your Continuous Service Status does not terminate, the Shares underlying this Option shall vest in accordance with the following schedule: _____ of the Total Number of Shares shall vest on the one (1) [year/month] anniversary of the Vesting Commencement Date and _____ of the Total Number of Shares shall vest on each monthly anniversary thereafter.
Termination Period:	If your Continuous Service Status is less than three (3) years, you may exercise this Option for thirty (30) days after termination of your Continuous Service Status except as set out in Section 5 of the Stock Option Agreement (but in no event later than the Expiration Date). If your Continuous Service Status is equal to or greater than three (3) years, you may exercise this Option for two (2) years after termination of your Continuous Service Status (but in no event later than the Expiration Date). The Option must be exercised within three (3) months after termination of employment for reasons other than death or Disability and one year after termination of employment due to

	Disability to qualify for the beneficial tax treatment afforded Incentive Stock Options. You are responsible for keeping track of these exercise periods following the termination of your Continuous Service Status for any reason. The Company will not provide further notice of such periods.
Transferability:	You may not transfer this Option.

[*Signature page follows*]

By your signature and the signature of the Company's representative below, you and the Company agree that this Option is granted under and governed by the terms and conditions of the Expensify, Inc. 2019 Stock Plan and the Stock Option Agreement, both of which are attached to and made a part of this document.

In addition, you agree and acknowledge that your rights to any Shares underlying this Option will be earned only as you provide services to the Company over time, that the grant of this Option is not as consideration for services you rendered to the Company prior to your date of hire, and that nothing in this Notice or the attached documents confers upon you any right to continue your employment or consulting relationship with the Company for any period of time, nor does it interfere in any way with your right or the Company's right to terminate that relationship at any time, for any reason, with or without cause. Also, to the extent applicable, the Exercise Price Per Share has been set in good faith compliance with the applicable guidance issued by the IRS under Section 409A of the Code. However, there is no guarantee that the IRS will agree with the valuation, and by signing below, you agree and acknowledge that the Company shall not be held liable for any applicable costs, taxes, or penalties associated with this Option if, in fact, the IRS were to determine that this Option constitutes deferred compensation under Section 409A of the Code. You should consult with your own tax advisor concerning the tax consequences of such a determination by the IRS.

You further acknowledge that, (a) this Option has not been registered pursuant to Regulation S under the Securities Act of 1933, as amended ("Regulation S") and (b) upon exercise, the Shares will be subject to the requirements of Regulation S, provided that you are not a "U.S. Person" as defined under Regulation S at the time of exercise.

THE COMPANY:

EXPENSIFY, INC.

By: _____
(signature)

Name: David Barrett

Title: Chief Executive Officer

OPTIONEE:

_____

_____
(signature)

EXPENSIFY, INC.

2019 STOCK PLAN

STOCK OPTION AGREEMENT

1. **Grant of Option.** Expensify, Inc., a Delaware corporation (the "Company"), hereby grants to [_____] ("Optionee"), an option (the "Option") to purchase the total number of shares of Common Stock (the "Shares") set forth in the Notice of Stock Option Grant (the "Notice"), at the exercise price per Share set forth in the Notice (the "Exercise Price") subject to the terms, definitions and provisions of the Expensify, Inc. 2019 Stock Plan (the "Plan") adopted by the Company, which is incorporated in this Agreement by reference. Unless otherwise defined in this Agreement, the terms used in this Agreement shall have the meanings defined in the Plan.

2. **Designation of Option.** This Option is intended to be an Incentive Stock Option as defined in Section 422 of the Code only to the extent so designated in the Notice, and to the extent it is not so designated or to the extent this Option does not qualify as an Incentive Stock Option, it is intended to be a Nonstatutory Stock Option.

Notwithstanding the above, if designated as an Incentive Stock Option, in the event that the Shares subject to this Option (and all other Incentive Stock Options granted to Optionee by the Company or any Parent or Subsidiary, including under other plans of the Company) that first become exercisable in any calendar year have an aggregate fair market value (determined for each Share as of the date of grant of the option covering such Share) in excess of $100,000, the Shares in excess of $100,000 shall be treated as subject to a Nonstatutory Stock Option, in accordance with Section 5(c) of the Plan.

3. **Exercise of Option.** This Option shall be exercisable during its term in accordance with the Vesting Schedule set out in the Notice and with the provisions of Section 10 of the Plan as follows:

(a) **Right to Exercise.**

(i) This Option may be exercised in whole or in part at any time after the Date of Grant, as to Shares which have not yet vested under the vesting schedule indicated on the Notice of Stock Option Grant; provided, however, that Optionee shall execute as a condition to such exercise of this Option, the Early Exercise Notice and Restricted Stock Purchase Agreement attached hereto as Exhibit A (the "Early Exercise Agreement"). If Optionee chooses to exercise this Option solely as to Shares which have vested under the vesting schedule indicated on the Notice of Stock Option Grant, Optionee shall complete and execute the form of Exercise Notice and Restricted Stock Purchase Agreement attached hereto as Exhibit B (the "Exercise Agreement"). Notwithstanding the foregoing, the Company may in its discretion prescribe or accept a different form of notice of exercise and/or stock purchase agreement if such forms are otherwise consistent with this Agreement, the Plan and then-applicable law.

(ii) This Option may not be exercised for a fraction of a share.

(iii) In the event of Optionee's death, Disability or other termination of Continuous Service Status, the exercisability of this Option is governed by Section 5 below, subject to the limitations contained in this Section 3.

(iv) In no event may this Option be exercised after the Expiration Date set forth in the Notice.

(b) **Method of Exercise.**

(i) This Option shall be exercisable by execution and delivery of the Early Exercise Agreement or the Exercise Agreement, whichever is applicable, or of any other form of written notice approved for such purpose by the Company which shall state Optionee's election to exercise this Option, the number of Shares in respect of which this Option is being exercised, and such other representations and agreements as to the holder's investment intent with respect to such Shares as may be required by the Company pursuant to the provisions of the Plan. Such written notice shall be signed by Optionee and shall be delivered to the Company by such means as are determined by the Plan Administrator in its discretion to constitute adequate delivery. The written notice shall be accompanied by payment of the aggregate Exercise Price for the purchased Shares.

(ii) As a condition to the exercise of this Option and as further set forth in Section 12 of the Plan, Optionee agrees to make adequate provision for federal, state or other tax withholding obligations, if any, which arise upon the grant, vesting or exercise of this Option, or disposition of Shares, whether by withholding, direct payment to the Company, or otherwise.

(iii) Optionee acknowledges that upon exercise, the Shares will be subject to Regulation S under the Securities Act of 1933, as amended (the "Securities Act"), provided that Optionee is not a "U.S. Person" as defined under Regulation S at the time of exercise.

(iv) The Company is not obligated, and will have no liability for failure, to issue or deliver any Shares upon exercise of this Option unless such issuance or delivery would comply with the Applicable Laws, with such compliance determined by the Company in consultation with its legal counsel. This Option may not be exercised until such time as the Plan has been approved by the holders of capital stock of the Company, or if the issuance of such Shares upon such exercise or the method of payment of consideration for such Shares would constitute a violation of any Applicable Laws, including any applicable U.S. federal or state securities laws or any other law or regulation, including any rule under Part 221 of Title 12 of the Code of Federal Regulations as promulgated by the Federal Reserve Board. As a condition to the exercise of this Option, the Company may require Optionee to make any representation and warranty to the Company as may be required by the Applicable Laws. Assuming such compliance, for income tax purposes the Shares shall be considered transferred to Optionee on the date on which this Option is exercised with respect to such Shares.

(v) Subject to compliance with Applicable Laws, this Option shall be deemed to be exercised upon receipt by the Company of the appropriate written notice of exercise accompanied by the Exercise Price and the satisfaction of any applicable withholding obligations.

4. **Method of Payment.** Payment of the Exercise Price shall be by any of the following, or a combination of the following, at the election of Optionee:

(a) cash or check;

(b) cancellation of indebtedness;

(c) at the discretion of the Plan Administrator on a case by case basis, by surrender of other shares of Common Stock of the Company (either directly or by stock attestation) that Optionee previously acquired and that have an aggregate Fair Market Value on the date of surrender equal to the aggregate Exercise Price of the Shares as to which this Option is being exercised; or

(d) at the discretion of the Plan Administrator on a case by case basis, by Cashless Exercise.

5. **Termination of Relationship.** Following the date of termination of Optionee's Continuous Service Status for any reason (the "Termination Date"), Optionee may exercise this Option only as set forth in the Notice and this Section 5. If Optionee does not exercise this Option within the Termination Period set forth in the Notice or the termination periods set forth below, this Option shall terminate in its entirety. In no event, may any Option be exercised after the Expiration Date of this Option as set forth in the Notice.

(a) **Termination.** In the event of termination of Optionee's Continuous Service Status other than as a result of Optionee's Disability or death or for Cause, Optionee may, to the extent Optionee is vested in the Option Shares, exercise this Option during the Termination Period set forth in the Notice.

(b) **Other Terminations.** In connection with any termination other than a termination covered by Section 5(a), Optionee may exercise this Option only as described below:

(i) **Termination upon Disability of Optionee.** In the event of termination of Optionee's Continuous Service Status as a result of Optionee's Disability, Optionee may, but only within six (6) months following the date of such termination (the "Termination Date"), exercise this Option to the extent Optionee is vested in the Option Shares.

(ii) **Death of Optionee.** In the event of termination of Optionee's Continuous Service Status as a result of Optionee's death, or in the event of Optionee's death within thirty (30) days following Optionee's Termination Date, this Option may be exercised at any time within twelve (12) months following the date of death (or, if earlier, the date Optionee's Continuous Service Status terminated) by Optionee's estate or by a person who acquired the

right to exercise this Option by bequest or inheritance, but only to the extent Optionee is vested in this Option.

(iii) **Termination for Cause.** In the event of termination of Optionee's Continuous Service Status for Cause, this Option (including any vested portion thereof) shall immediately terminate in its entirety upon first notification to Optionee of such termination for Cause. If Optionee's Continuous Service Status is suspended pending an investigation of whether Optionee's Continuous Service Status will be terminated for Cause, all Optionee's rights under this Option, including the right to exercise this Option, shall be suspended during the investigation period.

6. **Non-Transferability of Option.** This Option may not be transferred in any manner otherwise than by will or by the laws of descent or distribution and may be exercised during the lifetime of Optionee only by him or her. The terms of this Option shall be binding upon the executors, administrators, heirs, successors and assigns of Optionee.

7. **Lock-Up Agreement.** In connection with the initial public offering of the Company's securities and upon request of the Company or the underwriters managing any underwritten offering of the Company's securities, Optionee hereby agrees not to sell, make any short sale of, loan, grant any option for the purchase of, or otherwise dispose of any securities of the Company however and whenever acquired (other than those included in the registration) without the prior written consent of the Company or such underwriters, as the case may be, for such period of time (not to exceed 180 days) from the effective date of such registration as may be requested by the Company or such managing underwriters and to execute an agreement reflecting the foregoing as may be requested by the underwriters at the time of the public offering; provided however that, if during the last 17 days of the restricted period the Company issues an earnings release or material news or a material event relating to the Company occurs, or prior to the expiration of the restricted period the Company announces that it will release earnings results during the 16-day period beginning on the last day of the restricted period, then, upon the request of the managing underwriter, to the extent required by any FINRA rules, the restrictions imposed by this Section 7 shall continue to apply until the end of the third trading day following the expiration of the 15-day period beginning on the issuance of the earnings release or the occurrence of the material news or material event. In no event will the restricted period extend beyond 216 days after the effective date of the registration statement.

8. **Effect of Agreement.** Optionee acknowledges receipt of a copy of the Plan and represents that he or she is familiar with the terms and provisions thereof (and has had an opportunity to consult counsel regarding the Option terms), and hereby accepts this Option and agrees to be bound by its contractual terms as set forth herein and in the Plan. Optionee hereby agrees to accept as binding, conclusive and final all decisions and interpretations of the Plan Administrator regarding any questions relating to this Option. In the event of a conflict between the terms and provisions of the Plan and the terms and provisions of the Notice and this Agreement, the Plan terms and provisions shall prevail.

9. **Miscellaneous.**

(a) **Governing Law.** This Agreement and all acts and transactions pursuant hereto and the rights and obligations of the parties hereto shall be governed, construed and interpreted in accordance with the laws of the State of Delaware, without giving effect to principles of conflicts of law.

(b) **Entire Agreement; Enforcement of Rights.** This Agreement, together with the Notice of Stock Option Grant to which this Agreement is attached and the Plan, sets forth the entire agreement and understanding of the parties relating to the subject matter herein and therein and merges all prior discussions between the parties. Except as contemplated under the Plan, no modification of or amendment to this Agreement, nor any waiver of any rights under this Agreement, shall be effective unless in writing signed by the parties to this Agreement. The failure by either party to enforce any rights under this Agreement shall not be construed as a waiver of any rights of such party.

(c) **Severability.** If one or more provisions of this Agreement are held to be unenforceable under Applicable Laws, the parties agree to renegotiate such provision in good faith. In the event that the parties cannot reach a mutually agreeable and enforceable replacement for such provision, then (i) such provision shall be excluded from this Agreement, (ii) the balance of this Agreement shall be interpreted as if such provision were so excluded and (iii) the balance of this Agreement shall be enforceable in accordance with its terms.

(d) **Notices.** Any notice required or permitted by this Agreement shall be in writing and shall be deemed sufficient when delivered personally or sent by telegram or fax or forty-eight (48) hours after being deposited in the U.S. mail, as certified or registered mail, with postage prepaid, and addressed to the party to be notified at such party's address as set forth below or as subsequently modified by written notice.

(e) **Counterparts.** This Option may be executed in two or more counterparts, each of which shall be deemed an original and all of which together shall constitute one instrument.

(f) **Successors and Assigns.** The rights and benefits of this Agreement shall inure to the benefit of, and be enforceable by the Company's successors and assigns. The rights and obligations of Optionee under this Agreement may not be assigned without the prior written consent of the Company.

[Signature Page Follows]

IN WITNESS WHEREOF, the parties have executed or caused this Agreement to be executed by their officers thereunto duly authorized, effective as of the Date of Grant set forth in the accompanying Notice of Stock Option Grant.

THE COMPANY:

EXPENSIFY, INC.

By: _____
(signature)

Name: David Barrett

Title: Chief Executive Officer

OPTIONEE:

_____

_____
(signature)

ADDRESS: _____

_____

EXHIBIT A

EXPENSIFY, INC.

2019 Stock Plan

EARLY EXERCISE NOTICE AND RESTRICTED STOCK PURCHASE AGREEMENT

This Agreement ("Agreement") is made as of _____ by and between Expensify, Inc., a Delaware corporation (the "Company"), and [_____] ("Purchaser"). To the extent any capitalized terms used in this Agreement are not defined, they shall have the meaning ascribed to them in the 2019 Stock Plan.

1. **Exercise of Option.** Subject to the terms and conditions hereof, Purchaser hereby elects to exercise his or her option to purchase _____ shares of the Common Stock (the "Shares") of the Company under and pursuant to the Company's 2019 Stock Plan (the "Plan") and the Stock Option Agreement dated [_____] (the "Option Agreement"). Of these Shares, Purchaser has elected to purchase _____ of those Shares which have become vested as of the date hereof under the Vesting Schedule set forth in the Notice of Stock Option Grant (the "Vested Shares") and _____ Shares which have not yet vested under such Vesting Schedule (the "Unvested Shares"). The purchase price for the Shares shall be $[__.__] per Share for a total purchase price of $_____. The term "Shares" refers to the purchased Shares and all securities received in replacement of the Shares or as stock dividends or splits, all securities received in replacement of the Shares in a recapitalization, merger, reorganization, exchange or the like, and all new, substituted or additional securities or other properties to which Purchaser is entitled by reason of Purchaser's ownership of the Shares.

2. **Time and Place of Exercise.** The purchase and sale of the Shares under this Agreement shall occur at the principal office of the Company simultaneously with the execution and delivery of this Agreement in accordance with the provisions of Section 3(b) of the Option Agreement. On such date, the Company will deliver to Purchaser a certificate representing the Shares to be purchased by Purchaser (which shall be issued in Purchaser's name) against payment of the purchase price therefor by Purchaser by (a) check made payable to the Company, (b) cancellation of indebtedness of the Company to Purchaser, (c) delivery of shares of the Common Stock of the Company in accordance with Section 4 of the Option Agreement, or (d) a combination of the foregoing.

3. **Limitations on Transfer.** In addition to any other limitation on transfer created by applicable securities laws, Purchaser shall not assign, encumber or dispose of any interest in the Shares while the Shares are subject to the Company's Repurchase Option (as defined below). After any Shares have been released from such Repurchase Option, Purchaser shall not assign, encumber or dispose of any interest in such Shares except in compliance with the provisions below and applicable securities laws.

(a) **Repurchase Option.**

(i) In the event of the voluntary or involuntary termination of Purchaser's employment or consulting relationship with the Company for any reason (including death or disability), with or without cause, the Company shall upon the date of such termination (the "Termination Date") have an irrevocable, exclusive option (the "Repurchase Option") for a period of 90 days from such date to repurchase all or any portion of the Shares held by Purchaser as of the Termination Date which have not yet been released from the Company's Repurchase Option at the original purchase price per Share specified in Section 1 (adjusted for any stock splits, stock dividends and the like).

(ii) Unless the Company notifies Purchaser within 90 days from the date of termination of Purchaser's employment or consulting relationship that it does not intend to exercise its Repurchase Option with respect to some or all of the Shares, the Repurchase Option shall be deemed automatically exercised by the Company as of the 90th day following such termination, provided that the Company may notify Purchaser that it is exercising its Repurchase Option as of a date prior to such 90th day. Unless Purchaser is otherwise notified by the Company pursuant to the preceding sentence that the Company does not intend to exercise its Repurchase Option as to some or all of the Shares to which it applies at the time of termination, execution of this Agreement by Purchaser constitutes written notice to Purchaser of the Company's intention to exercise its Repurchase Option with respect to all Shares to which such Repurchase Option applies. The Company, at its choice, may satisfy its payment obligation to Purchaser with respect to exercise of the Repurchase Option by either (A) delivering a check to Purchaser in the amount of the purchase price for the Shares being repurchased, or (B) in the event Purchaser is indebted to the Company, canceling an amount of such indebtedness equal to the purchase price for the Shares being repurchased, or (C) by a combination of (A) and (B) so that the combined payment and cancellation of indebtedness equals such purchase price. In the event of any deemed automatic exercise of the Repurchase Option pursuant to this Section 3(a)(ii) in which Purchaser is indebted to the Company, such indebtedness equal to the purchase price of the Shares being repurchased shall be deemed automatically canceled as of the 90th day following termination of Purchaser's employment or consulting relationship unless the Company otherwise satisfies its payment obligations. As a result of any repurchase of Shares pursuant to this Section 3(a), the Company shall become the legal and beneficial owner of the Shares being repurchased and shall have all rights and interest therein or related thereto, and the Company shall have the right to transfer to its own name the number of Shares being repurchased by the Company, without further action by Purchaser.

(iii) One hundred percent (100%) of the Shares shall initially be subject to the Repurchase Option. The Unvested Shares shall be released from the Repurchase Option in accordance with the Vesting Schedule set forth in the Notice of Stock Option Grant until all Shares are released from the Repurchase Option. Fractional shares shall be rounded to the nearest whole share.

(b) **Right of First Refusal.** Before any Shares held by Purchaser or any transferee of Purchaser (either being sometimes referred to herein as the "Holder") may be sold

or otherwise transferred (including transfer by gift or operation of law), the Company or its assignee(s) shall have a right of first refusal to purchase the Shares on the terms and conditions set forth in this Section 3(b) (the "Right of First Refusal").

(i) **Notice of Proposed Transfer.** The Holder of the Shares shall deliver to the Company a written notice (the "Notice") stating: (i) the Holder's bona fide intention to sell or otherwise transfer such Shares; (ii) the name of each proposed purchaser or other transferee ("Proposed Transferee"); (iii) the number of Shares to be transferred to each Proposed Transferee; and (iv) the terms and conditions of each proposed sale or transfer. The Holder shall offer the Shares at the same price (the "Offered Price") and upon the same terms (or terms as similar as reasonably possible) to the Company or its assignee(s).

(ii) **Exercise of Right of First Refusal.** At any time within 30 days after receipt of the Notice, the Company and/or its assignee(s) may, by giving written notice to the Holder, elect to purchase all, but not less than all, of the Shares proposed to be transferred to any one or more of the Proposed Transferees, at the purchase price determined in accordance with subsection (iii) below.

(iii) **Purchase Price.** The purchase price ("Purchase Price") for the Shares purchased by the Company or its assignee(s) under this Section 3(b) shall be the Offered Price. If the Offered Price includes consideration other than cash, the cash equivalent value of the non-cash consideration shall be determined by the Board of Directors of the Company in good faith.

(iv) **Payment.** Payment of the Purchase Price shall be made, at the option of the Company or its assignee(s), in cash (by check), by cancellation of all or a portion of any outstanding indebtedness of the Holder to the Company (or, in the case of repurchase by an assignee, to the assignee), or by any combination thereof within 30 days after receipt of the Notice or in the manner and at the times set forth in the Notice.

(v) **Holder's Right to Transfer.** If all of the Shares proposed in the Notice to be transferred to a given Proposed Transferee are not purchased by the Company and/or its assignee(s) as provided in this Section 3(b), then the Holder may sell or otherwise transfer such Shares to that Proposed Transferee at the Offered Price or at a higher price, provided that such sale or other transfer is consummated within 60 days after the date of the Notice and provided further that any such sale or other transfer is effected in accordance with any applicable securities laws and the Proposed Transferee agrees in writing that the provisions of this Section 3 shall continue to apply to the Shares in the hands of such Proposed Transferee. If the Shares described in the Notice are not transferred to the Proposed Transferee within such period, or if the Holder proposes to change the price or other terms to make them more favorable to the Proposed Transferee, a new Notice shall be given to the Company, and the Company and/or its assignees shall again be offered the Right of First Refusal before any Shares held by the Holder may be sold or otherwise transferred.

(vi) **Exception for Certain Transfers.** Anything to the contrary contained in this Section 3(b) notwithstanding, the transfer of any or all of the Shares during

Purchaser's lifetime or on Purchaser's death by will or intestacy to Purchaser's Immediate Family or a trust for the benefit of Purchaser or Purchaser's Immediate Family shall be exempt from the provisions of this Section 3(b). As used herein, a person is deemed to be a "Spouse" if (i) the relevant person and the related party are married under the applicable law of the state or country at the time and place the marriage was entered into, or (ii) are registered as "domestic partners" or have entered into a civil union or comparable relationship in a state or nation that sanctions such unions by law, such relationship is valid pursuant to applicable law at the time the parties entered into the relationship, and such relationship has not been dissolved under the law of the state or nation in which such relationship was initially or is currently recognized, provided the following circumstances are true: (a) the relevant person and the Spouse reside together, are the sole spousal equivalent of the other and intend to remain so indefinitely, (b) neither are married to anyone else, (c) both are at least 18 years of age and mentally competent to consent to contract, (d) they are not related by blood to a degree of closeness that which would prohibit legal marriage in the state in which they legally reside, (e) they are jointly responsible for each other's common welfare and financial obligations. "Immediate Family" as used herein shall mean Purchaser's Spouse, the lineal descendant or antecedent, brother or sister, of Purchaser or Purchaser's Spouse, or the Spouse of any lineal descendant or antecedent, brother or sister of Purchaser, or Purchaser's Spouse. In such case, the transferee or other recipient shall receive and hold the Shares so transferred subject to the provisions of this Section 3, and there shall be no further transfer of such Shares except in accordance with the terms of this Section 3.

(c) **Involuntary Transfer.**

(i) **Company's Right to Purchase upon Involuntary Transfer.** In the event, at any time after the date of this Agreement, of any transfer by operation of law or other involuntary transfer (including divorce or death, but excluding, in the event of death, a transfer to Immediate Family as set forth in Section 3(b)(vi) above) of all or a portion of the Shares by the record holder thereof, the Company shall have the right to purchase all of the Shares transferred at the greater of the purchase price paid by Purchaser pursuant to this Agreement or the Fair Market Value of the Shares on the date of transfer. Upon such a transfer, the person acquiring the Shares shall promptly notify the Secretary of the Company of such transfer. The right to purchase such Shares shall be provided to the Company for a period of 30 days following receipt by the Company of written notice by the person acquiring the Shares.

(ii) **Price for Involuntary Transfer.** With respect to any stock to be transferred pursuant to Section 3(c)(i), the price per Share shall be a price set by the Board of Directors of the Company that will reflect the current value of the stock in terms of present earnings and future prospects of the Company. The Company shall notify Purchaser or his or her executor of the price so determined within thirty (30) days after receipt by it of written notice of the transfer or proposed transfer of Shares. However, if the Purchaser does not agree with the valuation as determined by the Board of Directors of the Company, the Purchaser shall be entitled to have the valuation determined by an independent appraiser to be mutually agreed upon by the Company and the Purchaser and whose fees shall be borne equally by the Company and the Purchaser.

(d) **Assignment.** The right of the Company to purchase any part of the Shares may be assigned in whole or in part to any shareholder or shareholders of the Company or other persons or organizations.

(e) **Restrictions Binding on Transferees.** All transferees of Shares or any interest therein will receive and hold such Shares or interest subject to the provisions of this Agreement, including, insofar as applicable, the Repurchase Option. In the event of any purchase by the Company hereunder where the Shares or interest are held by a transferee, the transferee shall be obligated, if requested by the Company, to transfer the Shares or interest to the Purchaser for consideration equal to the amount to be paid by the Company hereunder. In the event the Repurchase Option is deemed exercised by the Company pursuant to Section 3(a)(ii) hereof, the Company may deem any transferee to have transferred the Shares or interest to Purchaser prior to their purchase by the Company, and payment of the purchase price by the Company to such transferee shall be deemed to satisfy Purchaser's obligation to pay such transferee for such Shares or interest, and also to satisfy the Company's obligation to pay Purchaser for such Shares or interest. Any sale or transfer of the Shares shall be void unless the provisions of this Agreement are satisfied.

(f) **Termination of Rights.** The Right of First Refusal and the Company's right to repurchase the Shares in the event of an involuntary transfer pursuant to Section 3(c) above shall terminate upon the first sale of Common Stock of the Company to the general public pursuant to a registration statement filed with and declared effective by the Securities and Exchange Commission under the Securities Act of 1933, as amended (the "Securities Act").

(g) **Market Standoff Agreement.** In connection with the initial public offering of the Company's securities and upon request of the Company or the underwriters managing such underwritten offering of the Company's securities, Purchaser agrees not to sell, make any short sale of, loan, grant any option for the purchase of, or otherwise dispose of any securities of the Company (other than those included in the registration) without the prior written consent of the Company or such underwriters, as the case may be, for such period of time (not to exceed 180 days) from the effective date of such registration as may be requested by the Company or such managing underwriters and to execute an agreement reflecting the foregoing as may be requested by the underwriters at the time of the Company's initial public offering; provided however that, if during the last 17 days of the restricted period the Company issues an earnings release or material news or a material event relating to the Company occurs, or prior to the expiration of the restricted period the Company announces that it will release earnings results during the 16-day period beginning on the last day of the restricted period, then, upon the request of the managing underwriter, to the extent required by any FINRA rules, the restrictions imposed by this subsection (g) shall continue to apply until the end of the third trading day following the expiration of the 15-day period beginning on the issuance of the earnings release or the occurrence of the material news or material event. In no event will the restricted period extend beyond 216 days after the effective date of the registration statement.

4. **Escrow of Unvested Shares.** For purposes of facilitating the enforcement of the provisions of Section 3 above, Purchaser agrees, immediately upon receipt of the certificate(s)

for the Shares subject to the Repurchase Option, to deliver such certificate(s), together with an Assignment Separate from Certificate in the form attached to this Agreement as Attachment A executed by Purchaser and by Purchaser's spouse (if required for transfer), in blank, to the Secretary of the Company, or the Secretary's designee, to hold such certificate(s) and Assignment Separate from Certificate in escrow and to take all such actions and to effectuate all such transfers and/or releases as are in accordance with the terms of this Agreement. Purchaser hereby acknowledges that the Secretary of the Company, or the Secretary's designee, is so appointed as the escrow holder with the foregoing authorities as a material inducement to make this Agreement and that said appointment is coupled with an interest and is accordingly irrevocable. Purchaser agrees that said escrow holder shall not be liable to any party hereof (or to any other party). The escrow holder may rely upon any letter, notice or other document executed by any signature purported to be genuine and may resign at any time. Purchaser agrees that if the Secretary of the Company, or the Secretary's designee, resigns as escrow holder for any or no reason, the Board of Directors of the Company shall have the power to appoint a successor to serve as escrow holder pursuant to the terms of this Agreement.

5. **Investment and Taxation Representations.** In connection with the purchase of the Shares, Purchaser represents to the Company the following:

(a) Purchaser is aware of the Company's business affairs and financial condition and has acquired sufficient information about the Company to reach an informed and knowledgeable decision to acquire the Shares. Purchaser is purchasing the Shares for investment for his or her own account only and not with a view to, or for resale in connection with, any "distribution" thereof within the meaning of the Securities Act. Purchaser does not have any present intention to transfer the Shares to any other person or entity.

(b) Purchaser understands that the Shares have not been registered under the Securities Act by reason of a specific exemption therefrom, which exemption depends upon, among other things, the bona fide nature of Purchaser's investment intent as expressed herein.

(c) Purchaser is familiar with the provisions of Rules 144 and 701 and Regulation S (Rules 901 through 905 and the Preliminary Notes thereto), each promulgated under the Securities Act, which, in substance, permit limited public resale of "restricted securities" acquired, directly or indirectly, from the issuer of the securities (or from an affiliate of such issuer), in a non-public offering subject to the satisfaction of certain conditions. Purchaser understands that the Company provides no assurances as to whether he or she will be able to resell any or all of the Shares pursuant to Rule 144 or Rule 701, which rules require, among other things, that the Company be subject to the reporting requirements of the Securities Exchange Act of 1934, as amended, that resales of securities take place only after the holder of the Shares has held the Shares for certain specified time periods, and under certain circumstances, that resales of securities be limited in volume and take place only pursuant to brokered transactions. Purchaser further understands that the Company provides no assurances as to whether Purchaser will be able to sell any or all of the Shares pursuant to Regulation S. Notwithstanding this paragraph (c), Purchaser acknowledges and agrees to the restrictions set forth in paragraph (d) below.

(d) Purchaser further understands that in the event all of the applicable requirements of Rule 144, Rule 701 or Regulation S are not satisfied, registration under the Securities Act, compliance with Regulation A, or some other registration exemption will be required; and that, notwithstanding the fact that Rules 144, Rule 701 and Regulation S are not exclusive, the Staff of the Securities and Exchange Commission has expressed its opinion that persons proposing to sell private placement securities other than in a registered offering and otherwise than pursuant to Rule 144, Rule 701 or Regulation S will have a substantial burden of proof in establishing that an exemption from registration is available for such offers or sales, and that such persons and their respective brokers who participate in such transactions do so at their own risk.

(e) Purchaser understands that the Shares are "restricted securities" under applicable U.S. federal and state securities laws and that, pursuant to these laws, Purchaser must hold the Shares indefinitely unless they are registered with the Securities and Exchange Commission and qualified by state authorities, or an exemption from such registration and qualification requirements is available. Purchaser acknowledges that the Company has no obligation to register or qualify the Shares for resale. Purchaser further acknowledges that if an exemption from registration or qualification is available, it may be conditioned on various requirements including, but not limited to, the time and manner of sale, the holding period for the Shares, and requirements relating to the Company which are outside of the Purchaser's control, and which the Company is under no obligation and may not be able to satisfy.

(f) Purchaser understands that Purchaser may suffer adverse tax consequences as a result of Purchaser's purchase or disposition of the Shares. Purchaser represents that Purchaser has consulted any tax consultants Purchaser deems advisable in connection with the purchase or disposition of the Shares and that Purchaser is not relying on the Company for any tax advice.

(g) Purchaser has signed and understands and confirms the representations made in the Investor Certificate attached hereto as Attachment D.

6. **Restrictive Legends and Stop-Transfer Orders.**

(a) **Legends.** The certificate or certificates representing the Shares shall bear the following legends (as well as any legends required by applicable state and federal corporate and securities laws):

(i) THE SHARES REPRESENTED BY THIS CERTIFICATE HAVE NOT BEEN REGISTERED UNDER THE SECURITIES ACT OF 1933, AND HAVE BEEN ACQUIRED FOR INVESTMENT AND NOT WITH A VIEW TO, OR IN CONNECTION WITH, THE SALE OR DISTRIBUTION THEREOF. NO SUCH SALE OR DISTRIBUTION MAY BE EFFECTED WITHOUT AN EFFECTIVE REGISTRATION STATEMENT RELATED THERETO OR AN OPINION OF COUNSEL IN A FORM SATISFACTORY TO THE COMPANY THAT SUCH

REGISTRATION IS NOT REQUIRED UNDER THE SECURITIES ACT OF 1933.

(ii) THE SHARES REPRESENTED BY THIS CERTIFICATE MAY BE TRANSFERRED ONLY IN ACCORDANCE WITH THE TERMS OF AN AGREEMENT BETWEEN THE COMPANY AND THE STOCKHOLDER, A COPY OF WHICH IS ON FILE WITH THE SECRETARY OF THE COMPANY.

(iii) THE SHARES MAY NOT BE MADE SUBJECT TO HEDGING TRANSACTIONS UNLESS SUCH TRANSACTIONS ARE CONDUCTED IN COMPLIANCE WITH THE SECURITIES ACT OF 1933, INCLUDING REGULATION S THEREUNDER.

(b) **Stop-Transfer Notices.** Purchaser agrees that, in order to ensure compliance with the restrictions referred to herein, the Company may issue appropriate "stop transfer" instructions to its transfer agent, if any, and that, if the Company transfers its own securities, it may make appropriate notations to the same effect in its own records.

(c) **Refusal to Transfer.** The Company shall not be required (i) to transfer on its books any Shares that have been sold or otherwise transferred in violation of any of the provisions of this Agreement or (ii) to treat as owner of such Shares or to accord the right to vote or pay dividends to any purchaser or other transferee to whom such Shares shall have been so transferred.

(d) **Removal of Legend.** When all of the following events have occurred, the Shares then held by Purchaser will no longer be subject to the legend referred to in Section 6(a)(ii): (i) the termination of the Right of First Refusal; (ii) the expiration or termination of the market standoff provisions of Section 3(g) (and of any agreement entered pursuant to Section 3(g)); and (iii) the expiration or exercise in full of the Repurchase Option. After such time, and upon Purchaser's request, a new certificate or certificates representing the Shares not repurchased shall be issued without the legend referred to in Section 6(a)(ii), and delivered to Purchaser.

7. **No Employment Rights.** Nothing in this Agreement shall affect in any manner whatsoever the right or power of the Company, or a Parent or Subsidiary of the Company, to terminate Purchaser's employment or consulting relationship, for any reason, with or without cause.

8. **Section 83(b) Election.** Purchaser understands that Section 83(a) of the Internal Revenue Code of 1986, as amended (the "Code"), taxes as ordinary income for a Nonstatutory Stock Option and as alternative minimum taxable income for an Incentive Stock Option the difference between the amount paid for the Shares and the Fair Market Value of the Shares as of the date any restrictions on the Shares lapse. In this context, "restriction" means the right of the Company to buy back the Unvested Shares pursuant to the Repurchase Option set forth in Section 3(a) of this Agreement. Purchaser understands that Purchaser may elect to be taxed at

the time the Unvested Shares are purchased, rather than when and as the Repurchase Option expires, by filing an election under Section 83(b) (an "83(b) Election") of the Code with the Internal Revenue Service within 30 days from the date of purchase. Even if the Fair Market Value of the Unvested Shares at the time of the execution of this Agreement equals the amount paid for the Unvested Shares, the election must be made to avoid income and alternative minimum tax treatment under Section 83(a) in the future. Purchaser understands that failure to file such an election in a timely manner may result in adverse tax consequences for Purchaser. Purchaser further understands that an additional copy of such election form should be filed with his or her federal income tax return for the calendar year in which the date of this Agreement falls. Purchaser acknowledges that the foregoing is only a summary of the effect of United States federal income taxation with respect to purchase of the Shares hereunder, and does not purport to be complete. Purchaser further acknowledges that the Company has directed Purchaser to seek independent advice regarding the applicable provisions of the Code, the income tax laws of any municipality, state or foreign country in which Purchaser may reside, and the tax consequences of Purchaser's death.

Purchaser agrees that he or she will execute and deliver to the Company with this executed Agreement a copy of the Acknowledgment and Statement of Decision Regarding Section 83(b) Election (the "Acknowledgment") attached hereto as Attachment B. Purchaser further agrees that he or she will execute and submit with the Acknowledgment a copy of the 83(b) Election attached hereto as Attachment C (for tax purposes in connection with the early exercise of an option) if Purchaser has indicated in the Acknowledgment his or her decision to make such an election.

9. **Tax Consequences.** PURCHASER UNDERSTANDS THAT PURCHASER MAY SUFFER ADVERSE TAX CONSEQUENCES AS A RESULT OF PURCHASER'S PURCHASE OR DISPOSITION OF THE SHARES. PURCHASER REPRESENTS THAT: (a) PURCHASER HAS CONSULTED WITH ANY TAX ADVISER WHO PURCHASER DEEMS ADVISABLE IN CONNECTION WITH THE PURCHASE OR DISPOSITION OF THE SHARES AND (b) PURCHASER IS NOT RELYING ON THE COMPANY FOR ANY TAX ADVICE. Set forth below is a brief summary as of the date the Plan was adopted by the Board of some of the U.S. Federal and California tax consequences of exercise of the Option and disposition of the Shares. THIS SUMMARY IS NECESSARILY INCOMPLETE, AND THE TAX LAWS AND REGULATIONS ARE SUBJECT TO CHANGE. PURCHASER SHOULD CONSULT HIS OR HER OWN TAX ADVISER BEFORE EXERCISING THIS OPTION OR DISPOSING OF THE SHARES.

(a) **Exercise of Incentive Stock Option.** If the Option qualifies as an Incentive Stock Option, there will be no regular U.S. Federal income tax liability or California income tax liability upon the exercise of the Option, although the excess, if any, of the Fair Market Value of the Shares on the date of exercise over the Exercise Price will be treated as a tax preference item for U.S. Federal alternative minimum tax purposes and may subject Purchaser to the alternative minimum tax in the year of exercise.

(b) **Exercise of Nonqualified Stock Option.** If the Option does not qualify as an Incentive Stock Option, there may be a regular U.S. Federal income tax liability and a California income tax liability upon the exercise of the Option. Purchaser will be treated as having received compensation income (taxable at ordinary income tax rates) equal to the excess, if any, of the Fair Market Value of the Shares on the date of exercise over the Exercise Price. If Purchaser is a current or former employee of the Company, the Company may be required to withhold from Purchaser's compensation or collect from Purchaser and pay to the applicable taxing authorities an amount equal to a percentage of this compensation income at the time of exercise.

(c) **Disposition of Shares.** The following tax consequences may apply upon disposition of the Shares.

(i) Incentive Stock Options. If the Shares are held for more than twelve (12) months after the date of the transfer of the Shares pursuant to the exercise of an Incentive Stock Option and are disposed of more than two (2) years after the Date of Grant, any gain realized on disposition of the Shares will be treated as long term capital gain for U.S. Federal and California income tax purposes. If Shares purchased under an Incentive Stock Option are disposed of within the applicable one (1) year or two (2) year period, any gain realized on such disposition will be treated as compensation income (taxable at ordinary income rates in the year of the disposition) to the extent of the excess, if any, of the Fair Market Value of the Shares on the date of exercise over the Exercise Price.

(ii) Nonstatutory Stock Options. If the Shares are held for more than twelve (12) months after the date of the transfer of the Shares pursuant to the exercise of a Nonstatutory Stock Option, any gain realized on disposition of the Shares will be treated as long term capital gain.

(iii) Withholding. The Company may be required to withhold from the Purchaser's compensation or collect from the Purchaser and pay to the applicable taxing authorities an amount equal to a percentage of this compensation income.

(d) **Notice of Disqualifying Disposition of Incentive Stock Option Shares.** If the Option is an Incentive Stock Option, and if Purchaser sells or otherwise disposes of any of the Shares acquired pursuant to the Incentive Stock Option on or before the later of (a) the date two (2) years after the Date of Grant, and (b) the date one (1) year after transfer of such Shares to Purchaser upon exercise of the Option, Purchaser shall immediately notify the Company in writing of such disposition. Purchaser agrees that Purchaser may be subject to income tax withholding by the Company on the compensation income recognized by Purchaser from the early disposition by payment in cash or out of the current wages or other compensation payable to Purchaser.

10. **Miscellaneous.**

(a) **Governing Law.** This Agreement and all acts and transactions pursuant hereto and the rights and obligations of the parties hereto shall be governed, construed and

interpreted in accordance with the laws of the State of Delaware, without giving effect to principles of conflicts of law.

(b) **Entire Agreement; Enforcement of Rights.** This Agreement sets forth the entire agreement and understanding of the parties relating to the subject matter herein and merges all prior discussions between them. No modification of or amendment to this Agreement, nor any waiver of any rights under this Agreement, shall be effective unless in writing signed by the parties to this Agreement. The failure by either party to enforce any rights under this Agreement shall not be construed as a waiver of any rights of such party.

(c) **Severability.** If one or more provisions of this Agreement are held to be unenforceable under applicable law, the parties agree to renegotiate such provision in good faith. In the event that the parties cannot reach a mutually agreeable and enforceable replacement for such provision, then (i) such provision shall be excluded from this Agreement, (ii) the balance of the Agreement shall be interpreted as if such provision were so excluded and (iii) the balance of the Agreement shall be enforceable in accordance with its terms.

(d) **Construction.** This Agreement is the result of negotiations between and has been reviewed by each of the parties hereto and their respective counsel, if any; accordingly, this Agreement shall be deemed to be the product of all of the parties hereto, and no ambiguity shall be construed in favor of or against any one of the parties hereto.

(e) **Notices.** Any notice required or permitted by this Agreement shall be in writing and shall be deemed sufficient when delivered personally or sent by telegram or fax or forty-eight (48) hours after being deposited in the U.S. mail, as certified or registered mail, with postage prepaid, and addressed to the party to be notified at such party's address as set forth below or as subsequently modified by written notice.

(f) **Counterparts.** This Agreement may be executed in two or more counterparts, each of which shall be deemed an original and all of which together shall constitute one instrument.

(g) **Successors and Assigns.** The rights and benefits of this Agreement shall inure to the benefit of, and be enforceable by the Company's successors and assigns. The rights and obligations of Purchaser under this Agreement may only be assigned with the prior written consent of the Company.

(h) **California Corporate Securities Law.** THE SALE OF THE SECURITIES WHICH ARE THE SUBJECT OF THIS AGREEMENT HAS NOT BEEN QUALIFIED WITH THE COMMISSIONER OF CORPORATIONS OF THE STATE OF CALIFORNIA AND THE ISSUANCE OF THE SECURITIES OR THE PAYMENT OR RECEIPT OF ANY PART OF THE CONSIDERATION THEREFOR PRIOR TO THE QUALIFICATION IS UNLAWFUL, UNLESS THE SALE OF SECURITIES IS EXEMPT FROM QUALIFICATION BY SECTION 25100, 25102 OR 25105 OF THE CALIFORNIA CORPORATIONS CODE. THE RIGHTS OF ALL PARTIES TO THIS AGREEMENT ARE

EXPRESSLY CONDITIONED UPON THE QUALIFICATION BEING OBTAINED, UNLESS THE SALE IS SO EXEMPT.

[*Signature Page Follows*]

The parties have executed this Exercise Agreement as of the date first set forth above.

COMPANY:

EXPENSIFY, INC.

By: _____

Name:

Title:

PURCHASER:

_____

_____

(Signature)

Address: _____

_____

I, _____, spouse of _____, have read and hereby approve the foregoing Agreement. In consideration of the Company's granting my spouse the right to purchase the Shares as set forth in the Agreement, I hereby agree to be bound irrevocably by the Agreement and further agree that any community property or similar interest that I may have in the Shares shall hereby be similarly bound by the Agreement. I hereby appoint my spouse as my attorney-in-fact with respect to any amendment or exercise of any rights under the Agreement.

_____

Spouse of _____ (if applicable)

ATTACHMENT A

ASSIGNMENT SEPARATE FROM CERTIFICATE

FOR VALUE RECEIVED and pursuant to that certain Early Exercise Notice and Restricted Stock Purchase Agreement between the undersigned ("Purchaser") and Expensify, Inc. (the "Company") dated [_____] (the "Agreement"), Purchaser hereby sells, assigns and transfers unto the Company _____ (_____) shares of the Common Stock of the Company, standing in Purchaser's name on the books of the Company and represented by Certificate No. _____, and hereby irrevocably appoints _____ to transfer said stock on the books of the Company with full power of substitution in the premises. THIS ASSIGNMENT MAY ONLY BE USED AS AUTHORIZED BY THE AGREEMENT AND THE ATTACHMENTS THERETO.

Dated: _____

Signature:

_____

_____

_____

Spouse of _____ (if applicable)

Instruction: Please do not fill in any blanks other than the signature line. The purpose of this assignment is to enable the Company to exercise its Repurchase Option set forth in the Agreement without requiring additional signatures on the part of Purchaser.

ATTACHMENT B

ACKNOWLEDGMENT AND STATEMENT OF DECISION REGARDING SECTION 83(b) ELECTION

The undersigned (which term includes the undersigned's spouse), a purchaser of _____ shares of Common Stock of Expensify, Inc., a Delaware corporation (the "Company") by exercise of an option (the "Option") granted pursuant to the Company's 2019 Stock Plan (the "Plan"), hereby states as follows:

1. The undersigned acknowledges receipt of a copy of the Plan relating to the offering of such shares. The undersigned has carefully reviewed the Plan and the option agreement pursuant to which the Option was granted.

2. The undersigned either [check and complete as applicable]:

(a) ____ has consulted, and has been fully advised by, the undersigned's own tax advisor, _____, whose business address is _____, regarding the federal, state and local tax consequences of purchasing shares under the Plan, and particularly regarding the advisability of making elections pursuant to Section 83(b) of the Internal Revenue Code of 1986, as amended (the "Code") and pursuant to the corresponding provisions, if any, of applicable state law; or

(b) ____ has knowingly chosen not to consult such a tax advisor.

3. The undersigned hereby states that the undersigned has decided [check as applicable]:

(a) ____ to make an election pursuant to Section 83(b) of the Code, and is submitting to the Company, together with the undersigned's executed Early Exercise Notice and Restricted Stock Purchase Agreement, an executed form entitled "Election Under Section 83(b) of the Internal Revenue Code of 1986;" or

(b) ____ not to make an election pursuant to Section 83(b) of the Code.

4. Neither the Company nor any subsidiary or representative of the Company has made any warranty or representation to the undersigned with respect to the tax consequences of the undersigned's purchase of shares under the Plan or of the making or failure to make an

election pursuant to Section 83(b) of the Code or the corresponding provisions, if any, of applicable state law.

Date: _____

_____

Date: _____

_____

Spouse of _____ (if applicable)

PLEASE BE ADVISED:

IT IS PURCHASER'S RESPONSIBILITY TO FILE THE ENCLOSED 83(B) ELECTION WITH THE INTERNAL REVENUE SERVICE ON OR BEFORE 30 DAYS FROM THE DATE OF THE AGREEMENT.

PURCHASER SHOULD SEND BY CERTIFIED MAIL, RETURN RECEIPT REQUESTED, AN ORIGINAL, SIGNED 83(B) ELECTION, ALONG WITH A COPY AND A SELF-ADDRESSED STAMPED RETURN ENVELOPE TO THE IRS AT THE IRS SERVICE CENTER WHERE THE TAXPAYER FILES HIS OR HER TAX RETURN.

PURCHASER'S COVER LETTER SHOULD REQUEST THAT THE IRS RETURN THE COPY OF THE 83(B) ELECTION BACK TO PURCHASER VIA THE SELF-ADDRESSED STAMPED RETURN ENVELOPE.

PURCHASER UNDERSTANDS THAT FAILURE TO FILE SUCH AN ELECTION IN A TIMELY MANNER MAY RESULT IN ADVERSE TAX CONSEQUENCES FOR PURCHASER. PURCHASER FURTHER UNDERSTANDS THAT AN ADDITIONAL COPY OF SUCH ELECTION FORM SHOULD BE FILED WITH PURCHASER'S FEDERAL INCOME TAX RETURN FOR THE CALENDAR YEAR IN WHICH THE DATE OF THIS AGREEMENT FALLS.

ATTACHMENT C

ELECTION UNDER SECTION 83(b)
OF THE INTERNAL REVENUE CODE OF 1986

The undersigned taxpayer hereby elects, pursuant to Section 83(b) of the Internal Revenue Code, to include in taxpayer's gross income or alternative minimum taxable income, as applicable, for the current taxable year, the amount of any income that may be taxable to taxpayer in connection with taxpayer's receipt of the property described below:

1. The name, address, taxpayer identification number and taxable year of the undersigned are as follows:

   NAME OF TAXPAYER: _____

   NAME OF SPOUSE: _____

   ADDRESS:

   IDENTIFICATION NO. OF TAXPAYER: _____

   IDENTIFICATION NO. OF SPOUSE:_____

   TAXABLE YEAR: _____

2. The property with respect to which the election is made is described as follows:

   _____ shares of the Common Stock of Expensify, Inc., a Delaware corporation (the "Company").

3. The date on which the property was transferred is: _____

4. The property is subject to the following restrictions:

   Repurchase option at cost in favor of the Company upon termination of taxpayer's employment or consulting relationship.

5. The Fair Market Value at the time of transfer, determined without regard to any restriction other than a restriction which by its terms will never lapse, of such property is: $_____

6. The amount (if any) paid for such property: $_____

   The undersigned has submitted a copy of this statement to the person for whom the services were performed in connection with the undersigned's receipt of the above-described property. The transferee of such property is the person performing the services in connection with the transfer of said property.

The undersigned understands that the foregoing election may not be revoked except with the consent of the Commissioner.

Date: _____ _____

Date: _____ _____

Spouse of _____ (if applicable)

ATTACHMENT D

Investor Certificate

(for purposes of compliance with Regulation S)

In granting the right to purchase shares of Common Stock of Expensify, Inc., a Delaware corporation, the Company intends to rely on the exemption from registration available under the Securities Act of 1933, as amended (the "Securities Act"), and/or on Regulation S of the Securities Act ("Regulation S") in reliance on the following representations made by the undersigned in connection with the purchase of the Shares:

The undersigned certifies and represents that, as of the date set forth below, he/she:

1. is not a natural person resident in the United States, a partnership or corporation organized under the laws of the United States or otherwise a U.S. person (as defined under Regulation S; a copy of such definition is attached hereto) or acting for the benefit or account of a U.S. person;

2. understands that the Shares have not been registered under the Securities Act;

3. agrees (a) to resell the Shares only in accordance with the provisions of Regulation S, pursuant to registration under the Securities Act or pursuant to another available exemption from registration (the availability of such exemption being reflected by an opinion of counsel acceptable to the Company), and (b) not to engage in hedging transactions with regard to such securities unless in compliance with the Securities Act (including Regulation S thereunder);

4. understands that a legend will be placed on all certificates evidencing the Shares reflecting the restrictions upon transfer set forth in paragraph (3) above, and that the Company is required to refuse to register any transfer of securities not made in accordance with the provisions of Regulation S, pursuant to registration under the Securities Act, or pursuant to an available exemption from registration, provided, however, that where an exemption from registration is available, the Company will not refuse to register such transfer; and

5. agrees not to offer or sell the Shares to any U.S. person, or for the account or benefit of a U.S. person before one year from the date of the certificate evidencing the Shares, unless the Shares are sold in a transaction exempt from the registration requirements of the Securities Act or pursuant to a registration statement effective under the Securities Act.

Dated: _____

Signature: _____

Print Name: [Optionee Name]

Attachment to Investor Certificate

As defined in Regulation 902(k) of Regulation S under the Securities Act of 1933, as amended, the term "U.S. Person" means:

A. any natural person resident in the United States;

B. any partnership or corporation organized or incorporated under the laws of the United States;

C. any estate of which any executor or administrator is a U.S. person;

D. any trust of which any trustee is a U.S. person;

E. any agency or branch of a foreign entity located in the United States;

F. any non-discretionary account or similar account (other than an estate or trust) held by a dealer or other fiduciary for the benefit or account of a U.S. person;

G. any discretionary account or similar account (other than an estate or trust) held by a dealer or other fiduciary organized, incorporated, or (if an individual) resident in the United States; and

H. any partnership or corporation if: (1) organized or incorporated under the laws of any foreign jurisdiction; and (2) formed by a U.S. person principally for the purpose of investing in securities not registered under the Securities Act, unless it is organized or incorporated, and owned, by accredited investors (as defined in Rule 501(a) of the Securities Act) who are not natural persons, estates or trusts.

The following are not U.S. Persons:

I. any discretionary account or similar account (other than an estate or trust) held for the benefit or account of a non-U.S. person by a dealer or other professional fiduciary organized, incorporated, or (if an individual) resident in the United States;

J. any estate of which a professional fiduciary acting as executor or administrator is a U.S. person if: (1) an executor or administrator of the estate who is not a U.S. person has sole or shared investment discretion with respect to the assets of the estate; and (2) the estate is governed by foreign law;

K. any trust of which any professional fiduciary acting as trustee is a U.S. person, if a trustee who is not a U.S. person has sole or shared investment discretion with respect to the trust assets, and no beneficiary of the trust (and no settlor if the trust is revocable) is a U.S. person;

L. an employee benefit plan established and administered in accordance with the law of a country other than the United States and customary practices and documentation of such country;

M. any agency or branch of a U.S. person located outside the United States if (1) any agency or branch operates for valid business reasons; and (2) the agency or branch is engaged in the business of insurance or banking and is subject to substantive insurance or banking regulation, respectively, in the jurisdiction where located; and

N. the International Monetary Fund, the International Bank for Reconstruction and Development, the Inter-American Development Bank, the Asian Development Bank, the African Development Bank, the United Nations, and their agencies, affiliates and pension plans, and any other similar international organizations, their agencies, affiliates and pension plans.

RECEIPT AND CONSENT

The undersigned hereby acknowledges receipt of a photocopy of Certificate No. _____ for _____ shares of Common Stock of Expensify, Inc. (the "Company").

The undersigned further acknowledges that the Secretary of the Company, or his or her designee, is acting as escrow holder pursuant to the Early Exercise Notice and Restricted Stock Purchase Agreement Purchaser has previously entered into with the Company. As escrow holder, the Secretary of the Company, or his or her designee, holds the original of the aforementioned certificate issued in the undersigned's name.

Dated: _____

_____

EXHIBIT B

EXPENSIFY, INC.

2019 STOCK PLAN

EXERCISE AGREEMENT

This Exercise Agreement (this "Agreement") is made as of _____, by and between Expensify, Inc., a Delaware corporation (the "Company"), and [_____] ("Purchaser"). To the extent any capitalized terms used in this Agreement are not defined, they shall have the meaning ascribed to them in the Company's 2019 Stock Plan (the "Plan").

10. **Exercise of Option.** Subject to the terms and conditions hereof, Purchaser hereby elects to exercise his or her option to purchase _____ shares of the Common Stock (the "Shares") of the Company under and pursuant to the Plan and the Stock Option Agreement dated [_____] (the "Option Agreement"). The purchase price for the Shares shall be $[__.__] per Share for a total purchase price of $_____. The term "Shares" refers to the purchased Shares and all securities received as stock dividends or splits, all securities received in replacement of the Shares in a recapitalization, merger, reorganization, exchange or the like, and all new, substituted or additional securities or other property to which Purchaser is entitled by reason of Purchaser's ownership of the Shares.

11. **Time and Place of Exercise.** The purchase and sale of the Shares under this Agreement shall occur at the principal office of the Company simultaneously with the execution and delivery of this Agreement, the payment of the aggregate exercise price by any method listed in Section 4 of the Option Agreement, and the satisfaction of any applicable tax withholding obligations, all in accordance with the provisions of Section 3(b) of the Option Agreement. The Company shall issue the Shares to Purchaser by entering such Shares in Purchaser's name as of such date in the books and records of the Company or, if applicable, a duly authorized transfer agent of the Company, against payment of the exercise price therefor by Purchaser. If applicable, the Company will deliver to Purchaser a certificate representing the Shares as soon as practicable following such date.

12. **Limitations on Transfer.** In addition to any other limitation on transfer created by applicable securities laws, Purchaser shall not assign, encumber or dispose of any interest in the Shares except in compliance with the provisions below and applicable securities laws.

(a) **Right of First Refusal.** Before any Shares held by Purchaser or any transferee of Purchaser (either being sometimes referred to herein as the "Holder") may be sold or otherwise transferred (including transfer by gift or operation of law), the Company or its assignee(s) shall have a right of first refusal to purchase the Shares on the terms and conditions set forth in this Section 3(a) (the "Right of First Refusal").

(i) **Notice of Proposed Transfer.** The Holder of the Shares shall deliver to the Company a written notice (the "Notice") stating: (i) the Holder's bona fide

intention to sell or otherwise transfer such Shares; (ii) the name of each proposed purchaser or other transferee ("Proposed Transferee"); (iii) the number of Shares to be transferred to each Proposed Transferee; and (iv) the terms and conditions of each proposed sale or transfer. The Holder shall offer the Shares at the same price (the "Purchase Price") and upon the same terms (or terms as similar as reasonably possible) to the Company or its assignee(s).

(ii) **Exercise of Right of First Refusal.** At any time within thirty (30) days after receipt of the Notice, the Company and/or its assignee(s) may, by giving written notice to the Holder, elect to purchase all, but not less than all, of the Shares proposed to be transferred to any one or more of the Proposed Transferees, at the Purchase Price. If the Purchase Price includes consideration other than cash, the cash equivalent value of the non-cash consideration shall be determined by the Board in good faith.

(iii) **Payment.** Payment of the Purchase Price shall be made, at the election of the Company or its assignee(s), in cash (by check), by cancellation of all or a portion of any outstanding indebtedness, or by any combination thereof within sixty (60) days after receipt of the Notice or in the manner and at the times set forth in the Notice.

(iv) **Holder's Right to Transfer.** If all of the Shares proposed in the Notice to be transferred to a given Proposed Transferee are not purchased by the Company and/or its assignee(s) as provided in this Section 3(a), then the Holder may sell or otherwise transfer such Shares to that Proposed Transferee at the Purchase Price or at a higher price, provided that such sale or other transfer is consummated within one hundred twenty (120) days after the date of the Notice and provided further that any such sale or other transfer is effected in accordance with any applicable securities laws and the Proposed Transferee agrees in writing that the provisions of this Section 3 shall continue to apply to the Shares in the hands of such Proposed Transferee. If the Shares described in the Notice are not transferred to the Proposed Transferee within such period, or if the Holder proposes to change the price or other terms to make them more favorable to the Proposed Transferee, a new Notice shall be given to the Company, and the Company and/or its assignees shall again be offered the Right of First Refusal before any Shares held by the Holder may be sold or otherwise transferred.

(v) **Exception for Certain Transfers.** Anything to the contrary contained in this Section 3(a) notwithstanding, the transfer of any or all of the Shares during Purchaser's lifetime or on Purchaser's death by will or intestacy to Purchaser's Immediate Family or a trust for the benefit of Purchaser or Purchaser's Immediate Family shall be exempt from the provisions of this Section 3(a). As used herein, a person is deemed to be a "Spouse" if (i) the relevant person and the related party are married under the applicable law of the state or country at the time and place the marriage was entered into, or (ii) are registered as "domestic partners" or have entered into a civil union or comparable relationship in a state or nation that sanctions such unions by law, such relationship is valid pursuant to applicable law at the time the parties entered into the relationship, and such relationship has not been dissolved under the law of the state or nation in which such relationship was initially or is currently recognized, provided the following circumstances are true: (a) the relevant person and the Spouse reside together, are the sole spousal equivalent of the other and intend to remain so indefinitely, (b) neither are

married to anyone else, (c) both are at least 18 years of age and mentally competent to consent to contract, (d) they are not related by blood to a degree of closeness that which would prohibit legal marriage in the state in which they legally reside, (e) they are jointly responsible for each other's common welfare and financial obligations. "Immediate Family" as used herein shall mean Purchaser's Spouse, the lineal descendant or antecedent, brother or sister, of Purchaser or Purchaser's Spouse, or the Spouse of any lineal descendant or antecedent, brother or sister of Purchaser, or Purchaser's Spouse. In such case, the transferee or other recipient shall receive and hold the Shares so transferred subject to the provisions of this Section 3, and there shall be no further transfer of such Shares except in accordance with the terms of this Section 3.

(b) **Company's Right to Purchase upon Involuntary Transfer.** In the event of any transfer by operation of law or other involuntary transfer (including death or divorce, but excluding a transfer to Immediate Family as set forth in Section 3(a)(v) above) of all or a portion of the Shares by the record holder thereof, the Company shall have an option to purchase all of the Shares transferred at the greater of the purchase price paid by Purchaser pursuant to this Agreement or the Fair Market Value of the Shares on the date of transfer (as determined by the Board). Upon such a transfer, the person acquiring the Shares shall promptly notify the Secretary of the Company of such transfer. The right to purchase such Shares shall be provided to the Company for a period of thirty (30) days following receipt by the Company of written notice by the person acquiring the Shares.

(c) **Assignment.** The right of the Company to purchase any part of the Shares may be assigned in whole or in part to any holder or holders of capital stock of the Company or other persons or organizations.

(d) **Restrictions Binding on Transferees.** All transferees of Shares or any interest therein will receive and hold such Shares or interest subject to the provisions of this Agreement. Any sale or transfer of the Company's Shares shall be void unless the provisions of this Agreement are satisfied.

(e) **Termination of Rights.** The right of first refusal granted the Company by Section 3(a) above and the option to repurchase the Shares in the event of an involuntary transfer granted the Company by Section 3(b) above shall terminate upon the first sale of Common Stock of the Company to the general public pursuant to a registration statement filed with and declared effective by the Securities and Exchange Commission under the Securities Act of 1933, as amended (the "Securities Act"). Upon termination of the right of first refusal described in Section 3(a) above the Company will remove any stop-transfer notices referred to in Section 5(b) below and related to the restrictions in this Section 3 and, if certificates are issued, a new certificate or certificates representing the Shares not repurchased shall be issued, on request, without the legend referred to in Section 5(a)(ii) below and delivered to Purchaser.

13. **Investment and Taxation Representations.** In connection with the purchase of the Shares, Purchaser represents to the Company the following:

(a) Purchaser is aware of the Company's business affairs and financial condition and has acquired sufficient information about the Company to reach an informed and

knowledgeable decision to acquire the Shares. Purchaser is purchasing these securities for investment for his or her own account only and not with a view to, or for resale in connection with, any “distribution” thereof within the meaning of the Securities Act or under any applicable provision of state law. Purchaser does not have any present intention to transfer the Shares to any person or entity.

(b) Purchaser understands that the Shares have not been registered under the Securities Act by reason of a specific exemption therefrom, which exemption depends upon, among other things, the bona fide nature of Purchaser’s investment intent as expressed herein.

(c) Purchaser is familiar with the provisions of Rules 144 and 701 and Regulation S (Rules 901 through 905 and the Preliminary Notes thereto), each promulgated under the Securities Act, which, in substance, permit limited public resale of "restricted securities" acquired, directly or indirectly, from the issuer of the securities (or from an affiliate of such issuer), in a non-public offering subject to the satisfaction of certain conditions. Purchaser understands that the Company provides no assurances as to whether he or she will be able to resell any or all of the Shares pursuant to Rule 144 or Rule 701, which rules require, among other things, that the Company be subject to the reporting requirements of the Securities Exchange Act of 1934, as amended, that resales of securities take place only after the holder of the Shares has held the Shares for certain specified time periods, and under certain circumstances, that resales of securities be limited in volume and take place only pursuant to brokered transactions. Purchaser further understands that the Company provides no assurances as to whether Purchaser will be able to sell any or all of the Shares pursuant to Regulation S. Notwithstanding this paragraph (c), Purchaser acknowledges and agrees to the restrictions set forth in paragraph (d) below.

(d) Purchaser further understands that in the event all of the applicable requirements of Rule 144, Rule 701 or Regulation S are not satisfied, registration under the Securities Act, compliance with Regulation A, or some other registration exemption will be required; and that, notwithstanding the fact that Rules 144, Rule 701 and Regulation S are not exclusive, the Staff of the Securities and Exchange Commission has expressed its opinion that persons proposing to sell private placement securities other than in a registered offering and otherwise than pursuant to Rule 144, Rule 701 or Regulation S will have a substantial burden of proof in establishing that an exemption from registration is available for such offers or sales, and that such persons and their respective brokers who participate in such transactions do so at their own risk.

(e) Purchaser further acknowledges and understands that the securities must be held indefinitely unless they are subsequently registered under the Securities Act or an exemption from such registration is available. Purchaser further acknowledges and understands that the Company is under no obligation to register the securities. Purchaser understands that the certificate(s) evidencing the securities will be imprinted with a legend which prohibits the transfer of the securities unless they are registered or such registration is not required in the opinion of counsel for the Company.

(f) Purchaser is familiar with the provisions of Rules 144 and 701, each promulgated under the Securities Act, which, in substance, permit limited public resale of

"restricted securities" acquired, directly or indirectly, from the issuer of the securities (or from an affiliate of such issuer), in a non-public offering subject to the satisfaction of certain conditions. Purchaser understands that the Company provides no assurances as to whether he or she will be able to resell any or all of the Shares pursuant to Rule 144 or Rule 701, which rules require, among other things, that the Company be subject to the reporting requirements of the Securities Exchange Act of 1934, as amended, that resales of securities take place only after the holder of the Shares has held the Shares for certain specified time periods, and under certain circumstances, that resales of securities be limited in volume and take place only pursuant to brokered transactions. Notwithstanding this paragraph (d), Purchaser acknowledges and agrees to the restrictions set forth in paragraph (e) below.

(g) Purchaser further understands that in the event all of the applicable requirements of Rule 144 or 701 are not satisfied, registration under the Securities Act, compliance with Regulation A, or some other registration exemption will be required; and that, notwithstanding the fact that Rules 144 and 701 are not exclusive, the Staff of the Securities and Exchange Commission has expressed its opinion that persons proposing to sell private placement securities other than in a registered offering and otherwise than pursuant to Rule 144 or 701 will have a substantial burden of proof in establishing that an exemption from registration is available for such offers or sales, and that such persons and their respective brokers who participate in such transactions do so at their own risk.

(h) Purchaser understands that Purchaser may suffer adverse tax consequences as a result of Purchaser's purchase or disposition of the Shares. Purchaser represents that Purchaser has consulted any tax consultants Purchaser deems advisable in connection with the purchase or disposition of the Shares and that Purchaser is not relying on the Company for any tax advice.

(i) Purchaser has signed and understands and confirms the representations made in the Investor Certificate attached hereto as Attachment A.

14. **Restrictive Legends and Stop-Transfer Orders.**

(a) **Legends.** The certificate or certificates representing the Shares shall bear the following legends (as well as any legends required by applicable state and federal corporate and securities laws):

(i) THE SHARES REPRESENTED BY THIS CERTIFICATE HAVE NOT BEEN REGISTERED UNDER THE SECURITIES ACT OF 1933, AND HAVE BEEN ACQUIRED FOR INVESTMENT AND NOT WITH A VIEW TO, OR IN CONNECTION WITH, THE SALE OR DISTRIBUTION THEREOF. NO SUCH SALE OR DISTRIBUTION MAY BE EFFECTED WITHOUT AN EFFECTIVE REGISTRATION STATEMENT RELATED THERETO OR AN OPINION OF COUNSEL FOR THE COMPANY THAT SUCH REGISTRATION IS NOT REQUIRED UNDER THE SECURITIES ACT OF 1933.

(ii) THE SHARES REPRESENTED BY THIS CERTIFICATE MAY BE TRANSFERRED ONLY IN ACCORDANCE WITH THE TERMS OF AN AGREEMENT BETWEEN THE COMPANY AND THE HOLDER, A COPY OF WHICH IS ON FILE WITH THE SECRETARY OF THE COMPANY.

(iii) THE SHARES MAY NOT BE MADE SUBJECT TO HEDGING TRANSACTIONS UNLESS SUCH TRANSACTIONS ARE CONDUCTED IN COMPLIANCE WITH THE SECURITIES ACT OF 1933, INCLUDING REGULATION S THEREUNDER.

(b) **Stop-Transfer Notices.** Purchaser agrees that, in order to ensure compliance with the restrictions referred to herein, the Company may issue appropriate "stop transfer" instructions to its transfer agent, if any, and that, if the Company transfers its own securities, it may make appropriate notations to the same effect in its own records.

(c) **Refusal to Transfer.** The Company shall not be required (i) to transfer on its books any Shares that have been sold or otherwise transferred in violation of any of the provisions of this Agreement or (ii) to treat as owner of such Shares or to accord the right to vote or pay dividends to any purchaser or other transferee to whom such Shares shall have been so transferred.

15. **No Employment Rights.** Nothing in this Agreement shall affect in any manner whatsoever the right or power of the Company, or a parent or subsidiary of the Company, to terminate Purchaser's employment or consulting relationship, for any reason, with or without cause.

16. **Lock-Up Agreement.** In connection with the initial public offering of the Company's securities and upon request of the Company or the underwriters managing any underwritten offering of the Company's securities, Purchaser agrees not to sell, make any short sale of, loan, grant any option for the purchase of, or otherwise dispose of any securities of the Company however or whenever acquired (other than those included in the registration) without the prior written consent of the Company or such underwriters, as the case may be, for such period of time (not to exceed one hundred eighty (180) days) from the effective date of such registration as may be requested by the Company or such managing underwriters and to execute an agreement reflecting the foregoing as may be requested by the underwriters at the time of the public offering; provided however that, if during the last 17 days of the restricted period the Company issues an earnings release or material news or a material event relating to the Company occurs, or prior to the expiration of the restricted period the Company announces that it will release earnings results during the 16-day period beginning on the last day of the restricted period, then, upon the request of the managing underwriter, to the extent required by any FINRA rules, the restrictions imposed by this Section 7 shall continue to apply until the end of the third trading day following the expiration of the 15-day period beginning on the issuance of the earnings release or the occurrence of the material news or material event. In no event will the restricted period extend beyond 216 days after the effective date of the registration statement.

17. **Tax Consequences.** PURCHASER UNDERSTANDS THAT PURCHASER MAY SUFFER ADVERSE TAX CONSEQUENCES AS A RESULT OF PURCHASER'S PURCHASE OR DISPOSITION OF THE SHARES. PURCHASER REPRESENTS THAT: (a) PURCHASER HAS CONSULTED WITH ANY TAX ADVISER WHO PURCHASER DEEMS ADVISABLE IN CONNECTION WITH THE PURCHASE OR DISPOSITION OF THE SHARES AND (b) PURCHASER IS NOT RELYING ON THE COMPANY FOR ANY TAX ADVICE. Set forth below is a brief summary as of the date the Plan was adopted by the Board of some of the U.S. Federal and California tax consequences of exercise of the Option and disposition of the Shares. THIS SUMMARY IS NECESSARILY INCOMPLETE, AND THE TAX LAWS AND REGULATIONS ARE SUBJECT TO CHANGE. PURCHASER SHOULD CONSULT HIS OR HER OWN TAX ADVISER BEFORE EXERCISING THIS OPTION OR DISPOSING OF THE SHARES.

(a) **Exercise of Incentive Stock Option.** If the Option qualifies as an Incentive Stock Option, there will be no regular U.S. Federal income tax liability or California income tax liability upon the exercise of the Option, although the excess, if any, of the Fair Market Value of the Shares on the date of exercise over the Exercise Price will be treated as a tax preference item for U.S. Federal alternative minimum tax purposes and may subject Purchaser to the alternative minimum tax in the year of exercise.

(b) **Exercise of Nonqualified Stock Option.** If the Option does not qualify as an Incentive Stock Option, there may be a regular U.S. Federal income tax liability and a California income tax liability upon the exercise of the Option. Purchaser will be treated as having received compensation income (taxable at ordinary income tax rates) equal to the excess, if any, of the Fair Market Value of the Shares on the date of exercise over the Exercise Price. If Purchaser is a current or former employee of the Company, the Company may be required to withhold from Purchaser's compensation or collect from Purchaser and pay to the applicable taxing authorities an amount equal to a percentage of this compensation income at the time of exercise.

(c) **Disposition of Shares.** The following tax consequences may apply upon disposition of the Shares.

(i) Incentive Stock Options. If the Shares are held for more than twelve (12) months after the date of the transfer of the Shares pursuant to the exercise of an Incentive Stock Option and are disposed of more than two (2) years after the Date of Grant, any gain realized on disposition of the Shares will be treated as long term capital gain for U.S. Federal and California income tax purposes. If Shares purchased under an Incentive Stock Option are disposed of within the applicable one (1) year or two (2) year period, any gain realized on such disposition will be treated as compensation income (taxable at ordinary income rates in the year of the disposition) to the extent of the excess, if any, of the Fair Market Value of the Shares on the date of exercise over the Exercise Price.

(ii) Nonstatutory Stock Options. If the Shares are held for more than twelve (12) months after the date of the transfer of the Shares pursuant to the exercise of a

Nonstatutory Stock Option, any gain realized on disposition of the Shares will be treated as long term capital gain.

(iii) Withholding. The Company may be required to withhold from the Purchaser's compensation or collect from the Purchaser and pay to the applicable taxing authorities an amount equal to a percentage of this compensation income.

(d) **Notice of Disqualifying Disposition of Incentive Stock Option Shares.** If the Option is an Incentive Stock Option, and if Purchaser sells or otherwise disposes of any of the Shares acquired pursuant to the Incentive Stock Option on or before the later of (a) the date two (2) years after the Date of Grant, and (b) the date one (1) year after transfer of such Shares to Purchaser upon exercise of the Option, Purchaser shall immediately notify the Company in writing of such disposition. Purchaser agrees that Purchaser may be subject to income tax withholding by the Company on the compensation income recognized by Purchaser from the early disposition by payment in cash or out of the current wages or other compensation payable to Purchaser.

18. **Miscellaneous.**

(a) **Governing Law.** This Agreement and all acts and transactions pursuant hereto and the rights and obligations of the parties hereto shall be governed, construed and interpreted in accordance with the laws of the State of Delaware, without giving effect to principles of conflicts of law.

(b) **Entire Agreement; Enforcement of Rights.** This Agreement sets forth the entire agreement and understanding of the parties relating to the subject matter herein and merges all prior discussions between them. No modification of or amendment to this Agreement, nor any waiver of any rights under this Agreement, shall be effective unless in writing signed by the parties to this Agreement. The failure by either party to enforce any rights under this Agreement shall not be construed as a waiver of any rights of such party.

(c) **Severability.** If one or more provisions of this Agreement are held to be unenforceable under Applicable Laws, the parties agree to renegotiate such provision in good faith. In the event that the parties cannot reach a mutually agreeable and enforceable replacement for such provision, then (i) such provision shall be excluded from this Agreement, (ii) the balance of the Agreement shall be interpreted as if such provision were so excluded and (iii) the balance of the Agreement shall be enforceable in accordance with its terms.

(d) **Notices.** Any notice required or permitted by this Agreement shall be in writing and shall be deemed sufficient when delivered personally or sent by telegram or fax or forty-eight (48) hours after being deposited in the U.S. mail, as certified or registered mail, with postage prepaid, and addressed to the party to be notified at such party's address as set forth below or as subsequently modified by written notice.

(e) **Counterparts.** This Agreement may be executed in two or more counterparts, each of which shall be deemed an original and all of which together shall constitute one instrument.

(f) **Successors and Assigns.** The rights and benefits of this Agreement shall inure to the benefit of, and be enforceable by the Company's successors and assigns. The rights and obligations of Purchaser under this Agreement may only be assigned with the prior written consent of the Company.

(g) **California Corporate Securities Law.** THE SALE OF THE SECURITIES WHICH ARE THE SUBJECT OF THIS AGREEMENT HAS NOT BEEN QUALIFIED WITH THE COMMISSIONER OF CORPORATIONS OF THE STATE OF CALIFORNIA AND THE ISSUANCE OF THE SECURITIES OR THE PAYMENT OR RECEIPT OF ANY PART OF THE CONSIDERATION THEREFOR PRIOR TO THE QUALIFICATION IS UNLAWFUL, UNLESS THE SALE OF SECURITIES IS EXEMPT FROM QUALIFICATION BY SECTION 25100, 25102 OR 25105 OF THE CALIFORNIA CORPORATIONS CODE. THE RIGHTS OF ALL PARTIES TO THIS AGREEMENT ARE EXPRESSLY CONDITIONED UPON THE QUALIFICATION BEING OBTAINED, UNLESS THE SALE IS SO EXEMPT.

[Signature Page Follows]

The parties have executed this Exercise Agreement as of the date first set forth above.

THE COMPANY:

EXPENSIFY, INC.

By: _____
(signature)

Name:

Title:

Address: _____

_____

PURCHASER:

_____

_____
(signature)

Address: _____

_____

I, _____, spouse of _____, have read and hereby approve the foregoing Agreement. In consideration of the Company's granting my spouse the right to purchase the Shares as set forth in the Agreement, I hereby agree to be irrevocably bound by the Agreement and further agree that any community property or other such interest shall hereby by similarly bound by the Agreement. I hereby appoint my spouse as my attorney-in-fact with respect to any amendment or exercise of any rights under the Agreement.

_____

Spouse of _____ (if applicable)

ATTACHMENT A

Investor Certificate

(for purposes of compliance with Regulation S)

In granting the right to purchase shares of Common Stock of Expensify, Inc., a Delaware corporation, the Company intends to rely on the exemption from registration available under the Securities Act of 1933, as amended (the "Securities Act"), and/or on Regulation S of the Securities Act ("Regulation S") in reliance on the following representations made by the undersigned in connection with the purchase of the Shares:

The undersigned certifies and represents that, as of the date set forth below, he/she:

1. is not a natural person resident in the United States, a partnership or corporation organized under the laws of the United States or otherwise a U.S. person (as defined under Regulation S; a copy of such definition is attached hereto) or acting for the benefit or account of a U.S. person;

2. understands that the Shares have not been registered under the Securities Act;

3. agrees (a) to resell the Shares only in accordance with the provisions of Regulation S, pursuant to registration under the Securities Act or pursuant to another available exemption from registration (the availability of such exemption being reflected by an opinion of counsel acceptable to the Company), and (b) not to engage in hedging transactions with regard to such securities unless in compliance with the Securities Act (including Regulation S thereunder);

4. understands that a legend will be placed on all certificates evidencing the Shares reflecting the restrictions upon transfer set forth in paragraph (3) above, and that the Company is required to refuse to register any transfer of securities not made in accordance with the provisions of Regulation S, pursuant to registration under the Securities Act, or pursuant to an available exemption from registration, provided, however, that where an exemption from registration is available, the Company will not refuse to register such transfer; and

5. agrees not to offer or sell the Shares to any U.S. person, or for the account or benefit of a U.S. person before one year from the date of the certificate evidencing the Shares, unless the Shares are sold in a transaction exempt from the registration requirements of the Securities Act or pursuant to a registration statement effective under the Securities Act.

Dated: _____

Signature: _____

Print Name: [Optionee Name]

Attachment to Investor Certificate

As defined in Regulation 902(k) of Regulation S under the Securities Act of 1933, as amended, the term "U.S. Person" means:

A. any natural person resident in the United States;

B. any partnership or corporation organized or incorporated under the laws of the United States;

C. any estate of which any executor or administrator is a U.S. person;

D. any trust of which any trustee is a U.S. person;

E. any agency or branch of a foreign entity located in the United States;

F. any non-discretionary account or similar account (other than an estate or trust) held by a dealer or other fiduciary for the benefit or account of a U.S. person;

G. any discretionary account or similar account (other than an estate or trust) held by a dealer or other fiduciary organized, incorporated, or (if an individual) resident in the United States; and

H. any partnership or corporation if: (1) organized or incorporated under the laws of any foreign jurisdiction; and (2) formed by a U.S. person principally for the purpose of investing in securities not registered under the Securities Act, unless it is organized or incorporated, and owned, by accredited investors (as defined in Rule 501(a) of the Securities Act) who are not natural persons, estates or trusts.

The following are not U.S. Persons:

I. any discretionary account or similar account (other than an estate or trust) held for the benefit or account of a non-U.S. person by a dealer or other professional fiduciary organized, incorporated, or (if an individual) resident in the United States;

J. any estate of which a professional fiduciary acting as executor or administrator is a U.S. person if: (1) an executor or administrator of the estate who is not a U.S. person has sole or shared investment discretion with respect to the assets of the estate; and (2) the estate is governed by foreign law;

K. any trust of which any professional fiduciary acting as trustee is a U.S. person, if a trustee who is not a U.S. person has sole or shared investment discretion with respect to the trust assets, and no beneficiary of the trust (and no settlor if the trust is revocable) is a U.S. person;

L. an employee benefit plan established and administered in accordance with the law of a country other than the United States and customary practices and documentation of such country;

M. any agency or branch of a U.S. person located outside the United States if (1) any agency or branch operates for valid business reasons; and (2) the agency or branch is engaged in the business of insurance or banking and is subject to substantive insurance or banking regulation, respectively, in the jurisdiction where located; and the International Monetary Fund, the International Bank for Reconstruction and Development, the Inter-American Development Bank, the Asian Development Bank, the African Development Bank, the United Nations, and their agencies, affiliates and pension plans, and any other similar international organizations, their agencies, affiliates and pension plans.

EXPENSIFY, INC.

2019 STOCK PLAN

NOTICE OF STOCK OPTION GRANT

_____

You have been granted an option to purchase Common Stock of Expensify, Inc., a Delaware corporation (the "Company"), as follows:

Date of Grant:	_____
Exercise Price Per Share:	$___.__
Total Number of Shares:	__,___.___
Total Exercise Price:	$_,___.__
Type of Option:	[Incentive/Nonstatutory] Stock Option
Expiration Date:	_____
Vesting Commencement Date:	_____
Vesting Schedule:	The Option may be exercised in whole or in part at any time after the Date of Grant. So long as your Continuous Service Status does not terminate, the Shares underlying this Option shall vest in accordance with the following schedule: _____ of the Total Number of Shares shall vest on the one (1) [year/month] anniversary of the Vesting Commencement Date and _____ of the Total Number of Shares shall vest on each monthly anniversary thereafter.
Termination Period:	If your Continuous Service Status is less than three (3) years, you may exercise this Option for thirty (30) days after termination of your Continuous Service Status except as set out in Section 5 of the Stock Option Agreement (but in no event later than the Expiration Date). If your Continuous Service Status is equal to or greater than three (3) years, you may exercise this Option for two (2) years after termination of your Continuous Service Status (but in no event later than the Expiration Date). The Option must be exercised within three (3) months after termination of employment for reasons other than death or Disability and one year after termination of employment due to

	Disability to qualify for the beneficial tax treatment afforded Incentive Stock Options. You are responsible for keeping track of these exercise periods following the termination of your Continuous Service Status for any reason. The Company will not provide further notice of such periods.
Transferability:	You may not transfer this Option.

[*Signature page follows*]

By your signature and the signature of the Company's representative below, you and the Company agree that this Option is granted under and governed by the terms and conditions of the Expensify, Inc. 2019 Stock Plan and the Stock Option Agreement, both of which are attached to and made a part of this document.

In addition, you agree and acknowledge that your rights to any Shares underlying this Option will be earned only as you provide services to the Company over time, that the grant of this Option is not as consideration for services you rendered to the Company prior to your date of hire, and that nothing in this Notice or the attached documents confers upon you any right to continue your employment or consulting relationship with the Company for any period of time, nor does it interfere in any way with your right or the Company's right to terminate that relationship at any time, for any reason, with or without cause. Also, to the extent applicable, the Exercise Price Per Share has been set in good faith compliance with the applicable guidance issued by the IRS under Section 409A of the Code. However, there is no guarantee that the IRS will agree with the valuation, and by signing below, you agree and acknowledge that the Company shall not be held liable for any applicable costs, taxes, or penalties associated with this Option if, in fact, the IRS were to determine that this Option constitutes deferred compensation under Section 409A of the Code. You should consult with your own tax advisor concerning the tax consequences of such a determination by the IRS.

THE COMPANY:

EXPENSIFY, INC.

By: _____
(signature)

Name: David Barrett

Title: Chief Executive Officer

OPTIONEE:

_____

_____
(signature)

EXPENSIFY, INC.

2019 STOCK PLAN

STOCK OPTION AGREEMENT

1. **Grant of Option.** Expensify, Inc., a Delaware corporation (the "Company"), hereby grants to [_____] ("Optionee"), an option (the "Option") to purchase the total number of shares of Common Stock (the "Shares") set forth in the Notice of Stock Option Grant (the "Notice"), at the exercise price per Share set forth in the Notice (the "Exercise Price") subject to the terms, definitions and provisions of the Expensify, Inc. 2019 Stock Plan (the "Plan") adopted by the Company, which is incorporated in this Agreement by reference. Unless otherwise defined in this Agreement, the terms used in this Agreement shall have the meanings defined in the Plan.

2. **Designation of Option.** This Option is intended to be an Incentive Stock Option as defined in Section 422 of the Code only to the extent so designated in the Notice, and to the extent it is not so designated or to the extent this Option does not qualify as an Incentive Stock Option, it is intended to be a Nonstatutory Stock Option.

Notwithstanding the above, if designated as an Incentive Stock Option, in the event that the Shares subject to this Option (and all other Incentive Stock Options granted to Optionee by the Company or any Parent or Subsidiary, including under other plans of the Company) that first become exercisable in any calendar year have an aggregate fair market value (determined for each Share as of the date of grant of the option covering such Share) in excess of $100,000, the Shares in excess of $100,000 shall be treated as subject to a Nonstatutory Stock Option, in accordance with Section 5(c) of the Plan.

3. **Exercise of Option.** This Option shall be exercisable during its term in accordance with the Vesting Schedule set out in the Notice and with the provisions of Section 10 of the Plan as follows:

(a) **Right to Exercise.**

(i) This Option may be exercised in whole or in part at any time after the Date of Grant, as to Shares which have not yet vested under the vesting schedule indicated on the Notice of Stock Option Grant; provided, however, that Optionee shall execute as a condition to such exercise of this Option, the Early Exercise Notice and Restricted Stock Purchase Agreement attached hereto as Exhibit A (the "Early Exercise Agreement"). If Optionee chooses to exercise this Option solely as to Shares which have vested under the vesting schedule indicated on the Notice of Stock Option Grant, Optionee shall complete and execute the form of Exercise Notice and Restricted Stock Purchase Agreement attached hereto as Exhibit B (the "Exercise Agreement"). Notwithstanding the foregoing, the Company may in its discretion prescribe or accept a different form of notice of exercise and/or stock purchase agreement if such forms are otherwise consistent with this Agreement, the Plan and then-applicable law.

(ii) This Option may not be exercised for a fraction of a share.

(iii) In the event of Optionee's death, Disability or other termination of Continuous Service Status, the exercisability of this Option is governed by Section 5 below, subject to the limitations contained in this Section 3.

(iv) In no event may this Option be exercised after the Expiration Date set forth in the Notice.

(b) **Method of Exercise.**

(i) This Option shall be exercisable by execution and delivery of the Early Exercise Agreement or the Exercise Agreement, whichever is applicable, or of any other form of written notice approved for such purpose by the Company which shall state Optionee's election to exercise this Option, the number of Shares in respect of which this Option is being exercised, and such other representations and agreements as to the holder's investment intent with respect to such Shares as may be required by the Company pursuant to the provisions of the Plan. Such written notice shall be signed by Optionee and shall be delivered to the Company by such means as are determined by the Plan Administrator in its discretion to constitute adequate delivery. The written notice shall be accompanied by payment of the aggregate Exercise Price for the purchased Shares.

(ii) As a condition to the exercise of this Option and as further set forth in Section 12 of the Plan, Optionee agrees to make adequate provision for federal, state or other tax withholding obligations, if any, which arise upon the grant, vesting or exercise of this Option, or disposition of Shares, whether by withholding, direct payment to the Company, or otherwise.

(iii) The Company is not obligated, and will have no liability for failure, to issue or deliver any Shares upon exercise of this Option unless such issuance or delivery would comply with the Applicable Laws, with such compliance determined by the Company in consultation with its legal counsel. This Option may not be exercised until such time as the Plan has been approved by the holders of capital stock of the Company, or if the issuance of such Shares upon such exercise or the method of payment of consideration for such Shares would constitute a violation of any Applicable Laws, including any applicable U.S. federal or state securities laws or any other law or regulation, including any rule under Part 221 of Title 12 of the Code of Federal Regulations as promulgated by the Federal Reserve Board. As a condition to the exercise of this Option, the Company may require Optionee to make any representation and warranty to the Company as may be required by the Applicable Laws. Assuming such compliance, for income tax purposes the Shares shall be considered transferred to Optionee on the date on which this Option is exercised with respect to such Shares.

(iv) Subject to compliance with Applicable Laws, this Option shall be deemed to be exercised upon receipt by the Company of the appropriate written notice of exercise accompanied by the Exercise Price and the satisfaction of any applicable withholding obligations.

4. **Method of Payment.** Payment of the Exercise Price shall be by any of the following, or a combination of the following, at the election of Optionee:

(a) cash or check;

(b) cancellation of indebtedness;

(c) at the discretion of the Plan Administrator on a case by case basis, by surrender of other shares of Common Stock of the Company (either directly or by stock attestation) that Optionee previously acquired and that have an aggregate Fair Market Value on the date of surrender equal to the aggregate Exercise Price of the Shares as to which this Option is being exercised; or

(d) at the discretion of the Plan Administrator on a case by case basis, by Cashless Exercise.

5. **Termination of Relationship.** Following the date of termination of Optionee's Continuous Service Status for any reason (the "Termination Date"), Optionee may exercise this Option only as set forth in the Notice and this Section 5. If Optionee does not exercise this Option within the Termination Period set forth in the Notice or the termination periods set forth below, this Option shall terminate in its entirety. In no event, may any Option be exercised after the Expiration Date of this Option as set forth in the Notice.

(a) **Termination.** In the event of termination of Optionee's Continuous Service Status other than as a result of Optionee's Disability or death or for Cause, Optionee may, to the extent Optionee is vested in the Option Shares, exercise this Option during the Termination Period set forth in the Notice.

(b) **Other Terminations.** In connection with any termination other than a termination covered by Section 5(a), Optionee may exercise this Option only as described below:

(i) **Termination upon Disability of Optionee.** In the event of termination of Optionee's Continuous Service Status as a result of Optionee's Disability, Optionee may, but only within six (6) months following the date of such termination (the "Termination Date"), exercise this Option to the extent Optionee is vested in the Option Shares.

(ii) **Death of Optionee.** In the event of termination of Optionee's Continuous Service Status as a result of Optionee's death, or in the event of Optionee's death within thirty (30) days following Optionee's Termination Date, this Option may be exercised at any time within twelve (12) months following the date of death (or, if earlier, the date Optionee's Continuous Service Status terminated) by Optionee's estate or by a person who acquired the right to exercise this Option by bequest or inheritance, but only to the extent Optionee is vested in this Option.

(iii) **Termination for Cause.** In the event of termination of Optionee's Continuous Service Status for Cause, this Option (including any vested portion thereof) shall immediately terminate in its entirety upon first notification to Optionee of such termination for Cause. If Optionee's Continuous Service Status is suspended pending an investigation of whether Optionee's Continuous Service Status will be terminated for Cause, all Optionee's rights under this Option, including the right to exercise this Option, shall be suspended during the investigation period.

6. **Non-Transferability of Option.** This Option may not be transferred in any manner otherwise than by will or by the laws of descent or distribution and may be exercised during the lifetime of Optionee only by him or her. The terms of this Option shall be binding upon the executors, administrators, heirs, successors and assigns of Optionee.

7. **Lock-Up Agreement.** In connection with the initial public offering of the Company's securities and upon request of the Company or the underwriters managing any underwritten offering of the Company's securities, Optionee hereby agrees not to sell, make any short sale of, loan, grant any option for the purchase of, or otherwise dispose of any securities of the Company however and whenever acquired (other than those included in the registration) without the prior written consent of the Company or such underwriters, as the case may be, for such period of time (not to exceed 180 days) from the effective date of such registration as may be requested by the Company or such managing underwriters and to execute an agreement reflecting the foregoing as may be requested by the underwriters at the time of the public offering; provided however that, if during the last 17 days of the restricted period the Company issues an earnings release or material news or a material event relating to the Company occurs, or prior to the expiration of the restricted period the Company announces that it will release earnings results during the 16-day period beginning on the last day of the restricted period, then, upon the request of the managing underwriter, to the extent required by any FINRA rules, the restrictions imposed by this Section 7 shall continue to apply until the end of the third trading day following the expiration of the 15-day period beginning on the issuance of the earnings release or the occurrence of the material news or material event. In no event will the restricted period extend beyond 216 days after the effective date of the registration statement.

8. **Effect of Agreement.** Optionee acknowledges receipt of a copy of the Plan and represents that he or she is familiar with the terms and provisions thereof (and has had an opportunity to consult counsel regarding the Option terms), and hereby accepts this Option and agrees to be bound by its contractual terms as set forth herein and in the Plan. Optionee hereby agrees to accept as binding, conclusive and final all decisions and interpretations of the Plan Administrator regarding any questions relating to this Option. In the event of a conflict between the terms and provisions of the Plan and the terms and provisions of the Notice and this Agreement, the Plan terms and provisions shall prevail.

9. **Miscellaneous.**

(a) **Governing Law.** This Agreement and all acts and transactions pursuant hereto and the rights and obligations of the parties hereto shall be governed, construed and interpreted in accordance with the laws of the State of Delaware, without giving effect to principles of conflicts of law.

(b) **Entire Agreement; Enforcement of Rights.** This Agreement, together with the Notice of Stock Option Grant to which this Agreement is attached and the Plan, sets forth the entire agreement and understanding of the parties relating to the subject matter herein and therein and merges all prior discussions between the parties. Except as contemplated under the Plan, no modification of or amendment to this Agreement, nor any waiver of any rights under this Agreement, shall be effective unless in writing signed by the parties to this Agreement. The

failure by either party to enforce any rights under this Agreement shall not be construed as a waiver of any rights of such party.

(c) **Severability.** If one or more provisions of this Agreement are held to be unenforceable under Applicable Laws, the parties agree to renegotiate such provision in good faith. In the event that the parties cannot reach a mutually agreeable and enforceable replacement for such provision, then (i) such provision shall be excluded from this Agreement, (ii) the balance of this Agreement shall be interpreted as if such provision were so excluded and (iii) the balance of this Agreement shall be enforceable in accordance with its terms.

(d) **Notices.** Any notice required or permitted by this Agreement shall be in writing and shall be deemed sufficient when delivered personally or sent by telegram or fax or forty-eight (48) hours after being deposited in the U.S. mail, as certified or registered mail, with postage prepaid, and addressed to the party to be notified at such party's address as set forth below or as subsequently modified by written notice.

(e) **Counterparts.** This Option may be executed in two or more counterparts, each of which shall be deemed an original and all of which together shall constitute one instrument.

(f) **Successors and Assigns.** The rights and benefits of this Agreement shall inure to the benefit of, and be enforceable by the Company's successors and assigns. The rights and obligations of Optionee under this Agreement may not be assigned without the prior written consent of the Company.

[Signature Page Follows]

IN WITNESS WHEREOF, the parties have executed or caused this Agreement to be executed by their officers thereunto duly authorized, effective as of the Date of Grant set forth in the accompanying Notice of Stock Option Grant.

THE COMPANY:

EXPENSIFY, INC.

By: _____
(signature)

Name: David Barrett

Title: Chief Executive Officer

OPTIONEE:

_____

_____
(signature)

ADDRESS: _____

_____

EXHIBIT A

EXPENSIFY, INC.

2019 Stock Plan

EARLY EXERCISE NOTICE AND RESTRICTED STOCK PURCHASE AGREEMENT

This Agreement ("Agreement") is made as of _____ by and between Expensify, Inc., a Delaware corporation (the "Company"), and [_____] ("Purchaser"). To the extent any capitalized terms used in this Agreement are not defined, they shall have the meaning ascribed to them in the 2019 Stock Plan.

1. **Exercise of Option.** Subject to the terms and conditions hereof, Purchaser hereby elects to exercise his or her option to purchase _____ shares of the Common Stock (the "Shares") of the Company under and pursuant to the Company's 2019 Stock Plan (the "Plan") and the Stock Option Agreement dated [_____] (the "Option Agreement"). Of these Shares, Purchaser has elected to purchase _____ of those Shares which have become vested as of the date hereof under the Vesting Schedule set forth in the Notice of Stock Option Grant (the "Vested Shares") and _____ Shares which have not yet vested under such Vesting Schedule (the "Unvested Shares"). The purchase price for the Shares shall be $[__.__] per Share for a total purchase price of $_____. The term "Shares" refers to the purchased Shares and all securities received in replacement of the Shares or as stock dividends or splits, all securities received in replacement of the Shares in a recapitalization, merger, reorganization, exchange or the like, and all new, substituted or additional securities or other properties to which Purchaser is entitled by reason of Purchaser's ownership of the Shares.

2. **Time and Place of Exercise.** The purchase and sale of the Shares under this Agreement shall occur at the principal office of the Company simultaneously with the execution and delivery of this Agreement in accordance with the provisions of Section 3(b) of the Option Agreement. On such date, the Company will deliver to Purchaser a certificate representing the Shares to be purchased by Purchaser (which shall be issued in Purchaser's name) against payment of the purchase price therefor by Purchaser by (a) check made payable to the Company, (b) cancellation of indebtedness of the Company to Purchaser, (c) delivery of shares of the Common Stock of the Company in accordance with Section 4 of the Option Agreement, or (d) a combination of the foregoing.

3. **Limitations on Transfer.** In addition to any other limitation on transfer created by applicable securities laws, Purchaser shall not assign, encumber or dispose of any interest in the Shares while the Shares are subject to the Company's Repurchase Option (as defined below). After any Shares have been released from such Repurchase Option, Purchaser shall not assign, encumber or dispose of any interest in such Shares except in compliance with the provisions below and applicable securities laws.

(a) **Repurchase Option.**

(i) In the event of the voluntary or involuntary termination of Purchaser's employment or consulting relationship with the Company for any reason (including

death or disability), with or without cause, the Company shall upon the date of such termination (the "Termination Date") have an irrevocable, exclusive option (the "Repurchase Option") for a period of 90 days from such date to repurchase all or any portion of the Shares held by Purchaser as of the Termination Date which have not yet been released from the Company's Repurchase Option at the original purchase price per Share specified in Section 1 (adjusted for any stock splits, stock dividends and the like).

(ii) Unless the Company notifies Purchaser within 90 days from the date of termination of Purchaser's employment or consulting relationship that it does not intend to exercise its Repurchase Option with respect to some or all of the Shares, the Repurchase Option shall be deemed automatically exercised by the Company as of the 90th day following such termination, provided that the Company may notify Purchaser that it is exercising its Repurchase Option as of a date prior to such 90th day. Unless Purchaser is otherwise notified by the Company pursuant to the preceding sentence that the Company does not intend to exercise its Repurchase Option as to some or all of the Shares to which it applies at the time of termination, execution of this Agreement by Purchaser constitutes written notice to Purchaser of the Company's intention to exercise its Repurchase Option with respect to all Shares to which such Repurchase Option applies. The Company, at its choice, may satisfy its payment obligation to Purchaser with respect to exercise of the Repurchase Option by either (A) delivering a check to Purchaser in the amount of the purchase price for the Shares being repurchased, or (B) in the event Purchaser is indebted to the Company, canceling an amount of such indebtedness equal to the purchase price for the Shares being repurchased, or (C) by a combination of (A) and (B) so that the combined payment and cancellation of indebtedness equals such purchase price. In the event of any deemed automatic exercise of the Repurchase Option pursuant to this Section 3(a)(ii) in which Purchaser is indebted to the Company, such indebtedness equal to the purchase price of the Shares being repurchased shall be deemed automatically canceled as of the 90th day following termination of Purchaser's employment or consulting relationship unless the Company otherwise satisfies its payment obligations. As a result of any repurchase of Shares pursuant to this Section 3(a), the Company shall become the legal and beneficial owner of the Shares being repurchased and shall have all rights and interest therein or related thereto, and the Company shall have the right to transfer to its own name the number of Shares being repurchased by the Company, without further action by Purchaser.

(iii) One hundred percent (100%) of the Shares shall initially be subject to the Repurchase Option. The Unvested Shares shall be released from the Repurchase Option in accordance with the Vesting Schedule set forth in the Notice of Stock Option Grant until all Shares are released from the Repurchase Option. Fractional shares shall be rounded to the nearest whole share.

(b) **Right of First Refusal.** Before any Shares held by Purchaser or any transferee of Purchaser (either being sometimes referred to herein as the "Holder") may be sold or otherwise transferred (including transfer by gift or operation of law), the Company or its assignee(s) shall have a right of first refusal to purchase the Shares on the terms and conditions set forth in this Section 3(b) (the "Right of First Refusal").

(i) **Notice of Proposed Transfer.** The Holder of the Shares shall deliver to the Company a written notice (the "Notice") stating: (i) the Holder's bona fide intention to sell or otherwise transfer such Shares; (ii) the name of each proposed purchaser or other transferee ("Proposed Transferee"); (iii) the number of Shares to be transferred to each Proposed Transferee; and (iv) the terms and conditions of each proposed sale or transfer. The Holder shall offer the Shares at the same price (the "Offered Price") and upon the same terms (or terms as similar as reasonably possible) to the Company or its assignee(s).

(ii) **Exercise of Right of First Refusal.** At any time within 30 days after receipt of the Notice, the Company and/or its assignee(s) may, by giving written notice to the Holder, elect to purchase all, but not less than all, of the Shares proposed to be transferred to any one or more of the Proposed Transferees, at the purchase price determined in accordance with subsection (iii) below.

(iii) **Purchase Price.** The purchase price ("Purchase Price") for the Shares purchased by the Company or its assignee(s) under this Section 3(b) shall be the Offered Price. If the Offered Price includes consideration other than cash, the cash equivalent value of the non-cash consideration shall be determined by the Board of Directors of the Company in good faith.

(iv) **Payment.** Payment of the Purchase Price shall be made, at the option of the Company or its assignee(s), in cash (by check), by cancellation of all or a portion of any outstanding indebtedness of the Holder to the Company (or, in the case of repurchase by an assignee, to the assignee), or by any combination thereof within 30 days after receipt of the Notice or in the manner and at the times set forth in the Notice.

(v) **Holder's Right to Transfer.** If all of the Shares proposed in the Notice to be transferred to a given Proposed Transferee are not purchased by the Company and/or its assignee(s) as provided in this Section 3(b), then the Holder may sell or otherwise transfer such Shares to that Proposed Transferee at the Offered Price or at a higher price, provided that such sale or other transfer is consummated within 60 days after the date of the Notice and provided further that any such sale or other transfer is effected in accordance with any applicable securities laws and the Proposed Transferee agrees in writing that the provisions of this Section 3 shall continue to apply to the Shares in the hands of such Proposed Transferee. If the Shares described in the Notice are not transferred to the Proposed Transferee within such period, or if the Holder proposes to change the price or other terms to make them more favorable to the Proposed Transferee, a new Notice shall be given to the Company, and the Company and/or its assignees shall again be offered the Right of First Refusal before any Shares held by the Holder may be sold or otherwise transferred.

(vi) **Exception for Certain Transfers.** Anything to the contrary contained in this Section 3(b) notwithstanding, the transfer of any or all of the Shares during Purchaser's lifetime or on Purchaser's death by will or intestacy to Purchaser's Immediate Family or a trust for the benefit of Purchaser or Purchaser's Immediate Family shall be exempt from the provisions of this Section 3(b). As used herein, a person is deemed to be a "Spouse" if (i) the relevant person and the related party are married under the applicable law of the state or country at the time and place the marriage was entered into, or (ii) are registered as "domestic partners" or have entered into a civil union or comparable relationship in a state or nation that sanctions such unions by law, such relationship is valid pursuant to applicable law at the time the parties entered into the relationship, and such relationship has not been dissolved under the law of the state or nation in which such relationship was initially or is currently recognized, provided the following circumstances are true: (a) the relevant person and the Spouse reside together, are the sole spousal equivalent of the other and intend to remain so indefinitely, (b) neither are married to anyone else, (c) both are at least 18 years of age and mentally competent to consent to contract, (d) they are not related by blood to a degree of closeness that which would prohibit legal marriage in the state in which they legally reside, (e) they are jointly responsible for each other's common welfare and financial obligations. "Immediate Family" as used herein shall mean Purchaser's Spouse, the lineal descendant or antecedent, brother or sister, of Purchaser or Purchaser's Spouse, or the Spouse of any lineal descendant or antecedent, brother or sister of Purchaser, or Purchaser's Spouse. In such case, the transferee or other recipient shall receive and hold the Shares so transferred subject to the provisions of this Section 3, and there shall be no further transfer of such Shares except in accordance with the terms of this Section 3.

(c) **Involuntary Transfer.**

(i) **Company's Right to Purchase upon Involuntary Transfer.** In the event, at any time after the date of this Agreement, of any transfer by operation of law or other involuntary transfer (including divorce or death, but excluding, in the event of death, a transfer to Immediate Family as set forth in Section 3(b)(vi) above) of all or a portion of the Shares by the record holder thereof, the Company shall have the right to purchase all of the Shares transferred at the greater of the purchase price paid by Purchaser pursuant to this Agreement or the Fair Market Value of the Shares on the date of transfer. Upon such a transfer, the person acquiring the Shares shall promptly notify the Secretary of the Company of such transfer. The right to purchase such Shares shall be provided to the Company for a period of 30 days following receipt by the Company of written notice by the person acquiring the Shares.

(ii) **Price for Involuntary Transfer.** With respect to any stock to be transferred pursuant to Section 3(c)(i), the price per Share shall be a price set by the Board of Directors of the Company that will reflect the current value of the stock in terms of present earnings and future prospects of the Company. The Company shall notify Purchaser or his or her executor of the price so determined within thirty (30) days after receipt by it of written notice of the transfer or proposed transfer of Shares. However, if the Purchaser does not agree with the valuation as determined by the Board of Directors of the Company, the Purchaser shall be entitled to have the valuation determined by an independent appraiser to be mutually agreed upon by the Company and the Purchaser and whose fees shall be borne equally by the Company and the Purchaser.

(d) **Assignment.** The right of the Company to purchase any part of the Shares may be assigned in whole or in part to any shareholder or shareholders of the Company or other persons or organizations.

(e) **Restrictions Binding on Transferees.** All transferees of Shares or any interest therein will receive and hold such Shares or interest subject to the provisions of this Agreement, including, insofar as applicable, the Repurchase Option. In the event of any purchase by the Company hereunder where the Shares or interest are held by a transferee, the transferee shall be obligated, if requested by the Company, to transfer the Shares or interest to the Purchaser for consideration equal to the amount to be paid by the Company hereunder. In the event the Repurchase Option is deemed exercised by the Company pursuant to Section 3(a)(ii) hereof, the Company may deem any transferee to have transferred the Shares or interest to Purchaser prior to their purchase by the Company, and payment of the purchase price by the Company to such transferee shall be deemed to satisfy Purchaser's obligation to pay such transferee for such Shares or interest, and also to satisfy the Company's obligation to pay Purchaser for such Shares or interest. Any sale or transfer of the Shares shall be void unless the provisions of this Agreement are satisfied.

(f) **Termination of Rights.** The Right of First Refusal and the Company's right to repurchase the Shares in the event of an involuntary transfer pursuant to Section 3(c) above shall terminate upon the first sale of Common Stock of the Company to the general public pursuant to a registration statement filed with and declared effective by the Securities and Exchange Commission under the Securities Act of 1933, as amended (the "Securities Act").

(g) **Market Standoff Agreement.** In connection with the initial public offering of the Company's securities and upon request of the Company or the underwriters managing such underwritten offering of the Company's securities, Purchaser agrees not to sell, make any short sale of, loan, grant any option for the purchase of, or otherwise dispose of any securities of the Company (other than those included in the registration) without the prior written consent of the Company or such underwriters, as the case may be, for such period of time (not to exceed 180 days) from the effective date of such registration as may be requested by the Company or such managing underwriters and to execute an agreement reflecting the foregoing as may be requested by the underwriters at the time of the Company's initial public offering; provided however that, if during the last 17 days of the restricted period the Company issues an earnings release or material news or a material event relating to the Company occurs, or prior to the expiration of the restricted period the Company announces that it will release earnings results during the 16-day period beginning on the last day of the restricted period, then, upon the request of the managing underwriter, to the extent required by any FINRA rules, the restrictions imposed by this subsection (g) shall continue to apply until the end of the third trading day following the expiration of the 15-day period beginning on the issuance of the earnings release or the occurrence of the material news or material event. In no event will the restricted period extend beyond 216 days after the effective date of the registration statement.

4. **Escrow of Unvested Shares.** For purposes of facilitating the enforcement of the provisions of Section 3 above, Purchaser agrees, immediately upon receipt of the certificate(s) for the Shares subject to the Repurchase Option, to deliver such certificate(s), together with an

Assignment Separate from Certificate in the form attached to this Agreement as Attachment A executed by Purchaser and by Purchaser's spouse (if required for transfer), in blank, to the Secretary of the Company, or the Secretary's designee, to hold such certificate(s) and Assignment Separate from Certificate in escrow and to take all such actions and to effectuate all such transfers and/or releases as are in accordance with the terms of this Agreement. Purchaser hereby acknowledges that the Secretary of the Company, or the Secretary's designee, is so appointed as the escrow holder with the foregoing authorities as a material inducement to make this Agreement and that said appointment is coupled with an interest and is accordingly irrevocable. Purchaser agrees that said escrow holder shall not be liable to any party hereof (or to any other party). The escrow holder may rely upon any letter, notice or other document executed by any signature purported to be genuine and may resign at any time. Purchaser agrees that if the Secretary of the Company, or the Secretary's designee, resigns as escrow holder for any or no reason, the Board of Directors of the Company shall have the power to appoint a successor to serve as escrow holder pursuant to the terms of this Agreement.

5. **Investment and Taxation Representations.** In connection with the purchase of the Shares, Purchaser represents to the Company the following:

(a) Purchaser is aware of the Company's business affairs and financial condition and has acquired sufficient information about the Company to reach an informed and knowledgeable decision to acquire the Shares. Purchaser is purchasing the Shares for investment for his or her own account only and not with a view to, or for resale in connection with, any "distribution" thereof within the meaning of the Securities Act. Purchaser does not have any present intention to transfer the Shares to any other person or entity.

(b) Purchaser understands that the Shares have not been registered under the Securities Act by reason of a specific exemption therefrom, which exemption depends upon, among other things, the bona fide nature of Purchaser's investment intent as expressed herein.

(c) Purchaser understands that the Shares are "restricted securities" under applicable U.S. federal and state securities laws and that, pursuant to these laws, Purchaser must hold the Shares indefinitely unless they are registered with the Securities and Exchange Commission and qualified by state authorities, or an exemption from such registration and qualification requirements is available. Purchaser acknowledges that the Company has no obligation to register or qualify the Shares for resale. Purchaser further acknowledges that if an exemption from registration or qualification is available, it may be conditioned on various requirements including, but not limited to, the time and manner of sale, the holding period for the Shares, and requirements relating to the Company which are outside of the Purchaser's control, and which the Company is under no obligation and may not be able to satisfy.

(d) Purchaser understands that Purchaser may suffer adverse tax consequences as a result of Purchaser's purchase or disposition of the Shares. Purchaser represents that Purchaser has consulted any tax consultants Purchaser deems advisable in connection with the purchase or disposition of the Shares and that Purchaser is not relying on the Company for any tax advice.

6. **Restrictive Legends and Stop-Transfer Orders.**

(a) **Legends.** The certificate or certificates representing the Shares shall bear the following legends (as well as any legends required by applicable state and federal corporate and securities laws):

(i) THE SHARES REPRESENTED BY THIS CERTIFICATE HAVE NOT BEEN REGISTERED UNDER THE SECURITIES ACT OF 1933, AND HAVE BEEN ACQUIRED FOR INVESTMENT AND NOT WITH A VIEW TO, OR IN CONNECTION WITH, THE SALE OR DISTRIBUTION THEREOF. NO SUCH SALE OR DISTRIBUTION MAY BE EFFECTED WITHOUT AN EFFECTIVE REGISTRATION STATEMENT RELATED THERETO OR AN OPINION OF COUNSEL IN A FORM SATISFACTORY TO THE COMPANY THAT SUCH REGISTRATION IS NOT REQUIRED UNDER THE SECURITIES ACT OF 1933.

(ii) THE SHARES REPRESENTED BY THIS CERTIFICATE MAY BE TRANSFERRED ONLY IN ACCORDANCE WITH THE TERMS OF AN AGREEMENT BETWEEN THE COMPANY AND THE STOCKHOLDER, A COPY OF WHICH IS ON FILE WITH THE SECRETARY OF THE COMPANY.

(b) **Stop-Transfer Notices.** Purchaser agrees that, in order to ensure compliance with the restrictions referred to herein, the Company may issue appropriate "stop transfer" instructions to its transfer agent, if any, and that, if the Company transfers its own securities, it may make appropriate notations to the same effect in its own records.

(c) **Refusal to Transfer.** The Company shall not be required (i) to transfer on its books any Shares that have been sold or otherwise transferred in violation of any of the provisions of this Agreement or (ii) to treat as owner of such Shares or to accord the right to vote or pay dividends to any purchaser or other transferee to whom such Shares shall have been so transferred.

(d) **Removal of Legend.** When all of the following events have occurred, the Shares then held by Purchaser will no longer be subject to the legend referred to in Section 6(a)(ii): (i) the termination of the Right of First Refusal; (ii) the expiration or termination of the market standoff provisions of Section 3(g) (and of any agreement entered pursuant to Section 3(g)); and (iii) the expiration or exercise in full of the Repurchase Option. After such time, and upon Purchaser's request, a new certificate or certificates representing the Shares not repurchased shall be issued without the legend referred to in Section 6(a)(ii), and delivered to Purchaser.

7. **No Employment Rights.** Nothing in this Agreement shall affect in any manner whatsoever the right or power of the Company, or a Parent or Subsidiary of the Company, to

terminate Purchaser's employment or consulting relationship, for any reason, with or without cause.

8. **Section 83(b) Election.** Purchaser understands that Section 83(a) of the Internal Revenue Code of 1986, as amended (the "Code"), taxes as ordinary income for a Nonstatutory Stock Option and as alternative minimum taxable income for an Incentive Stock Option the difference between the amount paid for the Shares and the Fair Market Value of the Shares as of the date any restrictions on the Shares lapse. In this context, "restriction" means the right of the Company to buy back the Unvested Shares pursuant to the Repurchase Option set forth in Section 3(a) of this Agreement. Purchaser understands that Purchaser may elect to be taxed at the time the Unvested Shares are purchased, rather than when and as the Repurchase Option expires, by filing an election under Section 83(b) (an "83(b) Election") of the Code with the Internal Revenue Service within 30 days from the date of purchase. Even if the Fair Market Value of the Unvested Shares at the time of the execution of this Agreement equals the amount paid for the Unvested Shares, the election must be made to avoid income and alternative minimum tax treatment under Section 83(a) in the future. Purchaser understands that failure to file such an election in a timely manner may result in adverse tax consequences for Purchaser. Purchaser further understands that an additional copy of such election form should be filed with his or her federal income tax return for the calendar year in which the date of this Agreement falls. Purchaser acknowledges that the foregoing is only a summary of the effect of United States federal income taxation with respect to purchase of the Shares hereunder, and does not purport to be complete. Purchaser further acknowledges that the Company has directed Purchaser to seek independent advice regarding the applicable provisions of the Code, the income tax laws of any municipality, state or foreign country in which Purchaser may reside, and the tax consequences of Purchaser's death.

Purchaser agrees that he or she will execute and deliver to the Company with this executed Agreement a copy of the Acknowledgment and Statement of Decision Regarding Section 83(b) Election (the "Acknowledgment") attached hereto as Attachment B. Purchaser further agrees that he or she will execute and submit with the Acknowledgment a copy of the 83(b) Election attached hereto as Attachment C (for tax purposes in connection with the early exercise of an option) if Purchaser has indicated in the Acknowledgment his or her decision to make such an election.

9. **Tax Consequences.** PURCHASER UNDERSTANDS THAT PURCHASER MAY SUFFER ADVERSE TAX CONSEQUENCES AS A RESULT OF PURCHASER'S PURCHASE OR DISPOSITION OF THE SHARES. PURCHASER REPRESENTS THAT: (a) PURCHASER HAS CONSULTED WITH ANY TAX ADVISER WHO PURCHASER DEEMS ADVISABLE IN CONNECTION WITH THE PURCHASE OR DISPOSITION OF THE SHARES AND (b) PURCHASER IS NOT RELYING ON THE COMPANY FOR ANY TAX ADVICE. Set forth below is a brief summary as of the date the Plan was adopted by the Board of some of the U.S. Federal and California tax consequences of exercise of the Option and disposition of the Shares. THIS SUMMARY IS NECESSARILY INCOMPLETE, AND THE TAX LAWS AND REGULATIONS ARE SUBJECT TO CHANGE. PURCHASER SHOULD

CONSULT HIS OR HER OWN TAX ADVISER BEFORE EXERCISING THIS OPTION OR DISPOSING OF THE SHARES.

(a) **Exercise of Incentive Stock Option.** If the Option qualifies as an Incentive Stock Option, there will be no regular U.S. Federal income tax liability or California income tax liability upon the exercise of the Option, although the excess, if any, of the Fair Market Value of the Shares on the date of exercise over the Exercise Price will be treated as a tax preference item for U.S. Federal alternative minimum tax purposes and may subject Purchaser to the alternative minimum tax in the year of exercise.

(b) **Exercise of Nonqualified Stock Option.** If the Option does not qualify as an Incentive Stock Option, there may be a regular U.S. Federal income tax liability and a California income tax liability upon the exercise of the Option. Purchaser will be treated as having received compensation income (taxable at ordinary income tax rates) equal to the excess, if any, of the Fair Market Value of the Shares on the date of exercise over the Exercise Price. If Purchaser is a current or former employee of the Company, the Company may be required to withhold from Purchaser's compensation or collect from Purchaser and pay to the applicable taxing authorities an amount equal to a percentage of this compensation income at the time of exercise.

(c) **Disposition of Shares.** The following tax consequences may apply upon disposition of the Shares.

(i) Incentive Stock Options. If the Shares are held for more than twelve (12) months after the date of the transfer of the Shares pursuant to the exercise of an Incentive Stock Option and are disposed of more than two (2) years after the Date of Grant, any gain realized on disposition of the Shares will be treated as long term capital gain for U.S. Federal and California income tax purposes. If Shares purchased under an Incentive Stock Option are disposed of within the applicable one (1) year or two (2) year period, any gain realized on such disposition will be treated as compensation income (taxable at ordinary income rates in the year of the disposition) to the extent of the excess, if any, of the Fair Market Value of the Shares on the date of exercise over the Exercise Price.

(ii) Nonstatutory Stock Options. If the Shares are held for more than twelve (12) months after the date of the transfer of the Shares pursuant to the exercise of a Nonstatutory Stock Option, any gain realized on disposition of the Shares will be treated as long term capital gain.

(iii) Withholding. The Company may be required to withhold from the Purchaser's compensation or collect from the Purchaser and pay to the applicable taxing authorities an amount equal to a percentage of this compensation income.

(d) **Notice of Disqualifying Disposition of Incentive Stock Option Shares.** If the Option is an Incentive Stock Option, and if Purchaser sells or otherwise disposes of any of the Shares acquired pursuant to the Incentive Stock Option on or before the later of (a) the date two (2) years after the Date of Grant, and (b) the date one (1) year after transfer of such Shares to Purchaser upon exercise of the Option, Purchaser shall immediately notify the Company in

writing of such disposition. Purchaser agrees that Purchaser may be subject to income tax withholding by the Company on the compensation income recognized by Purchaser from the early disposition by payment in cash or out of the current wages or other compensation payable to Purchaser.

10. **Miscellaneous.**

(a) **Governing Law.** This Agreement and all acts and transactions pursuant hereto and the rights and obligations of the parties hereto shall be governed, construed and interpreted in accordance with the laws of the State of Delaware, without giving effect to principles of conflicts of law.

(b) **Entire Agreement; Enforcement of Rights.** This Agreement sets forth the entire agreement and understanding of the parties relating to the subject matter herein and merges all prior discussions between them. No modification of or amendment to this Agreement, nor any waiver of any rights under this Agreement, shall be effective unless in writing signed by the parties to this Agreement. The failure by either party to enforce any rights under this Agreement shall not be construed as a waiver of any rights of such party.

(c) **Severability.** If one or more provisions of this Agreement are held to be unenforceable under applicable law, the parties agree to renegotiate such provision in good faith. In the event that the parties cannot reach a mutually agreeable and enforceable replacement for such provision, then (i) such provision shall be excluded from this Agreement, (ii) the balance of the Agreement shall be interpreted as if such provision were so excluded and (iii) the balance of the Agreement shall be enforceable in accordance with its terms.

(d) **Construction.** This Agreement is the result of negotiations between and has been reviewed by each of the parties hereto and their respective counsel, if any; accordingly, this Agreement shall be deemed to be the product of all of the parties hereto, and no ambiguity shall be construed in favor of or against any one of the parties hereto.

(e) **Notices.** Any notice required or permitted by this Agreement shall be in writing and shall be deemed sufficient when delivered personally or sent by telegram or fax or forty-eight (48) hours after being deposited in the U.S. mail, as certified or registered mail, with postage prepaid, and addressed to the party to be notified at such party's address as set forth below or as subsequently modified by written notice.

(f) **Counterparts.** This Agreement may be executed in two or more counterparts, each of which shall be deemed an original and all of which together shall constitute one instrument.

(g) **Successors and Assigns.** The rights and benefits of this Agreement shall inure to the benefit of, and be enforceable by the Company's successors and assigns. The rights and obligations of Purchaser under this Agreement may only be assigned with the prior written consent of the Company.

(h) **California Corporate Securities Law.** THE SALE OF THE SECURITIES WHICH ARE THE SUBJECT OF THIS AGREEMENT HAS NOT BEEN

QUALIFIED WITH THE COMMISSIONER OF CORPORATIONS OF THE STATE OF CALIFORNIA AND THE ISSUANCE OF THE SECURITIES OR THE PAYMENT OR RECEIPT OF ANY PART OF THE CONSIDERATION THEREFOR PRIOR TO THE QUALIFICATION IS UNLAWFUL, UNLESS THE SALE OF SECURITIES IS EXEMPT FROM QUALIFICATION BY SECTION 25100, 25102 OR 25105 OF THE CALIFORNIA CORPORATIONS CODE. THE RIGHTS OF ALL PARTIES TO THIS AGREEMENT ARE EXPRESSLY CONDITIONED UPON THE QUALIFICATION BEING OBTAINED, UNLESS THE SALE IS SO EXEMPT.

[*Signature Page Follows*]

The parties have executed this Exercise Agreement as of the date first set forth above.

COMPANY:

EXPENSIFY, INC.

By: _____

Name:

Title:

PURCHASER:

_____

_____
(signature)

Address: _____

_____

I, _____, spouse of _____, have read and hereby approve the foregoing Agreement. In consideration of the Company's granting my spouse the right to purchase the Shares as set forth in the Agreement, I hereby agree to be bound irrevocably by the Agreement and further agree that any community property or similar interest that I may have in the Shares shall hereby be similarly bound by the Agreement. I hereby appoint my spouse as my attorney-in-fact with respect to any amendment or exercise of any rights under the Agreement.

_____
Spouse of _____ (if applicable)

ATTACHMENT A

ASSIGNMENT SEPARATE FROM CERTIFICATE

FOR VALUE RECEIVED and pursuant to that certain Early Exercise Notice and Restricted Stock Purchase Agreement between the undersigned ("Purchaser") and Expensify, Inc. (the "Company") dated [_____] (the "Agreement"), Purchaser hereby sells, assigns and transfers unto the Company _____ (_____) shares of the Common Stock of the Company, standing in Purchaser's name on the books of the Company and represented by Certificate No. _____, and hereby irrevocably appoints _____ to transfer said stock on the books of the Company with full power of substitution in the premises. THIS ASSIGNMENT MAY ONLY BE USED AS AUTHORIZED BY THE AGREEMENT AND THE ATTACHMENTS THERETO.

Dated: _____

Signature:

_____

_____

_____

Spouse of _____ (if applicable)

Instruction: Please do not fill in any blanks other than the signature line. The purpose of this assignment is to enable the Company to exercise its Repurchase Option set forth in the Agreement without requiring additional signatures on the part of Purchaser.

ATTACHMENT B

ACKNOWLEDGMENT AND STATEMENT OF DECISION REGARDING SECTION 83(b) ELECTION

The undersigned (which term includes the undersigned's spouse), a purchaser of _____ shares of Common Stock of Expensify, Inc., a Delaware corporation (the "Company") by exercise of an option (the "Option") granted pursuant to the Company's 2019 Stock Plan (the "Plan"), hereby states as follows:

1. The undersigned acknowledges receipt of a copy of the Plan relating to the offering of such shares. The undersigned has carefully reviewed the Plan and the option agreement pursuant to which the Option was granted.

2. The undersigned either [check and complete as applicable]:

(a) ____has consulted, and has been fully advised by, the undersigned's own tax advisor, _____, whose business address is _____, regarding the federal, state and local tax consequences of purchasing shares under the Plan, and particularly regarding the advisability of making elections pursuant to Section 83(b) of the Internal Revenue Code of 1986, as amended (the "Code") and pursuant to the corresponding provisions, if any, of applicable state law; or

(b) ____has knowingly chosen not to consult such a tax advisor.

3. The undersigned hereby states that the undersigned has decided [check as applicable]:

(a) ____to make an election pursuant to Section 83(b) of the Code, and is submitting to the Company, together with the undersigned's executed Early Exercise Notice and Restricted Stock Purchase Agreement, an executed form entitled "Election Under Section 83(b) of the Internal Revenue Code of 1986;" or

(b) ____not to make an election pursuant to Section 83(b) of the Code.

4. Neither the Company nor any subsidiary or representative of the Company has made any warranty or representation to the undersigned with respect to the tax consequences of the undersigned's purchase of shares under the Plan or of the making or failure to make an election pursuant to Section 83(b) of the Code or the corresponding provisions, if any, of applicable state law.

Date _____ _____

Date: _____ _____

Spouse of _____ (if applicable)

PLEASE BE ADVISED:

IT IS PURCHASER'S RESPONSIBILITY TO FILE THE ENCLOSED 83(B) ELECTION WITH THE INTERNAL REVENUE SERVICE ON OR BEFORE 30 DAYS FROM THE DATE OF THE AGREEMENT.

PURCHASER SHOULD SEND BY CERTIFIED MAIL, RETURN RECEIPT REQUESTED, AN ORIGINAL, SIGNED 83(B) ELECTION, ALONG WITH A COPY AND A SELF-ADDRESSED STAMPED RETURN ENVELOPE TO THE IRS AT THE IRS SERVICE CENTER WHERE THE TAXPAYER FILES HIS OR HER TAX RETURN.

PURCHASER'S COVER LETTER SHOULD REQUEST THAT THE IRS RETURN THE COPY OF THE 83(B) ELECTION BACK TO PURCHASER VIA THE SELF-ADDRESSED STAMPED RETURN ENVELOPE.

PURCHASER UNDERSTANDS THAT FAILURE TO FILE SUCH AN ELECTION IN A TIMELY MANNER MAY RESULT IN ADVERSE TAX CONSEQUENCES FOR PURCHASER. PURCHASER FURTHER UNDERSTANDS THAT AN ADDITIONAL COPY OF SUCH ELECTION FORM SHOULD BE FILED WITH PURCHASER'S FEDERAL INCOME TAX RETURN FOR THE CALENDAR YEAR IN WHICH THE DATE OF THIS AGREEMENT FALLS.

ATTACHMENT C

ELECTION UNDER SECTION 83(b)
OF THE INTERNAL REVENUE CODE OF 1986

The undersigned taxpayer hereby elects, pursuant to Section 83(b) of the Internal Revenue Code, to include in taxpayer's gross income or alternative minimum taxable income, as applicable, for the current taxable year, the amount of any income that may be taxable to taxpayer in connection with taxpayer's receipt of the property described below:

1. The name, address, taxpayer identification number and taxable year of the undersigned are as follows:

NAME OF TAXPAYER: _____

NAME OF SPOUSE: _____

ADDRESS:

IDENTIFICATION NO. OF TAXPAYER: _____

IDENTIFICATION NO. OF SPOUSE: _____

TAXABLE YEAR: _____

2. The property with respect to which the election is made is described as follows:

_____ shares of the Common Stock of Expensify, Inc., a Delaware corporation (the "Company").

3. The date on which the property was transferred is: __

4. The property is subject to the following restrictions:

Repurchase option at cost in favor of the Company upon termination of taxpayer's employment or consulting relationship.

5. The Fair Market Value at the time of transfer, determined without regard to any restriction other than a restriction which by its terms will never lapse, of such property is: $_____

6. The amount (if any) paid for such property: $_____

The undersigned has submitted a copy of this statement to the person for whom the services were performed in connection with the undersigned's receipt of the above-described property. The transferee of such property is the person performing the services in connection with the transfer of said property.

The undersigned understands that the foregoing election may not be revoked except with the consent of the Commissioner.

Date _____ _____

_____

Date: _____ _____

Spouse of _____ (if applicable)

RECEIPT AND CONSENT

The undersigned hereby acknowledges receipt of a photocopy of Certificate No. _____ for _____ shares of Common Stock of Expensify, Inc. (the "Company").

The undersigned further acknowledges that the Secretary of the Company, or his or her designee, is acting as escrow holder pursuant to the Early Exercise Notice and Restricted Stock Purchase Agreement Purchaser has previously entered into with the Company. As escrow holder, the Secretary of the Company, or his or her designee, holds the original of the aforementioned certificate issued in the undersigned's name.

Date _____ _____

EXHIBIT B

EXPENSIFY, INC.

2019 STOCK PLAN

EXERCISE AGREEMENT

This Exercise Agreement (this "Agreement") is made as of _____, by and between Expensify, Inc., a Delaware corporation (the "Company"), and [_____] ("Purchaser"). To the extent any capitalized terms used in this Agreement are not defined, they shall have the meaning ascribed to them in the Company's 2019 Stock Plan (the "Plan").

1. **Exercise of Option.** Subject to the terms and conditions hereof, Purchaser hereby elects to exercise his or her option to purchase _____ shares of the Common Stock (the "Shares") of the Company under and pursuant to the Plan and the Stock Option Agreement dated [_____] (the "Option Agreement"). The purchase price for the Shares shall be $[__.__] per Share for a total purchase price of $_____. The term "Shares" refers to the purchased Shares and all securities received as stock dividends or splits, all securities received in replacement of the Shares in a recapitalization, merger, reorganization, exchange or the like, and all new, substituted or additional securities or other property to which Purchaser is entitled by reason of Purchaser's ownership of the Shares.

2. **Time and Place of Exercise.** The purchase and sale of the Shares under this Agreement shall occur at the principal office of the Company simultaneously with the execution and delivery of this Agreement, the payment of the aggregate exercise price by any method listed in Section 4 of the Option Agreement, and the satisfaction of any applicable tax withholding obligations, all in accordance with the provisions of Section 3(b) of the Option Agreement. The Company shall issue the Shares to Purchaser by entering such Shares in Purchaser's name as of such date in the books and records of the Company or, if applicable, a duly authorized transfer agent of the Company, against payment of the exercise price therefor by Purchaser. If applicable, the Company will deliver to Purchaser a certificate representing the Shares as soon as practicable following such date.

3. **Limitations on Transfer.** In addition to any other limitation on transfer created by applicable securities laws, Purchaser shall not assign, encumber or dispose of any interest in the Shares except in compliance with the provisions below and applicable securities laws.

(a) **Right of First Refusal.** Before any Shares held by Purchaser or any transferee of Purchaser (either being sometimes referred to herein as the "Holder") may be sold or otherwise transferred (including transfer by gift or operation of law), the Company or its assignee(s) shall have a right of first refusal to purchase the Shares on the terms and conditions set forth in this Section 3(a) (the "Right of First Refusal").

(i) **Notice of Proposed Transfer.** The Holder of the Shares shall deliver to the Company a written notice (the "Notice") stating: (i) the Holder's bona fide intention to sell or otherwise transfer such Shares; (ii) the name of each proposed purchaser or other transferee ("Proposed Transferee"); (iii) the number of Shares to be transferred to each

Proposed Transferee; and (iv) the terms and conditions of each proposed sale or transfer. The Holder shall offer the Shares at the same price (the "Purchase Price") and upon the same terms (or terms as similar as reasonably possible) to the Company or its assignee(s).

(ii) **Exercise of Right of First Refusal.** At any time within thirty (30) days after receipt of the Notice, the Company and/or its assignee(s) may, by giving written notice to the Holder, elect to purchase all, but not less than all, of the Shares proposed to be transferred to any one or more of the Proposed Transferees, at the Purchase Price. If the Purchase Price includes consideration other than cash, the cash equivalent value of the non-cash consideration shall be determined by the Board in good faith.

(iii) **Payment.** Payment of the Purchase Price shall be made, at the election of the Company or its assignee(s), in cash (by check), by cancellation of all or a portion of any outstanding indebtedness, or by any combination thereof within sixty (60) days after receipt of the Notice or in the manner and at the times set forth in the Notice.

(iv) **Holder's Right to Transfer.** If all of the Shares proposed in the Notice to be transferred to a given Proposed Transferee are not purchased by the Company and/or its assignee(s) as provided in this Section 3(a), then the Holder may sell or otherwise transfer such Shares to that Proposed Transferee at the Purchase Price or at a higher price, provided that such sale or other transfer is consummated within one hundred twenty (120) days after the date of the Notice and provided further that any such sale or other transfer is effected in accordance with any applicable securities laws and the Proposed Transferee agrees in writing that the provisions of this Section 3 shall continue to apply to the Shares in the hands of such Proposed Transferee. If the Shares described in the Notice are not transferred to the Proposed Transferee within such period, or if the Holder proposes to change the price or other terms to make them more favorable to the Proposed Transferee, a new Notice shall be given to the Company, and the Company and/or its assignees shall again be offered the Right of First Refusal before any Shares held by the Holder may be sold or otherwise transferred.

(v) **Exception for Certain Transfers.** Anything to the contrary contained in this Section 3(a) notwithstanding, the transfer of any or all of the Shares during Purchaser's lifetime or on Purchaser's death by will or intestacy to Purchaser's Immediate Family or a trust for the benefit of Purchaser or Purchaser's Immediate Family shall be exempt from the provisions of this Section 3(a). As used herein, a person is deemed to be a "Spouse" if (i) the relevant person and the related party are married under the applicable law of the state or country at the time and place the marriage was entered into, or (ii) are registered as "domestic partners" or have entered into a civil union or comparable relationship in a state or nation that sanctions such unions by law, such relationship is valid pursuant to applicable law at the time the parties entered into the relationship, and such relationship has not been dissolved under the law of the state or nation in which such relationship was initially or is currently recognized, provided the following circumstances are true: (a) the relevant person and the Spouse reside together, are the sole spousal equivalent of the other and intend to remain so indefinitely, (b) neither are married to anyone else, (c) both are at least 18 years of age and mentally competent to consent to contract, (d) they are not related by blood to a degree of closeness that which would prohibit legal marriage in the state in which they legally reside, (e) they are jointly responsible for each

other's common welfare and financial obligations. "Immediate Family" as used herein shall mean Purchaser's Spouse, the lineal descendant or antecedent, brother or sister, of Purchaser or Purchaser's Spouse, or the Spouse of any lineal descendant or antecedent, brother or sister of Purchaser, or Purchaser's Spouse. In such case, the transferee or other recipient shall receive and hold the Shares so transferred subject to the provisions of this Section 3, and there shall be no further transfer of such Shares except in accordance with the terms of this Section 3.

(b) **Company's Right to Purchase upon Involuntary Transfer.** In the event of any transfer by operation of law or other involuntary transfer (including death or divorce, but excluding a transfer to Immediate Family as set forth in Section 3(a)(v) above) of all or a portion of the Shares by the record holder thereof, the Company shall have an option to purchase all of the Shares transferred at the greater of the purchase price paid by Purchaser pursuant to this Agreement or the Fair Market Value of the Shares on the date of transfer (as determined by the Board). Upon such a transfer, the person acquiring the Shares shall promptly notify the Secretary of the Company of such transfer. The right to purchase such Shares shall be provided to the Company for a period of thirty (30) days following receipt by the Company of written notice by the person acquiring the Shares.

(c) **Assignment.** The right of the Company to purchase any part of the Shares may be assigned in whole or in part to any holder or holders of capital stock of the Company or other persons or organizations.

(d) **Restrictions Binding on Transferees.** All transferees of Shares or any interest therein will receive and hold such Shares or interest subject to the provisions of this Agreement. Any sale or transfer of the Company's Shares shall be void unless the provisions of this Agreement are satisfied.

(e) **Termination of Rights.** The right of first refusal granted the Company by Section 3(a) above and the option to repurchase the Shares in the event of an involuntary transfer granted the Company by Section 3(b) above shall terminate upon the first sale of Common Stock of the Company to the general public pursuant to a registration statement filed with and declared effective by the Securities and Exchange Commission under the Securities Act of 1933, as amended (the "Securities Act"). Upon termination of the right of first refusal described in Section 3(a) above the Company will remove any stop-transfer notices referred to in Section 5(b) below and related to the restrictions in this Section 3 and, if certificates are issued, a new certificate or certificates representing the Shares not repurchased shall be issued, on request, without the legend referred to in Section 5(a)(ii) below and delivered to Purchaser.

4. **Investment and Taxation Representations.** In connection with the purchase of the Shares, Purchaser represents to the Company the following:

(a) Purchaser is aware of the Company's business affairs and financial condition and has acquired sufficient information about the Company to reach an informed and knowledgeable decision to acquire the Shares. Purchaser is purchasing these securities for investment for his or her own account only and not with a view to, or for resale in connection with, any "distribution" thereof within the meaning of the Securities Act or under any applicable

provision of state law. Purchaser does not have any present intention to transfer the Shares to any person or entity.

(b) Purchaser understands that the Shares have not been registered under the Securities Act by reason of a specific exemption therefrom, which exemption depends upon, among other things, the bona fide nature of Purchaser's investment intent as expressed herein.

(c) Purchaser further acknowledges and understands that the securities must be held indefinitely unless they are subsequently registered under the Securities Act or an exemption from such registration is available. Purchaser further acknowledges and understands that the Company is under no obligation to register the securities. Purchaser understands that the certificate(s) evidencing the securities will be imprinted with a legend which prohibits the transfer of the securities unless they are registered or such registration is not required in the opinion of counsel for the Company.

(d) Purchaser is familiar with the provisions of Rules 144 and 701, each promulgated under the Securities Act, which, in substance, permit limited public resale of "restricted securities" acquired, directly or indirectly, from the issuer of the securities (or from an affiliate of such issuer), in a non-public offering subject to the satisfaction of certain conditions. Purchaser understands that the Company provides no assurances as to whether he or she will be able to resell any or all of the Shares pursuant to Rule 144 or Rule 701, which rules require, among other things, that the Company be subject to the reporting requirements of the Securities Exchange Act of 1934, as amended, that resales of securities take place only after the holder of the Shares has held the Shares for certain specified time periods, and under certain circumstances, that resales of securities be limited in volume and take place only pursuant to brokered transactions. Notwithstanding this paragraph (d), Purchaser acknowledges and agrees to the restrictions set forth in paragraph (e) below.

(e) Purchaser further understands that in the event all of the applicable requirements of Rule 144 or 701 are not satisfied, registration under the Securities Act, compliance with Regulation A, or some other registration exemption will be required; and that, notwithstanding the fact that Rules 144 and 701 are not exclusive, the Staff of the Securities and Exchange Commission has expressed its opinion that persons proposing to sell private placement securities other than in a registered offering and otherwise than pursuant to Rule 144 or 701 will have a substantial burden of proof in establishing that an exemption from registration is available for such offers or sales, and that such persons and their respective brokers who participate in such transactions do so at their own risk.

(f) Purchaser understands that Purchaser may suffer adverse tax consequences as a result of Purchaser's purchase or disposition of the Shares. Purchaser represents that Purchaser has consulted any tax consultants Purchaser deems advisable in connection with the purchase or disposition of the Shares and that Purchaser is not relying on the Company for any tax advice.

5. **Restrictive Legends and Stop-Transfer Orders.**

(a) **Legends.** The certificate or certificates representing the Shares shall bear the following legends (as well as any legends required by applicable state and federal corporate and securities laws):

(i) THE SHARES REPRESENTED BY THIS CERTIFICATE HAVE NOT BEEN REGISTERED UNDER THE SECURITIES ACT OF 1933, AND HAVE BEEN ACQUIRED FOR INVESTMENT AND NOT WITH A VIEW TO, OR IN CONNECTION WITH, THE SALE OR DISTRIBUTION THEREOF. NO SUCH SALE OR DISTRIBUTION MAY BE EFFECTED WITHOUT AN EFFECTIVE REGISTRATION STATEMENT RELATED THERETO OR AN OPINION OF COUNSEL FOR THE COMPANY THAT SUCH REGISTRATION IS NOT REQUIRED UNDER THE SECURITIES ACT OF 1933.

(ii) THE SHARES REPRESENTED BY THIS CERTIFICATE MAY BE TRANSFERRED ONLY IN ACCORDANCE WITH THE TERMS OF AN AGREEMENT BETWEEN THE COMPANY AND THE HOLDER, A COPY OF WHICH IS ON FILE WITH THE SECRETARY OF THE COMPANY.

(b) **Stop-Transfer Notices.** Purchaser agrees that, in order to ensure compliance with the restrictions referred to herein, the Company may issue appropriate "stop transfer" instructions to its transfer agent, if any, and that, if the Company transfers its own securities, it may make appropriate notations to the same effect in its own records.

(c) **Refusal to Transfer.** The Company shall not be required (i) to transfer on its books any Shares that have been sold or otherwise transferred in violation of any of the provisions of this Agreement or (ii) to treat as owner of such Shares or to accord the right to vote or pay dividends to any purchaser or other transferee to whom such Shares shall have been so transferred.

6. **No Employment Rights.** Nothing in this Agreement shall affect in any manner whatsoever the right or power of the Company, or a parent or subsidiary of the Company, to terminate Purchaser's employment or consulting relationship, for any reason, with or without cause.

7. **Lock-Up Agreement.** In connection with the initial public offering of the Company's securities and upon request of the Company or the underwriters managing any underwritten offering of the Company's securities, Purchaser agrees not to sell, make any short sale of, loan, grant any option for the purchase of, or otherwise dispose of any securities of the Company however or whenever acquired (other than those included in the registration) without the prior written consent of the Company or such underwriters, as the case may be, for such period of time (not to exceed one hundred eighty (180) days) from the effective date of such registration as may be requested by the Company or such managing underwriters and to execute

an agreement reflecting the foregoing as may be requested by the underwriters at the time of the public offering; provided however that, if during the last 17 days of the restricted period the Company issues an earnings release or material news or a material event relating to the Company occurs, or prior to the expiration of the restricted period the Company announces that it will release earnings results during the 16-day period beginning on the last day of the restricted period, then, upon the request of the managing underwriter, to the extent required by any FINRA rules, the restrictions imposed by this Section 7 shall continue to apply until the end of the third trading day following the expiration of the 15-day period beginning on the issuance of the earnings release or the occurrence of the material news or material event. In no event will the restricted period extend beyond 216 days after the effective date of the registration statement.

8. **Tax Consequences.** PURCHASER UNDERSTANDS THAT PURCHASER MAY SUFFER ADVERSE TAX CONSEQUENCES AS A RESULT OF PURCHASER'S PURCHASE OR DISPOSITION OF THE SHARES. PURCHASER REPRESENTS THAT: (a) PURCHASER HAS CONSULTED WITH ANY TAX ADVISER WHO PURCHASER DEEMS ADVISABLE IN CONNECTION WITH THE PURCHASE OR DISPOSITION OF THE SHARES AND (b) PURCHASER IS NOT RELYING ON THE COMPANY FOR ANY TAX ADVICE. Set forth below is a brief summary as of the date the Plan was adopted by the Board of some of the U.S. Federal and California tax consequences of exercise of the Option and disposition of the Shares. THIS SUMMARY IS NECESSARILY INCOMPLETE, AND THE TAX LAWS AND REGULATIONS ARE SUBJECT TO CHANGE. PURCHASER SHOULD CONSULT HIS OR HER OWN TAX ADVISER BEFORE EXERCISING THIS OPTION OR DISPOSING OF THE SHARES.

(a) **Exercise of Incentive Stock Option.** If the Option qualifies as an Incentive Stock Option, there will be no regular U.S. Federal income tax liability or California income tax liability upon the exercise of the Option, although the excess, if any, of the Fair Market Value of the Shares on the date of exercise over the Exercise Price will be treated as a tax preference item for U.S. Federal alternative minimum tax purposes and may subject Purchaser to the alternative minimum tax in the year of exercise.

(b) **Exercise of Nonqualified Stock Option.** If the Option does not qualify as an Incentive Stock Option, there may be a regular U.S. Federal income tax liability and a California income tax liability upon the exercise of the Option. Purchaser will be treated as having received compensation income (taxable at ordinary income tax rates) equal to the excess, if any, of the Fair Market Value of the Shares on the date of exercise over the Exercise Price. If Purchaser is a current or former employee of the Company, the Company may be required to withhold from Purchaser's compensation or collect from Purchaser and pay to the applicable taxing authorities an amount equal to a percentage of this compensation income at the time of exercise.

(c) **Disposition of Shares.** The following tax consequences may apply upon disposition of the Shares.

(i) Incentive Stock Options. If the Shares are held for more than twelve (12) months after the date of the transfer of the Shares pursuant to the exercise of an Incentive Stock Option and are disposed of more than two (2) years after the Date of Grant, any

gain realized on disposition of the Shares will be treated as long term capital gain for U.S. Federal and California income tax purposes. If Shares purchased under an Incentive Stock Option are disposed of within the applicable one (1) year or two (2) year period, any gain realized on such disposition will be treated as compensation income (taxable at ordinary income rates in the year of the disposition) to the extent of the excess, if any, of the Fair Market Value of the Shares on the date of exercise over the Exercise Price.

(ii) Nonstatutory Stock Options. If the Shares are held for more than twelve (12) months after the date of the transfer of the Shares pursuant to the exercise of a Nonstatutory Stock Option, any gain realized on disposition of the Shares will be treated as long term capital gain.

(iii) Withholding. The Company may be required to withhold from the Purchaser's compensation or collect from the Purchaser and pay to the applicable taxing authorities an amount equal to a percentage of this compensation income.

(d) **Notice of Disqualifying Disposition of Incentive Stock Option Shares.** If the Option is an Incentive Stock Option, and if Purchaser sells or otherwise disposes of any of the Shares acquired pursuant to the Incentive Stock Option on or before the later of (a) the date two (2) years after the Date of Grant, and (b) the date one (1) year after transfer of such Shares to Purchaser upon exercise of the Option, Purchaser shall immediately notify the Company in writing of such disposition. Purchaser agrees that Purchaser may be subject to income tax withholding by the Company on the compensation income recognized by Purchaser from the early disposition by payment in cash or out of the current wages or other compensation payable to Purchaser.

9. **Miscellaneous.**

(a) **Governing Law.** This Agreement and all acts and transactions pursuant hereto and the rights and obligations of the parties hereto shall be governed, construed and interpreted in accordance with the laws of the State of Delaware, without giving effect to principles of conflicts of law.

(b) **Entire Agreement; Enforcement of Rights.** This Agreement sets forth the entire agreement and understanding of the parties relating to the subject matter herein and merges all prior discussions between them. No modification of or amendment to this Agreement, nor any waiver of any rights under this Agreement, shall be effective unless in writing signed by the parties to this Agreement. The failure by either party to enforce any rights under this Agreement shall not be construed as a waiver of any rights of such party.

(c) **Severability.** If one or more provisions of this Agreement are held to be unenforceable under Applicable Laws, the parties agree to renegotiate such provision in good faith. In the event that the parties cannot reach a mutually agreeable and enforceable replacement for such provision, then (i) such provision shall be excluded from this Agreement, (ii) the balance of the Agreement shall be interpreted as if such provision were so excluded and (iii) the balance of the Agreement shall be enforceable in accordance with its terms.

(d) **Notices.** Any notice required or permitted by this Agreement shall be in writing and shall be deemed sufficient when delivered personally or sent by telegram or fax or forty-eight (48) hours after being deposited in the U.S. mail, as certified or registered mail, with postage prepaid, and addressed to the party to be notified at such party's address as set forth below or as subsequently modified by written notice.

(e) **Counterparts.** This Agreement may be executed in two or more counterparts, each of which shall be deemed an original and all of which together shall constitute one instrument.

(f) **Successors and Assigns.** The rights and benefits of this Agreement shall inure to the benefit of, and be enforceable by the Company's successors and assigns. The rights and obligations of Purchaser under this Agreement may only be assigned with the prior written consent of the Company.

(g) **California Corporate Securities Law.** THE SALE OF THE SECURITIES WHICH ARE THE SUBJECT OF THIS AGREEMENT HAS NOT BEEN QUALIFIED WITH THE COMMISSIONER OF CORPORATIONS OF THE STATE OF CALIFORNIA AND THE ISSUANCE OF THE SECURITIES OR THE PAYMENT OR RECEIPT OF ANY PART OF THE CONSIDERATION THEREFOR PRIOR TO THE QUALIFICATION IS UNLAWFUL, UNLESS THE SALE OF SECURITIES IS EXEMPT FROM QUALIFICATION BY SECTION 25100, 25102 OR 25105 OF THE CALIFORNIA CORPORATIONS CODE. THE RIGHTS OF ALL PARTIES TO THIS AGREEMENT ARE EXPRESSLY CONDITIONED UPON THE QUALIFICATION BEING OBTAINED, UNLESS THE SALE IS SO EXEMPT.

[Signature Page Follows]

The parties have executed this Exercise Agreement as of the date first set forth above.

THE COMPANY:

EXPENSIFY, INC.

By: _____
(signature)

Name:

Title:

Address: _____

_____

PURCHASER:

_____

_____
(signature)

Address: _____

_____

I, _____, spouse of _____, have read and hereby approve the foregoing Agreement. In consideration of the Company's granting my spouse the right to purchase the Shares as set forth in the Agreement, I hereby agree to be irrevocably bound by the Agreement and further agree that any community property or other such interest shall hereby by similarly bound by the Agreement. I hereby appoint my spouse as my attorney-in-fact with respect to any amendment or exercise of any rights under the Agreement.

_____

Spouse of _____ (if applicable)

EXPENSIFY, INC.

2019 STOCK PLAN

NOTICE OF STOCK OPTION GRANT (EMI ADDENDUM)

[OPTIONEE NAME]

You have been granted an option to purchase Common Stock of Expensify, Inc., a Delaware corporation (the "Company"), as follows:

Date of Grant: (Board Approval Date):	[Grant Date]
Date of Signature (Grant Date for UK EMI purposes):	_____
Exercise Price Per Share:	USD [$Exercise Price Per Share]
Total Number of Shares:	[Number of Shares]
Total Exercise Price:	USD [Total Exercise Price]
Type of Option:	EMI Stock Option
Expiration Date:	[Expiration Date]
Vesting Commencement Date:	[Vesting Commencement Date]
Vesting Schedule:	So long as your Continuous Service Status does not terminate, the Shares underlying this Option shall vest and become exercisable in accordance with the following schedule: [Vesting Schedule] of the Total Number of Shares shall vest on the six month anniversary of the Vesting Commencement Date and 1/48th of the Total Number of Shares shall vest on each monthly anniversary thereafter.

Termination Period:	If your Continuous Service Status is less than three (3) years, you may exercise this Option for thirty (30) days after termination of your Continuous Service Status except as set out in Section 5 of the Stock Option Agreement (but in no event later than the Expiration Date). *If your Continuous Service Status is equal to or greater than three (3) years, you may exercise this Option for two (2) years after termination of your Continuous Service Status (but in no event later than the Expiration Date).* The Option must be exercised within 90 days after termination of employment for reasons other than death to qualify for the beneficial tax treatment afforded EMI Options. You are responsible for keeping track of these exercise periods following the termination of your Continuous Service Status for any reason. The Company will not provide further notice of such periods.
Transferability:	You may not transfer this Option during your lifetime. In the event of any breach of this provision, the Option shall lapse forthwith.

[*Signature page follows*]

By your signature and the signature of the Company's representative below, (a) you and the Company agree that this Option is granted under and governed by the terms and conditions of the EMI Addendum to the Expensify, Inc. 2019 Stock Plan and the Stock Option Agreement, both of which are attached to and made a part of this document; and (b) you confirm that you fulfill the working time requirements of paragraph 26 of Schedule 5.

In addition, you agree and acknowledge that your rights to any Shares underlying this Option will be earned only as you provide services to the Company over time, that the grant of this Option is not as consideration for services you rendered to the Company prior to your date of hire, and that nothing in this Notice or the attached documents confers upon you any right to continue your employment or consulting relationship with the Company for any period of time, nor does it interfere in any way with your right or the Company's right to terminate that relationship at any time, for any reason, with or without cause. Also, while the Board believes that the Exercise Price Per Share is the Fair Market value of a Share, there is no guarantee that HMRC will agree with the valuation, and by signing below, you agree and acknowledge that the Company shall not be held liable for any applicable costs, taxes, or penalties associated with this Option if, in fact, HMRC were to determine that this Option was granted at a discount. You should consult with your own tax advisor concerning the tax consequences of such a determination by HMRC.

THE COMPANY:

EXPENSIFY, INC.

By: _____
(signature)

Name: _____
Title: _____

OPTIONEE:

[OPTIONEE NAME]

_____
(signature)

EXPENSIFY, INC.

2019 STOCK PLAN

STOCK OPTION AGREEMENT

1. **Grant of Option.** Expensify, Inc., a Delaware corporation (the "Company"), hereby grants to [Optionee Name] ("Optionee"), an option (the "Option") to purchase the total number of shares of Common Stock (the "Shares") set forth in the Notice of Stock Option Grant (the "Notice"), at the exercise price per Share set forth in the Notice (the "Exercise Price") subject to the terms, definitions and provisions of the EMI Addendum to the Expensify, Inc. 2019 Stock Plan (the "Plan") adopted by the Company, which is incorporated in this Agreement by reference. Unless otherwise defined in this Agreement, the terms used in this Agreement shall have the meanings defined in the Plan.

2. **Designation of Option.** To the extent that the total Fair Market Value (measured at the date of grant) of Shares held by you under EMI Options does not exceed £250,000, this Option is intended to be an Enterprise Management Incentive Option as defined in Schedule 5.

3. **Exercise of Option.** This Option shall be exercisable during its term in accordance with the Vesting Schedule set out in the Notice and with the provisions of Section 10 of the Plan as follows:

(a) **Right to Exercise.**

(i) This Option may be exercised in whole or in as to Shares which have vested under the vesting schedule indicated on the Notice of Stock Option Grant, Optionee shall complete and execute the form of Exercise Notice and Restricted Stock Purchase Agreement attached hereto as Exhibit A (the "Exercise Agreement"). Notwithstanding the foregoing, the Company may in its discretion prescribe or accept a different form of notice of exercise and/or stock purchase agreement if such forms are otherwise consistent with this Agreement, the Plan and then-applicable law.

(ii) This Option may not be exercised for a fraction of a share.

(iii) In the event of Optionee's death, Disability or other termination of Continuous Service Status, the exercisability of this Option is governed by Section 5 below, subject to the limitations contained in this Section 3.

(iv) In no event may this Option be exercised after the Expiration Date set forth in the Notice.

(b) **Method of Exercise.**

(i) This Option shall be exercisable by execution and delivery of the Exercise Agreement, whichever is applicable, or of any other form of written notice approved for such purpose by the Company which shall state Optionee's election to exercise this Option, the number of Shares in respect of which this Option is being exercised, and such other

representations and agreements as to the holder's investment intent with respect to such Shares as may be required by the Company pursuant to the provisions of the Plan. Such written notice shall be signed by Optionee and shall be delivered to the Company by such means as are determined by the Plan Administrator in its discretion to constitute adequate delivery. The written notice shall be accompanied by payment of the aggregate Exercise Price for the purchased Shares.

(ii) As a condition to the exercise of this Option and as further set forth in Section 12 of the Plan, Optionee agrees to make adequate provision for all tax withholding obligations, if any, which arise upon the grant, vesting or exercise of this Option, or disposition of Shares, whether by withholding, direct payment to the Company, or otherwise, which shall include the signing of an election under Article 5.2(c) of the EMI Addendum, and the signing of a section 431 ITEPA election (in the form of Attachment A hereto) under Article 5.3 of the EMI Addendum, if required by the Company .

(iii) The Company is not obligated, and will have no liability for failure, to issue or deliver any Shares upon exercise of this Option unless such issuance or delivery would comply with the Applicable Laws, with such compliance determined by the Company in consultation with its legal counsel.

(iv) Subject to compliance with Applicable Laws, this Option shall be deemed to be exercised upon receipt by the Company of the appropriate written notice of exercise accompanied by the Exercise Price and the satisfaction of any applicable withholding obligations.

4. **Method of Payment.** Payment of the Exercise Price shall be by any of the following, or a combination of the following, at the election of Optionee:

(a) cash or check;

(b) at the discretion of the Plan Administrator on a case by case basis, by Cashless Exercise.

5. **Termination of Relationship.** Following the date of termination of Optionee's Continuous Service Status for any reason (the "Termination Date"), Optionee may exercise this Option only as set forth in the Notice and this Section 5. If Optionee does not exercise this Option within the Termination Period set forth in the Notice or the termination periods set forth below, this Option shall terminate in its entirety. In no event, may any Option be exercised after the Expiration Date of this Option as set forth in the Notice.

(a) **Termination.** In the event of termination of Optionee's Continuous Service Status other than as a result of Optionee's Disability or death or for Cause, Optionee may, to the extent Optionee is vested in the Option Shares, exercise this Option during the Termination Period set forth in the Notice.

(b) **Other Terminations.** In connection with any termination other than a termination covered by Section 5(a), Optionee may exercise this Option only as described below:

(i) **Termination upon Disability of Optionee.** In the event of termination of Optionee's Continuous Service Status as a result of Optionee's Disability, Optionee may, but only within 90 days following the date of such termination (the "Termination Date"), exercise this Option to the extent Optionee is vested in the Option Shares.

(ii) **Death of Optionee.** In the event of termination of Optionee's Continuous Service Status as a result of Optionee's death, this Option may be exercised at any time within twelve (12) months following the date of death (or, if earlier, the date Optionee's Continuous Service Status terminated) by Optionee's personal representatives by bequest or inheritance, but only to the extent Optionee is vested in this Option.

(iii) **Termination for Cause.** In the event of termination of Optionee's Continuous Service Status for Cause, this Option (including any vested portion thereof) shall immediately terminate in its entirety upon first notification to Optionee of such termination for Cause. If Optionee's Continuous Service Status is suspended pending an investigation of whether Optionee's Continuous Service Status will be terminated for Cause, all Optionee's rights under this Option, including the right to exercise this Option, shall be suspended during the investigation period.

6. **Non-Transferability of Option.** This Option may not be transferred in any manner otherwise than by will or by the laws of descent or distribution and may be exercised during the lifetime of Optionee only by him or her. In the event of any breach of this provision the Option shall lapse forthwith

7. **Lock-Up Agreement.** In connection with the initial public offering of the Company's securities and upon request of the Company or the underwriters managing any underwritten offering of the Company's securities, Optionee hereby agrees not to sell, make any short sale of, loan, grant any option for the purchase of, or otherwise dispose of any securities of the Company however and whenever acquired (other than those included in the registration) without the prior written consent of the Company or such underwriters, as the case may be, for such period of time (not to exceed 180 days) from the effective date of such registration as may be requested by the Company or such managing underwriters and to execute an agreement reflecting the foregoing as may be requested by the underwriters at the time of the public offering; provided however that, if during the last 17 days of the restricted period the Company issues an earnings release or material news or a material event relating to the Company occurs, or prior to the expiration of the restricted period the Company announces that it will release earnings results during the 16-day period beginning on the last day of the restricted period, then, upon the request of the managing underwriter, to the extent required by any FINRA rules, the restrictions imposed by this Section 7 shall continue to apply until the end of the third trading day following the expiration of the 15-day period beginning on the issuance of the earnings release or the occurrence of the material news or material event. In no event will the restricted period extend beyond 216 days after the effective date of the registration statement.

8. **Data Privacy**

(a) By entering into this Agreement, and as a condition of the grant of the Option, Optionee consents to the collection, use, and transfer of personal data as described in this paragraph to the full extent permitted by and in full compliance with applicable laws.

(b) Optionee understands that the Company and its Subsidiaries hold certain personal information about the Optionee, including, but not limited to, name, home address and telephone number, date of birth, social insurance number, salary, nationality, job title, any stock, units or directorships held in the Company or any Subsidiary, details of all options or other entitlement to shares awarded, cancelled, exercised, vested, unvested, or outstanding in the Optionee's favour ("Data") for the purpose of managing and administering the Plan.

(c) Optionee further understands that the Company and/or its Subsidiaries will transfer Data among themselves as necessary for the purposes of implementation, administration, and management of Optionee's participation in the Plan, and that the Company and/or its Subsidiary may each further transfer Data to any third parties assisting the Company in the implementation, administration, and management of the Plan ("Data Recipients").

(d) Optionee understands that these Data Recipients may be located in Optionee's country of residence or elsewhere, such as the United States. Optionee authorises the Data Recipients to receive, possess, use, retain, and transfer Data in electronic or other form, for the purposes of implementing, administering, and managing Optionee's participation in the Plan, including any transfer of such Data, as may be required for the administration of the Plan and/or the subsequent holding of Shares on Optionee's behalf, to a broker or third party with whom the Shares acquired on exercise may be deposited. Where the transfer is to be to a destination outside the European Economic Area, the Company shall take reasonable steps to ensure that Optionee's personal data continues to be adequately protected and securely held.

(e) Optionee understands that Optionee may, at any time, review the Data, request that any necessary amendments be made to it, or withdraw Optionee's consent herein in writing by contacting the Company. Optionee further understands that withdrawing consent may affect Optionee's ability to participate in the Plan.

9. **Effect of Agreement.** Optionee acknowledges receipt of a copy of the Plan and represents that he or she is familiar with the terms and provisions thereof (and has had an opportunity to consult counsel regarding the Option terms), and hereby accepts this Option and agrees to be bound by its contractual terms as set forth herein and in the Plan. Optionee hereby agrees to accept as binding, conclusive and final all decisions and interpretations of the Plan Administrator regarding any questions relating to this Option. In the event of a conflict between the terms and provisions of the Plan and the terms and provisions of the Notice and this Agreement, the Plan terms and provisions shall prevail.

10. **Miscellaneous.**

(a) **Governing Law.** This Agreement and all acts and transactions pursuant hereto and the rights and obligations of the parties hereto shall be governed, construed and interpreted in accordance with the laws of the State of Delaware, without giving effect to

principles of conflicts of law, provided that matters relating to UK taxation shall be governed in accordance with English law

(b) **Entire Agreement; Enforcement of Rights.** This Agreement, together with the Notice of Stock Option Grant to which this Agreement is attached and the Plan, sets forth the entire agreement and understanding of the parties relating to the subject matter herein and therein and merges all prior discussions between the parties. Except as contemplated under the Plan, no modification of or amendment to this Agreement, nor any waiver of any rights under this Agreement, shall be effective unless in writing signed by the parties to this Agreement. The failure by either party to enforce any rights under this Agreement shall not be construed as a waiver of any rights of such party.

(c) **Severability.** If one or more provisions of this Agreement are held to be unenforceable under Applicable Laws, the parties agree to renegotiate such provision in good faith. In the event that the parties cannot reach a mutually agreeable and enforceable replacement for such provision, then (i) such provision shall be excluded from this Agreement, (ii) the balance of this Agreement shall be interpreted as if such provision were so excluded and (iii) the balance of this Agreement shall be enforceable in accordance with its terms.

(d) **Notices.** Any notice required or permitted by this Agreement shall be in writing and shall be deemed sufficient when delivered personally or sent by telegram or fax or forty-eight (48) hours after being deposited in the U.S. mail, as certified or registered mail, with postage prepaid, and addressed to the party to be notified at such party's address as set forth below or as subsequently modified by written notice.

(e) **Counterparts.** This Option may be executed in two or more counterparts, each of which shall be deemed an original and all of which together shall constitute one instrument.

(f) **Successors and Assigns.** The rights and benefits of this Agreement shall inure to the benefit of, and be enforceable by the Company's successors and assigns. The rights and obligations of Optionee under this Agreement may not be assigned.

[Signature Page Follows]

IN WITNESS WHEREOF, the parties have executed or caused this Agreement to be executed by their officers thereunto duly authorized, effective as of the Date of Grant set forth in the accompanying Notice of Stock Option Grant.

THE COMPANY:

EXPENSIFY, INC.

By: _____
(signature)

Name: _____
Title: _____

OPTIONEE:

[OPTIONEE NAME]

_____
(signature)

Address: _____
_____

EXHIBIT A

EXPENSIFY, INC.

2019 STOCK PLAN (EMI ADDENDUM)

EXERCISE AGREEMENT

This Exercise Agreement (this "Agreement") is made as of _____, by and between Expensify, Inc., a Delaware corporation (the "Company"), and [Optionee Name] ("Purchaser").

To the extent any capitalized terms used in this Agreement are not defined, they shall have the meaning ascribed to them in the EMI Addendum to the Company's 2019 Stock Plan (the "Plan").

1. **Exercise of Option.** Subject to the terms and conditions hereof, Purchaser hereby elects to exercise his or her option to purchase _____ shares of the Common Stock (the "Shares") of the Company under and pursuant to the Plan and the Stock Option Agreement dated [Grant Date] (the "Option Agreement"). The purchase price for the Shares shall be USD [Exercise Price Per Share] per Share for a total purchase price of USD $_____. The term "Shares" refers to the purchased Shares and all securities received as stock dividends or splits, all securities received in replacement of the Shares in a recapitalization, merger, reorganization, exchange or the like, and all new, substituted or additional securities or other property to which Purchaser is entitled by reason of Purchaser's ownership of the Shares.

2. **Time and Place of Exercise.** The purchase and sale of the Shares under this Agreement shall occur at the principal office of the Company simultaneously with the execution and delivery of this Agreement, the payment of the aggregate exercise price by any method listed in Section 4 of the Option Agreement, and the satisfaction of any applicable tax withholding obligations, all in accordance with the provisions of Section 3(b) of the Option Agreement. The Company shall issue the Shares to Purchaser by entering such Shares in Purchaser's name as of such date in the books and records of the Company or, if applicable, a duly authorized transfer agent of the Company, against payment of the exercise price therefor by Purchaser. If applicable, the Company will deliver to Purchaser a certificate representing the Shares as soon as practicable following such date.

3. **Limitations on Transfer.** In addition to any other limitation on transfer created by applicable securities laws, Purchaser shall not assign, encumber or dispose of any interest in the Shares except in compliance with the provisions below and applicable securities laws.

(a) **Right of First Refusal.** Before any Shares held by Purchaser or any transferee of Purchaser (either being sometimes referred to herein as the "Holder") may be sold or otherwise transferred (including transfer by gift or operation of law), the Company or its

assignee(s) shall have a right of first refusal to purchase the Shares on the terms and conditions set forth in this Section 3(a) (the "Right of First Refusal").

(i) **Notice of Proposed Transfer.** The Holder of the Shares shall deliver to the Company a written notice (the "Notice") stating: (i) the Holder's bona fide intention to sell or otherwise transfer such Shares; (ii) the name of each proposed purchaser or other transferee ("Proposed Transferee"); (iii) the number of Shares to be transferred to each Proposed Transferee; and (iv) the terms and conditions of each proposed sale or transfer. The Holder shall offer the Shares at the same price (the "Purchase Price") and upon the same terms (or terms as similar as reasonably possible) to the Company or its assignee(s).

(ii) **Exercise of Right of First Refusal.** At any time within thirty (30) days after receipt of the Notice, the Company and/or its assignee(s) may, by giving written notice to the Holder, elect to purchase all, but not less than all, of the Shares proposed to be transferred to any one or more of the Proposed Transferees, at the Purchase Price. If the Purchase Price includes consideration other than cash, the cash equivalent value of the non-cash consideration shall be determined by the Board in good faith.

(iii) **Payment.** Payment of the Purchase Price shall be made, at the election of the Company or its assignee(s), in cash (by check), by cancellation of all or a portion of any outstanding indebtedness, or by any combination thereof within sixty (60) days after receipt of the Notice or in the manner and at the times set forth in the Notice.

(iv) **Holder's Right to Transfer.** If all of the Shares proposed in the Notice to be transferred to a given Proposed Transferee are not purchased by the Company and/or its assignee(s) as provided in this Section 3(a), then the Holder may sell or otherwise transfer such Shares to that Proposed Transferee at the Purchase Price or at a higher price, provided that such sale or other transfer is consummated within one hundred twenty (120) days after the date of the Notice and provided further that any such sale or other transfer is effected in accordance with any applicable securities laws and the Proposed Transferee agrees in writing that the provisions of this Section 3 shall continue to apply to the Shares in the hands of such Proposed Transferee. If the Shares described in the Notice are not transferred to the Proposed Transferee within such period, or if the Holder proposes to change the price or other terms to make them more favorable to the Proposed Transferee, a new Notice shall be given to the Company, and the Company and/or its assignees shall again be offered the Right of First Refusal before any Shares held by the Holder may be sold or otherwise transferred.

(v) **Exception for Certain Transfers.** Anything to the contrary contained in this Section 3(a) notwithstanding, the transfer of any or all of the Shares during Purchaser's lifetime or on Purchaser's death by will or intestacy to Purchaser's Immediate Family or a trust for the benefit of Purchaser or Purchaser's Immediate Family shall be exempt from the provisions of this Section 3(a). As used herein, a person is deemed to be a "Spouse" if (i) the relevant person and the related party are married under the applicable law of the state or country at the time and place the marriage was entered into, or (ii) are registered as "domestic partners" or have entered into a civil union or comparable relationship in a state or nation that sanctions such unions by law, such relationship is valid pursuant to applicable law at the time the parties entered into the relationship, and such relationship has not been dissolved under the law

of the state or nation in which such relationship was initially or is currently recognized, provided the following circumstances are true: (a) the relevant person and the Spouse reside together, are the sole spousal equivalent of the other and intend to remain so indefinitely, (b) neither are married to anyone else, both are at least 18 years of age and mentally competent to consent to contract, (d) they are not related by blood to a degree of closeness that which would prohibit legal marriage in the state in which they legally reside, (e) they are jointly responsible for each other's common welfare and financial obligations. "Immediate Family" as used herein shall mean Purchaser's Spouse, the lineal descendant or antecedent, brother or sister, of Purchaser or Purchaser's Spouse, or the Spouse of any lineal descendant or antecedent, brother or sister of Purchaser, or Purchaser's Spouse. In such case, the transferee or other recipient shall receive and hold the Shares so transferred subject to the provisions of this Section 3, and there shall be no further transfer of such Shares except in accordance with the terms of this Section 3.

(b) **Company's Right to Purchase upon Involuntary Transfer.** In the event of any transfer by operation of law or other involuntary transfer (including death or divorce, but excluding a transfer to Immediate Family as set forth in Section 3(a)(v) above) of all or a portion of the Shares by the record holder thereof, the Company shall have an option to purchase all of the Shares transferred at the greater of the purchase price paid by Purchaser pursuant to this Agreement or the Fair Market Value of the Shares on the date of transfer (as determined by the Board). Upon such a transfer, the person acquiring the Shares shall promptly notify the Secretary of the Company of such transfer. The right to purchase such Shares shall be provided to the Company for a period of thirty (30) days following receipt by the Company of written notice by the person acquiring the Shares.

(c) **Assignment.** The right of the Company to purchase any part of the Shares may be assigned in whole or in part to any holder or holders of capital stock of the Company or other persons or organizations.

(d) **Restrictions Binding on Transferees.** All transferees of Shares or any interest therein will receive and hold such Shares or interest subject to the provisions of this Agreement. Any sale or transfer of the Company's Shares shall be void unless the provisions of this Agreement are satisfied.

(e) **Termination of Rights.** The right of first refusal granted the Company by Section 3(a) above and the option to repurchase the Shares in the event of an involuntary transfer granted the Company by Section 3(b) above shall terminate upon the first sale of Common Stock of the Company to the general public pursuant to a registration statement filed with and declared effective by the Securities and Exchange Commission under the Securities Act of 1933, as amended (the "Securities Act"). Upon termination of the right of first refusal described in Section 3(a) above the Company will remove any stop-transfer notices referred to in Section 5(b) below and related to the restrictions in this Section 3 and, if certificates are issued, a new certificate or certificates representing the Shares not repurchased shall be issued, on request, without the legend referred to in Section 5(a)(ii) below and delivered to Purchaser.

4. **Investment and Taxation Representations.** In connection with the purchase of the Shares, Purchaser represents to the Company the following:

(a) Purchaser is aware of the Company's business affairs and financial condition and has acquired sufficient information about the Company to reach an informed and knowledgeable decision to acquire the Shares. Purchaser is purchasing these securities for investment for his or her own account only and not with a view to, or for resale in connection with, any "distribution" thereof within the meaning of the Securities Act or under any applicable provision of state law. Purchaser does not have any present intention to transfer the Shares to any person or entity.

(b) Purchaser understands that the Shares have not been registered under the Securities Act by reason of a specific exemption therefrom, which exemption depends upon, among other things, the bona fide nature of Purchaser's investment intent as expressed herein.

(c) Purchaser further acknowledges and understands that the securities must be held indefinitely unless they are subsequently registered under the Securities Act or an exemption from such registration is available. Purchaser further acknowledges and understands that the Company is under no obligation to register the securities. Purchaser understands that the certificate(s) evidencing the securities will be imprinted with a legend which prohibits the transfer of the securities unless they are registered or such registration is not required in the opinion of counsel for the Company.

(d) Purchaser is familiar with the provisions of Rules 144 and 701, each promulgated under the Securities Act, which, in substance, permit limited public resale of "restricted securities" acquired, directly or indirectly, from the issuer of the securities (or from an affiliate of such issuer), in a non-public offering subject to the satisfaction of certain conditions. Purchaser understands that the Company provides no assurances as to whether he or she will be able to resell any or all of the Shares pursuant to Rule 144 or Rule 701, which rules require, among other things, that the Company be subject to the reporting requirements of the Securities Exchange Act of 1934, as amended, that resales of securities take place only after the holder of the Shares has held the Shares for certain specified time periods, and under certain circumstances, that resales of securities be limited in volume and take place only pursuant to brokered transactions. Notwithstanding this paragraph (d), Purchaser acknowledges and agrees to the restrictions set forth in paragraph (e) below.

(e) Purchaser further understands that in the event all of the applicable requirements of Rule 144 or 701 are not satisfied, registration under the Securities Act, compliance with Regulation A, or some other registration exemption will be required; and that, notwithstanding the fact that Rules 144 and 701 are not exclusive, the Staff of the Securities and Exchange Commission has expressed its opinion that persons proposing to sell private placement securities other than in a registered offering and otherwise than pursuant to Rule 144 or 701 will have a substantial burden of proof in establishing that an exemption from registration is available for such offers or sales, and that such persons and their respective brokers who participate in such transactions do so at their own risk.

(f) Purchaser understands that Purchaser may suffer adverse tax consequences as a result of Purchaser's purchase or disposition of the Shares. Purchaser represents that Purchaser has consulted any tax consultants Purchaser deems advisable in connection with the purchase or disposition of the Shares and that Purchaser is not relying on the Company for any tax advice.

5. **Restrictive Legends and Stop-Transfer Orders.**

(a) **Legends.** The certificate or certificates representing the Shares shall bear the following legends (as well as any legends required by applicable state and federal corporate and securities laws):

(i) THE SHARES REPRESENTED BY THIS CERTIFICATE HAVE NOT BEEN REGISTERED UNDER THE SECURITIES ACT OF 1933, AND HAVE BEEN ACQUIRED FOR INVESTMENT AND NOT WITH A VIEW TO, OR IN CONNECTION WITH, THE SALE OR DISTRIBUTION THEREOF. NO SUCH SALE OR DISTRIBUTION MAY BE EFFECTED WITHOUT AN EFFECTIVE REGISTRATION STATEMENT RELATED THERETO OR AN OPINION OF COUNSEL FOR THE COMPANY THAT SUCH REGISTRATION IS NOT REQUIRED UNDER THE SECURITIES ACT OF 1933.

(ii) THE SHARES REPRESENTED BY THIS CERTIFICATE MAY BE TRANSFERRED ONLY IN ACCORDANCE WITH THE TERMS OF AN AGREEMENT BETWEEN THE COMPANY AND THE HOLDER, A COPY OF WHICH IS ON FILE WITH THE SECRETARY OF THE COMPANY.

(b) **Stop-Transfer Notices.** Purchaser agrees that, in order to ensure compliance with the restrictions referred to herein, the Company may issue appropriate "stop transfer" instructions to its transfer agent, if any, and that, if the Company transfers its own securities, it may make appropriate notations to the same effect in its own records.

(c) **Refusal to Transfer.** The Company shall not be required (i) to transfer on its books any Shares that have been sold or otherwise transferred in violation of any of the provisions of this Agreement or (ii) to treat as owner of such Shares or to accord the right to vote or pay dividends to any purchaser or other transferee to whom such Shares shall have been so transferred.

6. **No Employment Rights.** Nothing in this Agreement shall affect in any manner whatsoever the right or power of the Company, or a parent or subsidiary of the Company, to terminate Purchaser's employment or consulting relationship, for any reason, with or without cause.

7. **Lock-Up Agreement.** In connection with the initial public offering of the Company's securities and upon request of the Company or the underwriters managing any underwritten offering of the Company's securities, Purchaser agrees not to sell, make any short

sale of, loan, grant any option for the purchase of, or otherwise dispose of any securities of the Company however or whenever acquired (other than those included in the registration) without the prior written consent of the Company or such underwriters, as the case may be, for such period of time (not to exceed one hundred eighty (180) days) from the effective date of such registration as may be requested by the Company or such managing underwriters and to execute an agreement reflecting the foregoing as may be requested by the underwriters at the time of the public offering; provided however that, if during the last 17 days of the restricted period the Company issues an earnings release or material news or a material event relating to the Company occurs, or prior to the expiration of the restricted period the Company announces that it will release earnings results during the 16-day period beginning on the last day of the restricted period, then, upon the request of the managing underwriter, to the extent required by any FINRA rules, the restrictions imposed by this Section 7 shall continue to apply until the end of the third trading day following the expiration of the 15-day period beginning on the issuance of the earnings release or the occurrence of the material news or material event. In no event will the restricted period extend beyond 216 days after the effective date of the registration statement.

8. **Tax Consequences.** PURCHASER UNDERSTANDS THAT PURCHASER MAY SUFFER ADVERSE TAX CONSEQUENCES AS A RESULT OF PURCHASER'S PURCHASE OR DISPOSITION OF THE SHARES. PURCHASER REPRESENTS THAT: (a) PURCHASER HAS CONSULTED WITH ANY TAX ADVISER WHO PURCHASER DEEMS ADVISABLE IN CONNECTION WITH THE PURCHASE OR DISPOSITION OF THE SHARES AND (b) PURCHASER IS NOT RELYING ON THE COMPANY FOR ANY TAX ADVICE. Set forth below is a brief summary as of the date the Plan was adopted by the Board of some of the UK tax consequences of exercise of the Option and disposition of the Shares. THIS SUMMARY IS NECESSARILY INCOMPLETE, AND THE TAX LAWS AND REGULATIONS ARE SUBJECT TO CHANGE. PURCHASER SHOULD CONSULT HIS OR HER OWN TAX ADVISER BEFORE EXERCISING THIS OPTION OR DISPOSING OF THE SHARES.

(a) **Exercise of EMI Options.** If the Option qualifies as an EMI Option, and no disqualifying event (such as your ceasing to be employed within the group) has occurred at the exercise date, there will be no income tax charge on exercise, unless HMRC demonstrates that the exercise price was less than Fair Market Value at the date of grant, in which case there will be an income tax or such discount at the date of exercise.

(b) **Disposition of Shares.** The following tax consequences may apply upon disposition of the Shares.

EMI Options. Provided no disqualifying event has occurred, any gain realized on disposition of the Shares will be subject to capital gains tax ("CGT"). You may be able to benefit from the annual CGT exemption (currently £11,100 for the year 2015/6). If the Shares are sold 12 months or more after the date of grant of the EMI Option , and you remain employed within the Group, CGT will be payable at 10% after taking account of the annual CGT exemption.

9. **Miscellaneous.**

(a) **Governing Law.** This Agreement and all acts and transactions pursuant hereto and the rights and obligations of the parties hereto shall be governed, construed and interpreted in accordance with the laws of the State of Delaware, without giving effect to principles of conflicts of law, except for matters relating to UK taxation, which shall be subject to English law.

(b) **Entire Agreement; Enforcement of Rights.** This Agreement sets forth the entire agreement and understanding of the parties relating to the subject matter herein and merges all prior discussions between them. No modification of or amendment to this Agreement, nor any waiver of any rights under this Agreement, shall be effective unless in writing signed by the parties to this Agreement. The failure by either party to enforce any rights under this Agreement shall not be construed as a waiver of any rights of such party.

(c) **Severability.** If one or more provisions of this Agreement are held to be unenforceable under Applicable Laws, the parties agree to renegotiate such provision in good faith. In the event that the parties cannot reach a mutually agreeable and enforceable replacement for such provision, then (i) such provision shall be excluded from this Agreement, (ii) the balance of the Agreement shall be interpreted as if such provision were so excluded and (iii) the balance of the Agreement shall be enforceable in accordance with its terms.

(d) **Notices.** Any notice required or permitted by this Agreement shall be in writing and shall be deemed sufficient when delivered personally or sent by telegram or fax or forty-eight (48) hours after being deposited in the U.S. mail, as certified or registered mail, with postage prepaid, and addressed to the party to be notified at such party's address as set forth below or as subsequently modified by written notice.

(e) **Counterparts.** This Agreement may be executed in two or more counterparts, each of which shall be deemed an original and all of which together shall constitute one instrument.

(f) **Successors and Assigns.** The rights and benefits of this Agreement shall inure to the benefit of, and be enforceable by the Company's successors and assigns. The rights and obligations of Purchaser under this Agreement may only be assigned with the prior written consent of the Company.

(g) **California Corporate Securities Law.** THE SALE OF THE SECURITIES WHICH ARE THE SUBJECT OF THIS AGREEMENT HAS NOT BEEN QUALIFIED WITH THE COMMISSIONER OF CORPORATIONS OF THE STATE OF CALIFORNIA AND THE ISSUANCE OF THE SECURITIES OR THE PAYMENT OR RECEIPT OF ANY PART OF THE CONSIDERATION THEREFOR PRIOR TO THE QUALIFICATION IS UNLAWFUL, UNLESS THE SALE OF SECURITIES IS EXEMPT FROM QUALIFICATION BY SECTION 25100, 25102 OR 25105 OF THE CALIFORNIA CORPORATIONS CODE. THE RIGHTS OF ALL PARTIES TO THIS AGREEMENT ARE

EXPRESSLY CONDITIONED UPON THE QUALIFICATION BEING OBTAINED, UNLESS THE SALE IS SO EXEMPT.

[Signature Page Follows]

The parties have executed this Exercise Agreement as of the date first set forth above.

THE COMPANY:

EXPENSIFY, INC.

By: _____
(signature)

Name: _____

Title: _____

Address: _____

_____

PURCHASER:

[OPTIONEE NAME]

_____
(signature)

Address: _____

_____

Attachment A

Section 431 Election

Joint Election under s431 ITEPA 2003 for full or partial disapplication of Chapter 2 Income Tax (Earnings and Pensions) Act 2003

One Part Election

1. Between

the Employee	[Optionee Name]
whose National Insurance Number is	_____
and	
the Company (who is the Employee's employer)	Expensify, Inc.
of Company Registration Number	09744432

2. Purpose of Election

This joint election is made pursuant to section 431(1) or 431(2) Income Tax (Earnings and Pensions) Act 2003 (ITEPA) and applies where employment-related securities, which are restricted securities by reason of section 423 ITEPA, are acquired.

The effect of an election under section 431(1) is that, for the relevant Income Tax and NIC purposes, the employment-related securities and their market value will be treated as if they were not restricted securities and that sections 425 to 430 ITEPA do not apply. An election under section 431(2) will ignore one or more of the restrictions in computing the charge on acquisition. Additional Income Tax will be payable (with PAYE and NIC where the securities are Readily Convertible Assets).

Should the value of the securities fall following the acquisition, it is possible that Income Tax/NIC that would have arisen because of any future chargeable event (in the absence of an election) would have been less than the Income Tax/NIC due by reason of this election. Should this be the case, there is no Income Tax/NIC relief available under Part 7 of ITEPA 2003; nor is it available if the securities acquired are subsequently transferred, forfeited or revert to the original owner.

3. Application

This joint election is made not later than 14 days after the date of acquisition of the securities by the employee and applies to:

Number of securities	_____
Description of securities	Common Stock
Name of issuer of securities	Expensify, Inc.

To be acquired by the Employee after [Grant Date] under the terms of UK EMI Addendum to the Expensify, Inc. 2019 Stock Plan.

4. Extent of Application

This election disapplies:

S.431(1) ITEPA: All restrictions attaching to the securities.

5. Declaration

This election will become irrevocable upon the later of its signing or the acquisition (* and each subsequent acquisition) of employment-related securities to which this election applies.

(delete as appropriate – see Note)*

In signing this joint election, we agree to be bound by its terms as stated above.

.....	/ / .....
Signature (Employee)	Date
.....	/ / .....
Signature (for and on behalf of the Company)	Date
.....	
Position in company	

Note: Where the election is in respect of multiple acquisitions, prior to the date of any subsequent acquisition of a security it may be revoked by agreement between the employee and employer in respect of that and any later acquisition.

EXPENSIFY, INC.

2019 STOCK PLAN

CONTINGENT EXERCISE AGREEMENT

This Contingent Exercise Agreement (this "Agreement") is made as of _____, by and between Expensify, Inc., a Delaware corporation (the "Company"), and _____ ("Purchaser"). To the extent any capitalized terms used in this Agreement are not defined, they shall have the meaning ascribed to them in the Company's 2019 Stock Plan (the "Plan").

1. **Exercise of Option.** Subject to the terms and conditions hereof, Purchaser hereby elects to exercise the below listed option(s) to purchase shares of the Common Stock (the "Shares") of the Company under and pursuant to the Plan and the Stock Option Agreement dated (the "Option Agreement"). The term "Shares" refers to the purchased Shares and all securities received as stock dividends or splits, all securities received in replacement of the Shares in a recapitalization, merger, reorganization, exchange or the like, and all new, substituted or additional securities or other property to which Purchaser is entitled by reason of Purchaser's ownership of the Shares.

Options to be Exercised and Sold by You in the Offer			
Name(s) of Holder(s) **(Please fill in exactly as name(s) appear(s) on Notice of Grant(s))**	**Grant Date**	**Exercise Price Per Share**	**Maximum Number of Shares to be Exercised and Sold**
TOTAL			

2. **Contingent Exercise.**

(a) **Closing of Offer**. Purchaser's election to exercise the Option as indicated in Section 1 above, will only be effective in connection with the closing of the Company's Offer to Purchase up to 5,692 Shares of Common Stock Dated October 3, 2019 (the "Offer"). Purchaser hereby agrees that if the Offer is consummated prior to 90 days from date of Agreement (the "Term Date"), then, without further action by Purchaser, the portion of Purchaser's Option subject to Exercise as set forth in Section 1 above will be exercised effective

in connection with the closing of the Offer and such Shares issued pursuant to exercise of the Option shall be sold (as shares of Common Stock) to the Company.

(b) **Power of Attorney**. Purchaser hereby constitutes and appoints the Company's Secretary as attorney-in-fact (the "Attorney-in-Fact") and agent to consummate the exercise of the Option as contemplated herein with full power of substitution in the premises, and to execute all documents and complete any transaction herein contemplated. This is a special power of attorney coupled with an interest and is irrevocable and shall survive Purchaser's death or legal incapacity. This power of attorney is limited to the matters specified in this Agreement and shall automatically expire on the Term Date.

3. **Adjustment to Number of Shares Subject to Exercise.** Purchaser understands and acknowledges that this Agreement is irrevocable, and that Purchaser may not alter the number of Shares subject to exercise as set forth in Section 1 above. Purchaser also understands and acknowledges that the actual number of shares of Common Stock of the Company that Purchaser will exercise and sell to the Company pursuant to the Offer may be less than all of the shares of Common Stock that Purchaser has specified in Section 1 above if the Company allocates shares among the Eligible Stockholders (as defined in the Offer) differently pursuant to the Priority List (as defined in the Offer). The actual number of Shares subject to such exercise shall be determined by the Attorney-in-Fact pursuant to the power of attorney set forth above. Notwithstanding any term of the, Option Agreement or Plan, in the event that the Company determines that Purchaser will sell less than all of the remaining Shares underlying the Option pursuant to the Offer, then the number of Shares subject to the Exercise as set forth in Section 1 above shall be automatically adjusted to the number of Shares to be sold upon exercise of the Option by Purchaser in the Offer (the "Adjusted Number") and Purchaser shall be deemed to have exercised Purchaser's Option only with respect to the Adjusted Number of Shares. Additionally, Purchaser authorizes the Attorney-in-Fact authorized pursuant to the power of attorney set forth above to take any actions or make any changes to other documentation that may be necessary, appropriate or desirable to reflect such adjustment.

4. **Time and Place of Exercise.** The purchase and sale of the Shares under this Agreement shall occur at the principal office of the Company simultaneously with the execution and delivery of this Agreement, the payment of the aggregate exercise price by any method listed in Section 4 of the Option Agreement, and the satisfaction of any applicable tax withholding obligations, all in accordance with the provisions of Section 3(b) of the Option Agreement. The Company shall issue the Shares to Purchaser by entering such Shares in Purchaser's name as of such date in the books and records of the Company or, if applicable, a duly authorized transfer agent of the Company, against payment of the exercise price therefor by Purchaser. If applicable, the Company will deliver to Purchaser a certificate representing the Shares as soon as practicable following such date.

5. **Limitations on Transfer.** In addition to any other limitation on transfer created by applicable securities laws, Purchaser shall not assign, encumber or dispose of any interest in the Shares except in compliance with the provisions below and applicable securities laws.

(a) **Right of First Refusal.** Before any Shares held by Purchaser or any transferee of Purchaser (either being sometimes referred to herein as the "Holder") may be sold or otherwise transferred (including transfer by gift or operation of law), the Company or its assignee(s) shall have a right of first refusal to purchase the Shares on the terms and conditions set forth in this Section 5(a) (the "Right of First Refusal").

(i) **Notice of Proposed Transfer.** The Holder of the Shares shall deliver to the Company a written notice (the "Notice") stating: (i) the Holder's bona fide intention to sell or otherwise transfer such Shares; (ii) the name of each proposed purchaser or other transferee ("Proposed Transferee"); (iii) the number of Shares to be transferred to each Proposed Transferee; and (iv) the terms and conditions of each proposed sale or transfer. The Holder shall offer the Shares at the same price (the "Purchase Price") and upon the same terms (or terms as similar as reasonably possible) to the Company or its assignee(s).

(ii) **Exercise of Right of First Refusal.** At any time within thirty (30) days after receipt of the Notice, the Company and/or its assignee(s) may, by giving written notice to the Holder, elect to purchase all, but not less than all, of the Shares proposed to be transferred to any one or more of the Proposed Transferees, at the Purchase Price. If the Purchase Price includes consideration other than cash, the cash equivalent value of the non-cash consideration shall be determined by the Board in good faith.

(iii) **Payment.** Payment of the Purchase Price shall be made, at the election of the Company or its assignee(s), in cash (by check), by cancellation of all or a portion of any outstanding indebtedness, or by any combination thereof within sixty (60) days after receipt of the Notice or in the manner and at the times set forth in the Notice.

(iv) **Holder's Right to Transfer.** If all of the Shares proposed in the Notice to be transferred to a given Proposed Transferee are not purchased by the Company and/or its assignee(s) as provided in this Section 5(a), then the Holder may sell or otherwise transfer such Shares to that Proposed Transferee at the Purchase Price or at a higher price, provided that such sale or other transfer is consummated within one hundred twenty (120) days after the date of the Notice and provided further that any such sale or other transfer is effected in accordance with any applicable securities laws and the Proposed Transferee agrees in writing that the provisions of this Section 5 shall continue to apply to the Shares in the hands of such Proposed Transferee. If the Shares described in the Notice are not transferred to the Proposed Transferee within such period, or if the Holder proposes to change the price or other terms to make them more favorable to the Proposed Transferee, a new Notice shall be given to the Company, and the Company and/or its assignees shall again be offered the Right of First Refusal before any Shares held by the Holder may be sold or otherwise transferred.

(v) **Exception for Certain Transfers.** Anything to the contrary contained in this Section 5(a) notwithstanding, the transfer of any or all of the Shares during Purchaser's lifetime or on Purchaser's death by will or intestacy to Purchaser's Immediate Family or a trust for the benefit of Purchaser or Purchaser's Immediate Family shall be exempt from the provisions of this Section 5(a). As used herein, a person is deemed to be a "Spouse" if (i) the relevant person and the related party are married under the applicable law of the state or

country at the time and place the marriage was entered into, or (ii) are registered as "domestic partners" or have entered into a civil union or comparable relationship in a state or nation that sanctions such unions by law, such relationship is valid pursuant to applicable law at the time the parties entered into the relationship, and such relationship has not been dissolved under the law of the state or nation in which such relationship was initially or is currently recognized, provided the following circumstances are true: (a) the relevant person and the Spouse reside together, are the sole spousal equivalent of the other and intend to remain so indefinitely, (b) neither are married to anyone else, (c) both are at least 18 years of age and mentally competent to consent to contract, (d) they are not related by blood to a degree of closeness that which would prohibit legal marriage in the state in which they legally reside, (e) they are jointly responsible for each other's common welfare and financial obligations. "Immediate Family" as used herein shall mean Purchaser's Spouse, the lineal descendant or antecedent, brother or sister, of Purchaser or Purchaser's Spouse, or the Spouse of any lineal descendant or antecedent, brother or sister of Purchaser, or Purchaser's Spouse. In such case, the transferee or other recipient shall receive and hold the Shares so transferred subject to the provisions of this Section 5, and there shall be no further transfer of such Shares except in accordance with the terms of this Section 5.

(b) **Company's Right to Purchase upon Involuntary Transfer.** In the event of any transfer by operation of law or other involuntary transfer (including death or divorce, but excluding a transfer to Immediate Family as set forth in Section 5(a)(v) above) of all or a portion of the Shares by the record holder thereof, the Company shall have an option to purchase all of the Shares transferred at the greater of the purchase price paid by Purchaser pursuant to this Agreement or the Fair Market Value of the Shares on the date of transfer (as determined by the Board). Upon such a transfer, the person acquiring the Shares shall promptly notify the Secretary of the Company of such transfer. The right to purchase such Shares shall be provided to the Company for a period of thirty (30) days following receipt by the Company of written notice by the person acquiring the Shares.

(c) **Assignment.** The right of the Company to purchase any part of the Shares may be assigned in whole or in part to any holder or holders of capital stock of the Company or other persons or organizations.

(d) **Restrictions Binding on Transferees.** All transferees of Shares or any interest therein will receive and hold such Shares or interest subject to the provisions of this Agreement. Any sale or transfer of the Company's Shares shall be void unless the provisions of this Agreement are satisfied.

(e) **Termination of Rights.** The right of first refusal granted the Company by Section 5(a) above and the option to repurchase the Shares in the event of an involuntary transfer granted the Company by Section 5(b) above shall terminate upon the first sale of Common Stock of the Company to the general public pursuant to a registration statement filed with and declared effective by the Securities and Exchange Commission under the Securities Act of 1933, as amended (the "Securities Act"). Upon termination of the right of first refusal described in Section 5(a) above the Company will remove any stop-transfer notices referred to in Section 7(b) below and related to the restrictions in this Section 5 and, if certificates are issued, a new

certificate or certificates representing the Shares not repurchased shall be issued, on request, without the legend referred to in Section 7(a)(ii) below and delivered to Purchaser.

6. **Investment and Taxation Representations.** In connection with the purchase of the Shares, Purchaser represents to the Company the following:

(a) Purchaser is aware of the Company's business affairs and financial condition and has acquired sufficient information about the Company to reach an informed and knowledgeable decision to acquire the Shares. Purchaser is purchasing these securities for investment for his or her own account only and not with a view to, or for resale in connection with, any "distribution" thereof within the meaning of the Securities Act or under any applicable provision of state law. Purchaser does not have any present intention to transfer the Shares to any person or entity.

(b) Purchaser understands that the Shares have not been registered under the Securities Act by reason of a specific exemption therefrom, which exemption depends upon, among other things, the bona fide nature of Purchaser's investment intent as expressed herein.

(c) Purchaser further acknowledges and understands that the securities must be held indefinitely unless they are subsequently registered under the Securities Act or an exemption from such registration is available. Purchaser further acknowledges and understands that the Company is under no obligation to register the securities. Purchaser understands that the certificate(s) evidencing the securities will be imprinted with a legend which prohibits the transfer of the securities unless they are registered or such registration is not required in the opinion of counsel for the Company.

(d) Purchaser is familiar with the provisions of Rules 144 and 701, each promulgated under the Securities Act, which, in substance, permit limited public resale of "restricted securities" acquired, directly or indirectly, from the issuer of the securities (or from an affiliate of such issuer), in a non-public offering subject to the satisfaction of certain conditions. Purchaser understands that the Company provides no assurances as to whether he or she will be able to resell any or all of the Shares pursuant to Rule 144 or Rule 701, which rules require, among other things, that the Company be subject to the reporting requirements of the Securities Exchange Act of 1934, as amended, that resales of securities take place only after the holder of the Shares has held the Shares for certain specified time periods, and under certain circumstances, that resales of securities be limited in volume and take place only pursuant to brokered transactions. Notwithstanding this paragraph (d), Purchaser acknowledges and agrees to the restrictions set forth in paragraph (e) below.

(e) Purchaser further understands that in the event all of the applicable requirements of Rule 144 or 701 are not satisfied, registration under the Securities Act, compliance with Regulation A, or some other registration exemption will be required; and that, notwithstanding the fact that Rules 144 and 701 are not exclusive, the Staff of the Securities and Exchange Commission has expressed its opinion that persons proposing to sell private placement securities other than in a registered offering and otherwise than pursuant to Rule 144 or 701 will have a substantial burden of proof in establishing that an exemption from registration is available

for such offers or sales, and that such persons and their respective brokers who participate in such transactions do so at their own risk.

(f) Purchaser understands that Purchaser may suffer adverse tax consequences as a result of Purchaser's purchase or disposition of the Shares. Purchaser represents that Purchaser has consulted any tax consultants Purchaser deems advisable in connection with the purchase or disposition of the Shares and that Purchaser is not relying on the Company for any tax advice.

7. **Restrictive Legends and Stop-Transfer Orders.**

(a) **Legends.** The certificate or certificates representing the Shares shall bear the following legends (as well as any legends required by applicable state and federal corporate and securities laws):

(i) THE SHARES REPRESENTED BY THIS CERTIFICATE HAVE NOT BEEN REGISTERED UNDER THE SECURITIES ACT OF 1933, AND HAVE BEEN ACQUIRED FOR INVESTMENT AND NOT WITH A VIEW TO, OR IN CONNECTION WITH, THE SALE OR DISTRIBUTION THEREOF. NO SUCH SALE OR DISTRIBUTION MAY BE EFFECTED WITHOUT AN EFFECTIVE REGISTRATION STATEMENT RELATED THERETO OR AN OPINION OF COUNSEL FOR THE COMPANY THAT SUCH REGISTRATION IS NOT REQUIRED UNDER THE SECURITIES ACT OF 1933.

(ii) THE SHARES REPRESENTED BY THIS CERTIFICATE MAY BE TRANSFERRED ONLY IN ACCORDANCE WITH THE TERMS OF AN AGREEMENT BETWEEN THE COMPANY AND THE HOLDER, A COPY OF WHICH IS ON FILE WITH THE SECRETARY OF THE COMPANY.

(b) **Stop-Transfer Notices.** Purchaser agrees that, in order to ensure compliance with the restrictions referred to herein, the Company may issue appropriate "stop transfer" instructions to its transfer agent, if any, and that, if the Company transfers its own securities, it may make appropriate notations to the same effect in its own records.

(c) **Refusal to Transfer.** The Company shall not be required (i) to transfer on its books any Shares that have been sold or otherwise transferred in violation of any of the provisions of this Agreement or (ii) to treat as owner of such Shares or to accord the right to vote or pay dividends to any purchaser or other transferee to whom such Shares shall have been so transferred.

8. **No Employment Rights.** Nothing in this Agreement shall affect in any manner whatsoever the right or power of the Company, or a parent or subsidiary of the Company, to

terminate Purchaser's employment or consulting relationship, for any reason, with or without cause.

9. **Lock-Up Agreement.** In connection with the initial public offering of the Company's securities and upon request of the Company or the underwriters managing any underwritten offering of the Company's securities, Purchaser agrees not to sell, make any short sale of, loan, grant any option for the purchase of, or otherwise dispose of any securities of the Company however or whenever acquired (other than those included in the registration) without the prior written consent of the Company or such underwriters, as the case may be, for such period of time (not to exceed one hundred eighty (180) days) from the effective date of such registration as may be requested by the Company or such managing underwriters and to execute an agreement reflecting the foregoing as may be requested by the underwriters at the time of the public offering; provided however that, if during the last 17 days of the restricted period the Company issues an earnings release or material news or a material event relating to the Company occurs, or prior to the expiration of the restricted period the Company announces that it will release earnings results during the 16-day period beginning on the last day of the restricted period, then, upon the request of the managing underwriter, to the extent required by any FINRA rules, the restrictions imposed by this Section 9 shall continue to apply until the end of the third trading day following the expiration of the 15-day period beginning on the issuance of the earnings release or the occurrence of the material news or material event. In no event will the restricted period extend beyond 216 days after the effective date of the registration statement.

10. **Tax Consequences.** PURCHASER UNDERSTANDS THAT PURCHASER MAY SUFFER ADVERSE TAX CONSEQUENCES AS A RESULT OF PURCHASER'S PURCHASE OR DISPOSITION OF THE SHARES. PURCHASER REPRESENTS THAT: (a) PURCHASER HAS CONSULTED WITH ANY TAX ADVISER WHO PURCHASER DEEMS ADVISABLE IN CONNECTION WITH THE PURCHASE OR DISPOSITION OF THE SHARES AND (b) PURCHASER IS NOT RELYING ON THE COMPANY FOR ANY TAX ADVICE. Set forth below is a brief summary as of the date the Plan was adopted by the Board of some of the U.S. Federal and California tax consequences of exercise of the Option and disposition of the Shares. THIS SUMMARY IS NECESSARILY INCOMPLETE, AND THE TAX LAWS AND REGULATIONS ARE SUBJECT TO CHANGE. PURCHASER SHOULD CONSULT HIS OR HER OWN TAX ADVISER BEFORE EXERCISING THIS OPTION OR DISPOSING OF THE SHARES.

(a) **Exercise of Incentive Stock Option.** If the Option qualifies as an Incentive Stock Option, there will be no regular U.S. Federal income tax liability or California income tax liability upon the exercise of the Option, although the excess, if any, of the Fair Market Value of the Shares on the date of exercise over the Exercise Price will be treated as a tax preference item for U.S. Federal alternative minimum tax purposes and may subject Purchaser to the alternative minimum tax in the year of exercise.

(b) **Exercise of Nonqualified Stock Option.** If the Option does not qualify as an Incentive Stock Option, there may be a regular U.S. Federal income tax liability and a California income tax liability upon the exercise of the Option. Purchaser will be treated as

having received compensation income (taxable at ordinary income tax rates) equal to the excess, if any, of the Fair Market Value of the Shares on the date of exercise over the Exercise Price. If Purchaser is a current or former employee of the Company, the Company may be required to withhold from Purchaser's compensation or collect from Purchaser and pay to the applicable taxing authorities an amount equal to a percentage of this compensation income at the time of exercise.

(c) **Disposition of Shares.** The following tax consequences may apply upon disposition of the Shares.

(i) Incentive Stock Options. If the Shares are held for more than twelve (12) months after the date of the transfer of the Shares pursuant to the exercise of an Incentive Stock Option and are disposed of more than two (2) years after the Date of Grant, any gain realized on disposition of the Shares will be treated as long term capital gain for U.S. Federal and California income tax purposes. If Shares purchased under an Incentive Stock Option are disposed of within the applicable one (1) year or two (2) year period, any gain realized on such disposition will be treated as compensation income (taxable at ordinary income rates in the year of the disposition) to the extent of the excess, if any, of the Fair Market Value of the Shares on the date of exercise over the Exercise Price.

(ii) Nonstatutory Stock Options. If the Shares are held for more than twelve (12) months after the date of the transfer of the Shares pursuant to the exercise of a Nonstatutory Stock Option, any gain realized on disposition of the Shares will be treated as long term capital gain.

(iii) Withholding. The Company may be required to withhold from the Purchaser's compensation or collect from the Purchaser and pay to the applicable taxing authorities an amount equal to a percentage of this compensation income.

(d) **Notice of Disqualifying Disposition of Incentive Stock Option Shares.** If the Option is an Incentive Stock Option, and if Purchaser sells or otherwise disposes of any of the Shares acquired pursuant to the Incentive Stock Option on or before the later of (a) the date two (2) years after the Date of Grant, and (b) the date one (1) year after transfer of such Shares to Purchaser upon exercise of the Option, Purchaser shall immediately notify the Company in writing of such disposition. Purchaser agrees that Purchaser may be subject to income tax withholding by the Company on the compensation income recognized by Purchaser from the early disposition by payment in cash or out of the current wages or other compensation payable to Purchaser.

11. **Miscellaneous.**

(a) **Governing Law.** This Agreement and all acts and transactions pursuant hereto and the rights and obligations of the parties hereto shall be governed, construed and interpreted in accordance with the laws of the State of Delaware, without giving effect to principles of conflicts of law.

(b) **Entire Agreement; Enforcement of Rights.** This Agreement sets forth the entire agreement and understanding of the parties relating to the subject matter herein and merges all prior discussions between them. No modification of or amendment to this Agreement, nor any waiver of any rights under this Agreement, shall be effective unless in writing signed by the parties to this Agreement. The failure by either party to enforce any rights under this Agreement shall not be construed as a waiver of any rights of such party.

(c) **Severability.** If one or more provisions of this Agreement are held to be unenforceable under Applicable Laws, the parties agree to renegotiate such provision in good faith. In the event that the parties cannot reach a mutually agreeable and enforceable replacement for such provision, then (i) such provision shall be excluded from this Agreement, (ii) the balance of the Agreement shall be interpreted as if such provision were so excluded and (iii) the balance of the Agreement shall be enforceable in accordance with its terms.

(d) **Notices.** Any notice required or permitted by this Agreement shall be in writing and shall be deemed sufficient when delivered personally or sent by telegram or fax or forty-eight (48) hours after being deposited in the U.S. mail, as certified or registered mail, with postage prepaid, and addressed to the party to be notified at such party's address as set forth below or as subsequently modified by written notice.

(e) **Counterparts.** This Agreement may be executed in two or more counterparts, each of which shall be deemed an original and all of which together shall constitute one instrument.

(f) **Successors and Assigns.** The rights and benefits of this Agreement shall inure to the benefit of, and be enforceable by the Company's successors and assigns. The rights and obligations of Purchaser under this Agreement may only be assigned with the prior written consent of the Company.

(g) **California Corporate Securities Law.** THE SALE OF THE SECURITIES WHICH ARE THE SUBJECT OF THIS AGREEMENT HAS NOT BEEN QUALIFIED WITH THE COMMISSIONER OF CORPORATIONS OF THE STATE OF CALIFORNIA AND THE ISSUANCE OF THE SECURITIES OR THE PAYMENT OR RECEIPT OF ANY PART OF THE CONSIDERATION THEREFOR PRIOR TO THE QUALIFICATION IS UNLAWFUL, UNLESS THE SALE OF SECURITIES IS EXEMPT FROM QUALIFICATION BY SECTION 25100, 25102 OR 25105 OF THE CALIFORNIA CORPORATIONS CODE. THE RIGHTS OF ALL PARTIES TO THIS AGREEMENT ARE EXPRESSLY CONDITIONED UPON THE QUALIFICATION BEING OBTAINED, UNLESS THE SALE IS SO EXEMPT.

[Signature Page Follows]

The parties have executed this Contingent Exercise Agreement as of the date first set forth above.

THE COMPANY:

EXPENSIFY, INC.

By: _____
(signature)

Name:

Title:

Address: _____

_____

PURCHASER:

_____

_____
(signature)

Address: _____

_____

I, _____, spouse of _____, have read and hereby approve the foregoing Agreement. In consideration of the Company's granting my spouse the right to purchase the Shares as set forth in the Agreement, I hereby agree to be irrevocably bound by the Agreement and further agree that any community property or other such interest shall hereby by similarly bound by the Agreement. I hereby appoint my spouse as my attorney-in-fact with respect to any amendment or exercise of any rights under the Agreement.

_____

Spouse of _____ (if applicable)

EXPENSIFY, INC.

2019 STOCK PLAN

RESTRICTED STOCK UNIT GRANT NOTICE

Expensify, Inc., a Delaware corporation, (the "Company"), pursuant to its 2019 Stock Plan (as may be amended from time to time, the "Plan"), hereby grants to the individual listed below ("Participant"), an award of Restricted Stock Units ("RSUs"). Each RSU represents the right to receive, in accordance with this Grant Notice and the Restricted Stock Unit Agreement attached hereto as Exhibit A (together, the "Agreement"), (i) one-half of one share of the Company's Class A Common Stock ("Class A Common Stock") and (ii) one-half of one share of the Company's LT50 Common Stock ("LT50 Common Stock", and together with the Class A Common Stock, "Common Stock") upon vesting. This award of RSUs is subject to all of the terms and conditions set forth herein and in the Agreement and the Plan, each of which is incorporated herein by reference. Unless otherwise defined herein, the terms defined in the Plan shall have the same defined meanings in this Agreement. If the Company uses an electronic capitalization system (such as Carta or Shareworks) and the fields below are blank or the information is otherwise provided in a different format electronically, the blank fields and other information shall be deemed incorporated herein from the electronic capitalization system and considered part of this Agreement.

Participant:	[_____]
Grant Date:	[_____]
Total Number of RSUs:	[_____]
Vesting Commencement Date:	[_____]
Vesting Schedule:	12.5% of the Total Number of RSUs shall vest on the first anniversary of the Vesting Commencement Date and 1/32^{nds} of the Total Number of RSUs shall vest on each Quarterly Vesting Date (as defined below) thereafter, in each case, subject to Participant's continued service to the Company though such date. Quarterly Vesting Date shall mean each March 15, June 15, September 15 and December 15.

Participant understands that the terms of this award of RSUs explicitly include the following (a "Sell to Cover"):

Upon vesting of the RSUs and issuance of the resulting shares, the Company, on Participant's behalf, will instruct the Company's transfer agent (together with any other party the Company determines necessary to execute the Sell to Cover, the "Agent") to sell that number of shares of Class A Common Stock determined in accordance with Section 4 of the Agreement as may be necessary to satisfy any resulting withholding tax obligations on the Company, and the Agent will remit the cash proceeds of such sale to the Company. The Company shall then make a cash payment equal to the required tax withholding from the cash proceeds of such sale directly to the appropriate taxing authorities. All shares of LT50 Common Stock issued upon vesting of the RSUs will be automatically deposited in the voting trust (the "Voting Trust") established by the Voting Trust Agreement, dated [ ], 202[ ], on behalf of Participant, and Participant shall be required to execute and deliver a joinder to the Voting Trust Agreement to the trustees of the Voting Trust if Participant is not yet a party to such agreement.

By Participant's signature below or by electronic acceptance or authentication in a form authorized by the Company, Participant agrees to be bound by the terms and conditions of the Plan and this Agreement. Participant has reviewed this Agreement and the Plan in their entirety, has had an opportunity to obtain the advice of counsel prior to executing this Agreement and fully understands all provisions of this Agreement and the Plan. Participant hereby agrees to accept as binding, conclusive and final all decisions or interpretations of the Administrator upon any questions arising under the Plan and this Agreement.

EXPENSIFY, INC.:		**PARTICIPANT:**	
By:	_____	By:	_____
Print Name:	_____	Print Name:	_____
Title:	_____		
Address:	_____	Address:	_____
	_____		_____

EXHIBIT A

TO RESTRICTED STOCK UNIT GRANT NOTICE

RESTRICTED STOCK UNIT AGREEMENT

1. Grant. Pursuant to the Restricted Stock Unit Grant Notice (the "Grant Notice") to which this Restricted Stock Unit Agreement (the "Agreement") is attached, Expensify, Inc., a Delaware corporation (the "Company"), has granted to the individual set forth in the Grant Notice (the "Participant") that number of Restricted Stock Units ("RSUs") set forth in the Grant Notice under the Expensify, Inc. 2019 Stock Plan (as may be amended from time to time, the "Plan"), as set forth in the Grant Notice, subject to all of the terms and conditions contained in this Agreement, the Grant Notice and the Plan. All capitalized terms used but not defined herein shall have the meanings ascribed to such terms in the Plan and the Grant Notice unless the context clearly indicates otherwise. Notwithstanding anything to the contrary anywhere else in this Agreement, this grant of RSUs is subject to the terms and provisions of the Plan, which is incorporated herein by reference and which shall control in the event of any inconsistency between this Agreement and the Plan.

2. RSUs. Participant shall become entitled to (i) one-half of one share of Class A Common Stock and (ii) one-half of one share of LT50 Common Stock with respect to each RSU that vests. Unless and until an RSU vests, Participant will have no right to settlement in respect of any such RSU. The Company shall deliver the shares to which Participant becomes entitled as soon as administratively practicable following the vesting of the RSUs, but in no event later than March 15 of the calendar year following the calendar year during which such shares vested. Prior to actual settlement in respect of any vested RSU, such RSU will represent an unsecured obligation of the Company, payable (if at all) only from the general assets of the Company.

3. Vesting and Forfeiture.

(a) Subject to Section 3(b) below, the RSUs shall vest in accordance with the Vesting Schedule set forth in the Grant Notice.

(b) Notwithstanding the foregoing, in the event Participant ceases to constitute an Employee or Consultant for any reason, all RSUs that have not vested on or prior to the date of such termination shall be immediately forfeited by Participant as of the date of such cessation of Employee or Consultant status without any payment of consideration therefor.

4. Tax Withholding.

(a) The Company shall have the authority and the right to deduct or withhold, or to require Participant to remit to the Company, an amount sufficient to satisfy all applicable federal, state and local taxes (including Participant's employment tax obligations, if any) ("Tax-Related Items") required by law to be withheld with respect to any taxable event arising in connection with the RSUs and/or the shares of Common Stock. Such Tax-Related Items shall be satisfied using a Sell to Cover pursuant to the Grant Notice. The Company shall not be obligated to deliver shares of Common Stock (whether in book entry or certificated form) to Participant or Participant's legal representative unless and until Participant shall have paid or otherwise satisfied in full the amount of all Tax-Related Items applicable to the taxable income of Participant arising in connection with the RSUs and/or the shares of Common Stock.

(b) By accepting this award of RSUs, Participant has agreed to a Sell to Cover to satisfy any Tax-Related Items calculated at up to the maximum statutory tax rate, as determined by the Company, and Participant hereby acknowledges and agrees:

(i) Participant hereby appoints the Agent as Participant's agent and authorizes the Agent to (1) sell on the open market at the then prevailing market price(s), on Participant's behalf, as soon as practicable on or after the date the shares of Common Stock are issued upon vesting of the Restricted Stock Units, that number (rounded up to the next whole number) of the shares of Class A Common Stock so issued necessary to generate proceeds to cover, to the maximum extent, (x) any Tax-Related Items incurred with respect to such vesting or issuance based on up to the maximum statutory tax rates, as determined by the Company, and (y) all applicable fees and commissions due to, or required to be collected by, the Agent with respect thereto and (2) in the Company's discretion, apply any remaining funds to Participant's federal tax withholding or remit such remaining funds to Participant.

(ii) Participant hereby authorizes the Company and the Agent to cooperate and communicate with one another to determine the number of Shares that must be sold pursuant to subsection (i) above.

(iii) Participant understands that the Agent may effect sales as provided in subsection (i) above in one or more sales and that the average price for executions resulting from bunched orders will be assigned to Participant's account. In addition, Participant acknowledges that it may not be possible to sell shares as provided in subsection (i) above due to (1) a legal or contractual restriction applicable to the Participant or the Agent, (2) a market disruption or (3) rules governing order execution priority on the national exchange where the Shares may be traded. In the event of the Agent's inability to sell shares or shares sufficient to satisfy the Tax-Related Items in full, Participant will continue to be responsible for the timely payment to the Company and/or its affiliates of all, or the remaining portion, as applicable, of the Tax-Related Items that are required by applicable laws and regulations to be withheld.

(iv) Participant acknowledges that regardless of any other term or condition of this Section 4, the Agent will not be liable to Participant for (1) special, indirect, punitive, exemplary or consequential damages, or incidental losses or damages of any kind or (2) any failure to perform or for any delay in performance that results from a cause or circumstance that is beyond its reasonable control.

(v) Participant hereby agrees to execute and deliver to the Agent any other agreements or documents as the Agent reasonably deems necessary or appropriate to carry out the purposes and intent of this Section 4. The Agent is a third-party beneficiary of this Section 4.

This Section 4 shall terminate not later than the date on which all tax withholding and obligations arising in connection with the vesting and issuance of the RSUs have been satisfied.

5. Voting Trust. All shares of LT50 Common Stock issued upon vesting of the RSUs will be automatically deposited in the voting trust (the "Voting Trust") established by the Voting Trust Agreement, dated [ ], 202[ ], on behalf of Participant, and Participant shall be required to execute and deliver a joinder to the Voting Trust Agreement to the trustees of the Voting Trust if Participant is not yet a party to such agreement.

6. Rights as Stockholder. Neither Participant nor any person claiming under or through Participant will have any of the rights or privileges of a stockholder of the Company in respect of any shares of Common Stock that may become deliverable hereunder unless and until certificates representing such shares of Common Stock shall have been issued, recorded on the records of the

Company or its transfer agents or registrars, and delivered in certificate or book entry form to Participant or any person claiming under or through Participant.

7. Non-Transferability. Except as may be expressly determined by the Administrator, neither the RSUs nor any interest or right therein may be transferred in any manner except by will or by the laws of descent or distribution. The terms of this Agreement shall be binding upon the executors, administrators, heirs, successors and assigns of Participant.

8. Distribution of Shares. Notwithstanding anything herein to the contrary, (a) no payment shall be made under this Agreement in the form of shares of Common Stock unless such shares of Common Stock issuable upon such payment are then registered under the Securities Act of 1933, as amended (the "Securities Act") or, if such shares of Common Stock are not then so registered, the Administrator has determined that such payment and issuance would be exempt from the registration requirements of the Securities Act, and (b) the Company shall not be required to issue or deliver any shares of Common Stock (whether in certificated or book-entry form) pursuant to this Agreement prior to the fulfillment of the conditions set forth in the Plan. In addition, if at any time the Company determines, in its discretion, that the listing, registration or qualification of the shares of Common Stock or other securities under any Applicable Laws, or the consent or approval of any governmental regulatory authority, is necessary or desirable as a condition to the issuance of shares of Common Stock or other securities to Participant (or his or her estate, as applicable), such issuance will not occur unless and until such listing, registration, qualification, consent or approval will have been effected or obtained free of any conditions not acceptable to the Company. The Company will use reasonable efforts to meet the requirements of any such Applicable Laws and to obtain any such consent or approval of any such governmental authority.

9. Lock-Up Period. Participant hereby agrees that if so requested by the Company or any representative of the underwriters (the "Managing Underwriter") in connection with any registration of the offering of any securities of the Company under the Securities Act or any applicable state laws, Participant shall not sell or otherwise transfer any shares of Common Stock or other securities of the Company during the one hundred eighty (180)day period (or such longer period as may be requested in writing by the Managing Underwriter and agreed to in writing by the Company) (the "Market Standoff Period") following the effective date of a registration statement of the Company filed under the Securities Act; *provided*, that such restriction shall apply only to the Company's initial public offering and to public offerings which include securities to be sold on behalf of the Company to the public in an underwritten public offering under the Securities Act. The Company may impose stoptransfer instructions with respect to securities subject to the foregoing restrictions until the end of such Market Standoff Period.

10. Restrictions on Shares. Shares of Common Stock issued pursuant to the RSUs shall be subject to such terms and conditions as the Administrator shall determine in its sole discretion, including, without limitation, transferability restrictions, repurchase rights, requirements that such shares of Common Stock be transferred in the event of certain transactions, rights of first refusal with respect to permitted transfers of shares, voting agreements, tag-along rights and bring-along rights. Such terms and conditions may, in the Administrator's sole discretion, be contained in such other agreement as the Administrator shall determine, in each case in a form determined by the Administrator. The issuance of such shares of Common Stock shall be conditioned on Participant's consent to such terms and conditions and/or Participant's entering into such agreement or agreements. In addition, Participant acknowledges and agrees that delivery of any shares of Common Stock in respect of RSUs shall be subject to and

conditioned upon Participant making such representations as the Administrator shall deem necessary or advisable, in its sole discretion.

11. Securities Law Compliance. Participant agrees and acknowledges that Participant will not transfer in any manner the shares of Common Stock or other securities issued pursuant to the RSUs granted by this Agreement unless (a) the transfer is pursuant to an effective registration statement under the Securities Act, or the rules and regulations in effect thereunder, or (b) counsel for the Company shall have reasonably concluded that no such registration is required because of the availability of an exemption from registration under the Securities Act. To the extent permitted by any Applicable Laws, the Plan and this Agreement shall be deemed amended to the extent necessary to conform to such Applicable Laws.

12. No Effect on Service Provider Status. Nothing in this Agreement or in the Plan shall confer upon Participant any right to continue to serve as an Employee or Consultant, or shall interfere with or restrict in any way the rights of the Company or any parent or subsidiary thereof, which rights are hereby expressly reserved, to discharge Participant at any time for any reason whatsoever, with or without cause, except to the extent expressly provided otherwise in a written agreement between Participant and the Company or any parent or subsidiary thereof.

13. Severability. In the event that any provision in this Agreement is held invalid or unenforceable, such provision will be severable from, and such invalidity or unenforceability will not be construed to have any effect on, the remaining provisions of this Agreement, which shall remain in full force and effect.

14. Investment Representations. Participant hereby represents, warrants, covenants, acknowledges and agrees on behalf of Participant and his or her spouse or domestic partner, if applicable, that (a) Participant is holding the RSUs for Participant's own account, and not for the account of any other person, and (b) Participant is holding the RSUs for investment and not with a view to distribution or resale thereof except in compliance with Applicable Laws regulating securities.

15. Tax Consultation. Participant understands that Participant may suffer adverse tax consequences in connection with the RSUs granted pursuant to this Agreement. Participant represents that Participant has consulted with any tax consultants that Participant deems advisable in connection with the RSUs and that Participant is not relying on the Company for tax advice.

16. Amendments, Suspension and Termination. To the extent permitted by the Plan, this Agreement may be wholly or partially amended or otherwise modified, suspended or terminated at any time or from time to time by the Administrator.

17. Conformity to Securities Laws. Participant acknowledges that the Plan and this Agreement are intended to conform to the extent necessary with all provisions of the Securities Act and the Exchange Act and any and all regulations and rules promulgated by the Securities and Exchange Commission thereunder, and all applicable state securities laws and regulations. Notwithstanding anything herein to the contrary, the Plan shall be administered, and the RSUs are granted, only in such a manner as to conform to such laws, rules and regulations. To the extent permitted by Applicable Laws, the Plan and this Agreement shall be deemed amended to the extent necessary to conform to such laws, rules and regulations.

18. Code Section 409A. The RSUs are not intended to constitute "nonqualified deferred compensation" within the meaning of Section 409A of the Code (together with all related Department of

Treasury guidance, "Section 409A"). However, notwithstanding any other provision of the Plan, this Agreement or the Grant Notice to the contrary, if the Administrator determines that the RSUs or any amounts payable under this Agreement may be subject to Section 409A, the Administrator may adopt such other amendments to the Plan, this Agreement or the Grant Notice or adopt other policies or procedures (including amendments, policies and procedures with retroactive effective), or take any other action that the Administrator determines to be necessary or appropriate to either (a) exempt the amounts payable under this Agreement from Section 409A and/or preserve the intended tax treatment of such amounts, or (b) comply with the requirements of Section 409A; *provided*, *however*, that nothing in this Section 17 shall create any obligation on the part of the Company to adopt any such amendment or take any other action.

19. Adjustments. Participant acknowledges that the RSUs are subject to modification and termination in certain events as provided in this Agreement and Section 14 of the Plan.

20. Notices. Notices required or permitted hereunder shall be given in writing and shall be deemed effectively given upon personal delivery or upon deposit in the United States mail by certified mail, with postage and fees prepaid, addressed to Participant to his or her address shown in the Company records, and to the Company at its principal executive office, or to such other address as either party may designate in writing from time to time to the other party.

21. Successors and Assigns. The Company may assign any of its rights under this Agreement to single or multiple assignees, and this Agreement shall inure to the benefit of the successors and assigns of the Company. Subject to the restrictions on transfer contained herein, this Agreement shall be binding upon Participant and his or her heirs, executors, administrators, successors and assigns.

22. Governing Law. This Agreement shall be governed and construed in accordance with the laws of the State of Delaware, without giving effect to any principles of conflicts of law.

23. Captions. Captions provided herein are for convenience only and are not to serve as a basis for interpretation or construction of this Agreement.

EXPENSIFY, INC.
2021 INCENTIVE AWARD PLAN

ARTICLE I.
PURPOSE

The Plan's purpose is to enhance the Company's ability to attract, retain and motivate persons who make (or are expected to make) important contributions to the Company by providing these individuals with equity ownership opportunities.

ARTICLE II.
DEFINITIONS

As used in the Plan, the following words and phrases have the meanings specified below, unless the context clearly indicates otherwise:

2.1 "***Administrator***" means the Board or a Committee to the extent that the Board's powers or authority under the Plan have been delegated to such Committee. With reference to the Board's or a Committee's powers or authority under the Plan that have been delegated to one or more officers pursuant to Section 4.2, the term "Administrator" shall refer to such officer(s) unless and until such delegation has been revoked.

2.2 "***Applicable Law***" means any applicable law, including without limitation: (a) provisions of the Code, the Securities Act, the Exchange Act and any rules or regulations thereunder; (b) corporate, securities, tax or other laws, statutes, rules, requirements or regulations, whether federal, state, local or foreign; and (c) rules of any securities exchange or automated quotation system on which the Shares are listed, quoted or traded.

2.3 "***Automatic Exercise Date***" means, with respect to an Option or a Stock Appreciation Right, the last business day of the applicable Option term or Stock Appreciation Right term that was initially established by the Administrator for such Option or Stock Appreciation Right (e.g., the last business day prior to the tenth anniversary of the date of grant of such Option or Stock Appreciation Right if the Option or Stock Appreciation Right initially had a ten-year Option term or Stock Appreciation Right term, as applicable).

2.4 "***Award***" means an Option award, Stock Appreciation Right award, Restricted Stock award, Restricted Stock Unit award, Performance Bonus Award, Performance Stock Unit award, Dividend Equivalents award or Other Stock or Cash Based Award granted to a Participant under the Plan.

2.5 "***Award Agreement***" means an agreement evidencing an Award, which may be written or electronic, that contains such terms and conditions as the Administrator determines, consistent with and subject to the terms and conditions of the Plan.

2.6 "***Board***" means the Board of Directors of the Company.

2.7 "***Cause***" shall have the meaning ascribed to such term, or term of similar effect, in any offer letter, employment, severance or similar agreement, including any Award Agreement, between the Participant and the Company or any Subsidiary; provided, that in the absence of an offer letter, employment, severance or similar agreement containing such definition, "Cause" means (i) any willful, material violation by the Participant of any law or regulation applicable to the business of the Company or a Subsidiary or other affiliate of the Company, (ii) the Participant's conviction for, or guilty plea to, a

felony (or crime of similar magnitude under Applicable Law outside the United States) or a crime involving moral turpitude, or any willful perpetration by the Participant of a common law fraud, act of material dishonesty or misappropriation or similar conduct against the Company, (iii) the Participant's commission of an act of personal dishonesty which involves personal profit in connection with the Company or any other entity having a business relationship with the Company, (iv) any material breach or violation by the Participant of any provision of any agreement or understanding between the Company or any Subsidiary or other affiliate of the Company and the Participant regarding the terms of the Participant's service as an employee, officer, director or consultant to the Company or a Subsidiary or other affiliate of the Company, including without limitation, the willful and continued failure or refusal of the Participant to perform the material duties required of such Participant as an employee, officer, director or consultant of the Company or a Subsidiary or other affiliate of the Company, other than as a result of having a Disability, or a breach of any applicable invention assignment and confidentiality agreement or similar agreement between the Company or a Subsidiary or other affiliate of the Company and the Participant, (v) the Participant's violation of the code of ethics of the Company or any Subsidiary, (vi) the Participant's disregard of the policies of the Company or any Subsidiary or other affiliate of the Company so as to cause loss, harm, damage or injury to the property, reputation or employees of the Company or a Subsidiary or other affiliate of the Company, or (vii) any other misconduct by the Participant which is injurious to the financial condition or business reputation of, or is otherwise injurious to, the Company or a Subsidiary or other affiliate of the Company.

2.8 "***Change in Control***" means any of the following:

(a) A transaction or series of transactions (other than an offering of Common Stock to the general public through a registration statement filed with the Securities and Exchange Commission) whereby any "person" or related "group" of "persons" (as such terms are used in Sections 13(d) and 14(d)(2) of the Exchange Act) directly or indirectly acquires beneficial ownership (within the meaning of Rules 13d-3 and 13d-5 under the Exchange Act) of the Company's securities possessing more than 50% of the total combined voting power of the Company's securities outstanding immediately after such acquisition; provided, however, that the following acquisitions shall not constitute a Change in Control: (i) any acquisition by the Company or any Subsidiary; (ii) any acquisition by an employee benefit plan maintained by the Company or any Subsidiary, (iii) any acquisition which complies with Sections 2.8(c)(i), 2.8(c)(ii), and 2.8(c)(iii); or (iv) in respect of an Award held by a particular Participant, any acquisition by the Participant or any group of persons including the Participant (or any entity controlled by the Participant or any group of persons including the Participant);

(b) The Incumbent Directors cease for any reason to constitute a majority of the Board;

(c) The consummation by the Company (whether directly involving the Company or indirectly involving the Company through one or more intermediaries) of (x) a merger, consolidation, reorganization, or business combination, (y) a sale or other disposition of all or substantially all of the Company's assets in any single transaction or series of related transactions or (z) the acquisition of assets or stock of another entity, in each case other than a transaction:

(i) which results in the Company's voting securities outstanding immediately before the transaction continuing to represent (either by remaining outstanding or by being converted into voting securities of the Company or the person that, as a result of the transaction, controls, directly or indirectly, the Company or owns, directly or indirectly, all or substantially all of the Company's assets or otherwise succeeds to the business of the Company (the Company or such person, the "***Successor Entity***")) directly or indirectly, at least a majority of the combined voting power of the Successor Entity's outstanding voting securities immediately after the transaction;

(ii) after which no person or group beneficially owns voting securities representing 50% or more of the combined voting power of the Successor Entity; provided, however, that no person or group shall be treated for purposes of this Section 2.8(c)(ii)as beneficially owning 50% or more of the combined voting power of the Successor Entity solely as a result of the voting power held in the Company prior to the consummation of the transaction; and

(iii) after which at least a majority of the members of the board of directors (or the analogous governing body) of the Successor Entity were Board members at the time of the Board's approval of the execution of the initial agreement providing for such transaction; or

(d) The completion of a liquidation or dissolution of the Company.

Notwithstanding the foregoing, if a Change in Control constitutes a payment event with respect to any Award (or any portion of an Award) that provides for the deferral of compensation that is subject to Section 409A, to the extent required to avoid the imposition of additional taxes under Section 409A, the transaction or event described in subsection (a), (b), (c) or (d) of this Section 2.8 with respect to such Award (or portion thereof) shall only constitute a Change in Control for purposes of the payment timing of such Award if such transaction also constitutes a "change in control event," as defined in Treasury Regulation Section 1.409A-3(i)(5).

The Administrator shall have full and final authority, which shall be exercised in its sole discretion, to determine conclusively whether a Change in Control has occurred pursuant to the above definition, the date of such Change in Control and any incidental matters relating thereto; provided that any exercise of authority in conjunction with a determination of whether a Change in Control is a "change in control event" as defined in Treasury Regulation Section 1.409A-3(i)(5) shall be consistent with such regulation.

2.9 "***Code***" means the U.S. Internal Revenue Code of 1986, as amended, and all regulations, guidance, compliance programs and other interpretative authority issued thereunder.

2.10 "***Committee***" means one or more committees or subcommittees of the Board, which may include one or more Directors or executive officers of the Company, to the extent permitted by Applicable Law. To the extent required to comply with the provisions of Rule 16b-3, it is intended that each member of the Committee will be, at the time the Committee takes any action with respect to an Award that is subject to Rule 16b-3, a "non-employee director" within the meaning of Rule 16b-3; however, a Committee member's failure to qualify as a "non-employee director" within the meaning of Rule 16b-3 will not invalidate any Award granted by the Committee that is otherwise validly granted under the Plan.

2.11 "***Common Stock***" means the Class A common stock of the Company.

2.12 "***Company***" means Expensify, Inc., a Delaware corporation, or any successor.

2.13 "***Consultant***" means any consultant or adviser engaged by the Company or a Subsidiary to render services to such entity if the consultant or adviser: (i) renders bona fide services to the Company or a Subsidiary; (ii) renders services not in connection with the offer or sale of securities in a capital-raising transaction and does not directly or indirectly promote or maintain a market for the Company's securities; and (iii) qualifies as a consultant or advisor under Instruction A.1.(a)(1) of Form S-8 under the Securities Act.

2.14 "***Designated Beneficiary***" means, if permitted by the Company, the beneficiary or beneficiaries the Participant designates, in a manner the Company determines, to receive amounts due or

exercise the Participant's rights if the Participant dies. Without a Participant's effective designation, "Designated Beneficiary" will mean the Participant's estate or legal heirs.

2.15 "***Director***" means a member of the Board.

2.16 "***Disability***" means a permanent and total disability under Section 22(e)(3) of the Code.

2.17 "***Dividend Equivalents***" means a right granted to a Participant to receive the equivalent value (in cash or Shares) of dividends paid on a specified number of Shares. Such Dividend Equivalent shall be converted to cash or additional Shares, or a combination of cash and Shares, by such formula and at such time and subject to such limitations as may be determined by the Administrator.

2.18 "***DRO***" means a "domestic relations order" as defined by the Code or Title I of the Employee Retirement Income Security Act of 1974, as amended, or the rules thereunder.

2.19 "***Effective Date***" has the meaning set forth in Section 11.3.

2.20 "***Employee***" means any employee of the Company or any of its Subsidiaries.

2.21 "***Equity Restructuring***" means a nonreciprocal transaction between the Company and its stockholders, such as a stock dividend, stock split (including a reverse stock split), spin-off or recapitalization through a large, nonrecurring cash dividend, that affects the number or kind of Shares (or other Company securities) or the share price of Common Stock (or other Company securities) and causes a change in the per share value of the Common Stock underlying outstanding Awards.

2.22 "***Exchange Act***" means the U.S. Securities Exchange Act of 1934, as amended, and all regulations, guidance and other interpretative authority issued thereunder.

2.23 "***Fair Market Value***" means, as of any date, the value of a Share determined as follows:

(a) If the Common Stock is (i) listed on any established securities exchange (such as the New York Stock Exchange, the NASDAQ Global Market and the NASDAQ Global Select Market), (ii) listed on any national market system or (iii) listed, quoted or traded on any automated quotation system, its Fair Market Value shall be the average of the low and high sales price for a Share as quoted on such exchange or system for such date or, if there are no low and high sales prices for a Share on the date in question, the average of the low and high sales price for a Share on the last preceding date for which such quotation exists, as reported in *The Wall Street Journal* or such other source as the Administrator deems reliable;

(b) If the Common Stock is not listed on an established securities exchange, national market system or automated quotation system, but the Common Stock is regularly quoted by a recognized securities dealer, its Fair Market Value shall be the mean of the high bid and low asked prices for such date or, if there are no high bid and low asked prices for a Share on such date, the high bid and low asked prices for a Share on the last preceding date for which such information exists, as reported in *The Wall Street Journal* or such other source as the Administrator deems reliable; or

(c) If the Common Stock is neither listed on an established securities exchange, national market system or automated quotation system nor regularly quoted by a recognized securities dealer, its Fair Market Value shall be established by the Administrator in good faith.

2.24

2.25 "***Good Reason***" shall have the meaning ascribed to such term, or term of similar effect, in any offer letter, employment, severance or similar agreement, including any Award Agreement, between the Participant and the Company or any Subsidiary; provided, that in the absence of an offer letter, employment, severance or similar agreement containing such definition, Good Reason means the occurrence of one or more of the following without the Participant's consent: (i) a material reduction in the Participant's base compensation or (ii) a relocation of the principal place at which the Participant must perform services that increases the Participant's one way commute by more than 35 miles. In order to establish Good Reason, the Participant must provide the Administrator with notice of the event giving rise to Good Reason within 30 days of the initial occurrence of such event, the event shall remain uncured 30 days thereafter and the Participant must actually terminate services with the Company or Subsidiary to which Participant provides services within 30 days following the end of such cure period.

2.26 "***Greater Than 10% Stockholder***" means an individual then owning (within the meaning of Section 424(d) of the Code) more than 10% of the total combined voting power of all classes of stock of the Company or any parent corporation or subsidiary corporation of the Company, as determined in accordance with Section 424(e) and (f) of the Code, respectively.

2.27 "***Incentive Stock Option***" means an Option that meets the requirements to qualify as an "incentive stock option" as defined in Section 422 of the Code.

2.28 "***Incumbent Directors"*** means, for any period of 12 consecutive months, individuals who, at the beginning of such period, constitute the Board together with any new Director(s) (other than a Director designated by a person who shall have entered into an agreement with the Company to effect a transaction described in clause (a) or (c) of the Change in Control definition) whose election or nomination for election to the Board was approved by a vote of at least a majority (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 objection to such nomination) of the Directors then still in office who either were Directors at the beginning of the 12-month period or whose election or nomination for election was previously so approved. 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 an Incumbent Director.

2.29 "***Matching Plan***" means the Expensify, Inc. 2021 Stock Purchase and Matching Plan, as amended.

2.30 "***Matching Plan Award***" means a purchase right, granted Share or matching Share granted or issued under the Matching Plan.

2.31 "***Non-Class A Shares***" means shares of the Company's LT10 common stock and LT50 common stock.

2.32 "***Non-Employee Director***" means a Director who is not an Employee.

2.33 "***Nonqualified Stock Option***" means an Option that is not an Incentive Stock Option.

2.34 "***Option***" means a right granted under Article VI to purchase a specified number of Shares at a specified price per Share during a specified time period. An Option may be either an Incentive Stock Option or a Nonqualified Stock Option.

2.35 "***Other Stock or Cash Based Awards***" means cash awards, awards of Shares, and other awards valued wholly or partially by referring to, or are otherwise based on, Shares or other property.

2.36 "***Overall Share Limit***" means the sum of (i) 11,676,932 Shares plus (ii) any Shares or Non-Class A Shares that are available for issuance under the Prior Plans as of the Effective Date plus (iii) any Shares or Non-Class A Shares that are subject to Prior Plan Awards that become available for issuance under the Plan as Shares pursuant to Article V plus (iv) an increase commencing on January 1, 2022 and continuing annually on the anniversary thereof through (and including) January 1, 2031, equal to the lesser of (A) 6% of the aggregate number of shares of all classes of the Company's common stock outstanding on the last day of the immediately preceding calendar year and (B) such smaller number of Shares as determined by the Board or the Committee.

2.37 "***Participant***" means a Service Provider who has been granted an Award.

2.38 "***Performance Bonus Award***" has the meaning set forth in Section 8.3.

2.39 "***Performance Stock Unit***" means a right granted to a Participant pursuant to Section 8.1 and subject to Section 8.2, to receive cash or Shares, the payment of which is contingent upon achieving certain performance goals or other performance-based targets established by the Administrator.

2.40 "***Permitted Transferee***" means, with respect to a Participant, any "family member" of the Participant, as defined in the General Instructions to Form S-8 Registration Statement under the Securities Act (or any successor form thereto), or any other transferee specifically approved by the Administrator after taking into account Applicable Law.

2.41 "***Plan***" means this 2021 Incentive Award Plan.

2.42 "***Prior Plan Award***" means an award outstanding under the Prior Plans as of immediately prior to the Effective Date.

2.43 "***Prior Plans***" means, collectively, the Expensify, Inc. 2019 Stock Plan and the Expensify, Inc. 2009 Stock Plan, each as amended or restated from time to time.

2.44 "***Public Trading Date***" means the first date upon which Common Stock is listed (or approved for listing) upon notice of issuance on any securities exchange or designated (or approved for designation) upon notice of issuance as a national market security on an interdealer quotation system.

2.45 "***Restricted Stock***" means Shares awarded to a Participant under Article VII, subject to certain vesting conditions and other restrictions.

2.46 "***Restricted Stock Unit***" means an unfunded, unsecured right to receive, on the applicable settlement date, one Share or an amount in cash or other consideration determined by the Administrator to be equal to the Fair Market Value as of such settlement date, subject to certain vesting conditions and other restrictions.

2.47 "***Rule 16b-3***" means Rule 16b-3 promulgated under the Exchange Act, including any amendments thereto.

2.48 "***Section 409A***" means Section 409A of the Code and the regulations promulgated thereunder by the United States Treasury Department, as amended or as may be amended from time to time.

2.49 "***Securities Act***" means the Securities Act of 1933, as amended, and all regulations, guidance and other interpretative authority issued thereunder.

2.50 "***Service Provider***" means an Employee, Consultant or Director.

2.51 "***Shares***" means shares of Common Stock.

2.52 "***Stock Appreciation Right***" or "***SAR***" means a right granted under Article VI to receive a payment equal to the excess of the Fair Market Value of a specified number of Shares on the date the right is exercised over the exercise price set forth in the applicable Award Agreement.

2.53 "***Subsidiary***" means any entity (other than the Company), whether U.S. or non-U.S., in an unbroken chain of entities beginning with the Company if each of the entities other than the last entity in the unbroken chain beneficially owns, at the time of the determination, securities or interests representing at least 50% of the total combined voting power of all classes of securities or interests in one of the other entities in such chain.

2.54 "***Substitute Awards***" means Awards granted or Shares issued by the Company in assumption of, or in substitution or exchange for, awards previously granted, or the right or obligation to make future awards, in each case by a company or other entity acquired by the Company or any Subsidiary or with which the Company or any Subsidiary combines.

2.55 "***Tax-Related Items***" means any U.S. and non-U.S. federal, state and/or local taxes (including, without limitation, income tax, social insurance contributions, fringe benefit tax, employment tax, stamp tax and any employer tax liability which has been transferred to a Participant) for which a Participant is liable in connection with Awards and/or Shares.

2.56 "***Termination of Service***" means:

(a) As to a Consultant, the time when the engagement of a Participant as a Consultant to the Company or a Subsidiary is terminated for any reason, with or without Cause, including, without limitation, by resignation, discharge, death or retirement, but excluding terminations where the Consultant simultaneously commences or remains in employment or service with the Company or any Subsidiary.

(b) As to a Non-Employee Director, the time when a Participant who is a Non-Employee Director ceases to be a Director for any reason, including, without limitation, a termination by resignation, failure to be elected, death or retirement, but excluding terminations where the Participant simultaneously commences or remains in employment or service with the Company or any Subsidiary.

(c) As to an Employee, the time when the employee-employer relationship between a Participant and the Company or any Subsidiary is terminated for any reason, including, without limitation, a termination by resignation, discharge, death, disability or retirement; but excluding terminations where the Participant simultaneously commences or remains in employment or service with the Company or any Subsidiary.

The Company, in its sole discretion, shall determine the effect of all matters and questions relating to any Termination of Service, including, without limitation, whether a Termination of Service has occurred, whether a Termination of Service resulted from a discharge for Cause and all questions of whether particular leaves of absence constitute a Termination of Service. For purposes of the Plan, a Participant's employee-employer relationship or consultancy relationship shall be deemed to be terminated in the event that the Subsidiary employing or contracting with such Participant ceases to

remain a Subsidiary following any merger, sale of stock or other corporate transaction or event (including, without limitation, a spin-off), even though the Participant may subsequently continue to perform services for that entity.

ARTICLE III.
ELIGIBILITY

Service Providers are eligible to be granted Awards under the Plan, subject to the limitations described herein. No Service Provider shall have any right to be granted an Award pursuant to the Plan and neither the Company nor the Administrator is obligated to treat Service Providers, Participants or any other persons uniformly.

ARTICLE IV.
ADMINISTRATION AND DELEGATION

4.1 Administration.

(a) The Plan is administered by the Administrator. The Administrator has authority to determine which Service Providers receive Awards, grant Awards and set Award terms and conditions, subject to the conditions and limitations in the Plan. The Administrator also has the authority to take all actions and make all determinations under the Plan, to interpret the Plan and Award Agreements and to adopt, amend and repeal Plan administrative rules, guidelines and practices as it deems advisable. The Administrator may correct defects and ambiguities, supply omissions, reconcile inconsistencies in the Plan or any Award and make all other determinations that it deems necessary or appropriate to administer the Plan and any Awards. The Administrator (and each member thereof) is entitled to, in good faith, rely or act upon any report or other information furnished to the Administrator or any member thereof by any officer or other Employee, the Company's independent certified public accountants, or any executive compensation consultant or other professional retained by the Company to assist in the administration of the Plan. The Administrator's determinations under the Plan are in its sole discretion and will be final, binding and conclusive on all persons having or claiming any interest in the Plan or any Award.

(b) Without limiting the foregoing, the Administrator has the exclusive power, authority and sole discretion to: (i) designate Participants; (ii) determine the type or types of Awards to be granted to each Participant; (iii) determine the number of Awards to be granted and the number of Shares to which an Award will relate; (iv) subject to the limitations in the Plan, determine the terms and conditions of any Award and related Award Agreement, including, but not limited to, the exercise price, grant price, purchase price, any performance criteria, any restrictions or limitations on the Award, any schedule for vesting, lapse of forfeiture restrictions or restrictions on the exercisability of an Award, and accelerations, waivers or amendments thereof; (v) determine whether, to what extent, and under what circumstances an Award may be settled in, or the exercise price of an Award may be paid in cash, Shares, or other property, or an Award may be canceled, forfeited, or surrendered; and (vi) make all other decisions and determinations that may be required pursuant to the Plan or as the Administrator deems necessary or advisable to administer the Plan.

4.2 Delegation of Authority. To the extent permitted by Applicable Law, the Board or any Committee may delegate any or all of its powers under the Plan to one or more Committees or officers of the Company or any of its Subsidiaries; provided, however, that in no event shall an officer of the Company or any of its Subsidiaries be delegated the authority to grant Awards to, or amend Awards held by, the following individuals: (a) individuals who are subject to Section 16 of the Exchange Act, or (b) officers of the Company or any of its Subsidiaries or Directors to whom authority to grant or amend Awards has been delegated hereunder. Any delegation hereunder shall be subject to the restrictions and

limits that the Board or Committee specifies at the time of such delegation or that are otherwise included in the applicable organizational documents, and the Board or Committee, as applicable, may at any time rescind the authority so delegated or appoint a new delegatee. At all times, the delegatee appointed under this Section 4.2 shall serve in such capacity at the pleasure of the Board or the Committee, as applicable, and the Board or the Committee may abolish any committee at any time and re-vest in itself any previously delegated authority. Further, regardless of any delegation, the Board or a Committee may, in its discretion, exercise any and all rights and duties as the Administrator under the Plan delegated thereby, except with respect to Awards that are required to be determined in the sole discretion of the Board or Committee under the rules of any securities exchange or automated quotation system on which the Shares are listed, quoted or traded.

ARTICLE V.
STOCK AVAILABLE FOR AWARDS

5.1 Number of Shares. Subject to adjustment under Article IX and the terms of this Article V, Awards may be made under the Plan covering up to the Overall Share Limit. The issuance of a Share under the Plan shall reduce the number of Shares available for issuance under the Matching Plan and vice versa. As of the Effective Date, the Company will cease granting awards under the Prior Plans; however, Prior Plan Awards will remain subject to the terms of the applicable Prior Plan. Shares issued or delivered under the Plan may consist of authorized but unissued Shares, Shares purchased on the open market or treasury Shares.

5.2 Share Recycling.

(a) If all or any part of an Award, Matching Plan Award or Prior Plan Award expires, lapses or is terminated, converted into an award in respect of shares of another entity in connection with a spin-off or other similar event, exchanged or settled for cash, surrendered, repurchased, canceled without having been fully exercised or forfeited, in any case, in a manner that results in the Company acquiring Shares or Non-Class A Shares covered by the Award, Matching Plan Award or Prior Plan Award at a price not greater than the price (as adjusted to reflect any Equity Restructuring) paid by the Participant for such shares or not issuing any Shares or Non-Class A Shares covered by the Award, Matching Plan Award or Prior Plan Award, the unused shares covered by the Award, Matching Plan Award or Prior Plan Award will, as applicable, become or again be available, in each case, as Common Stock for Awards under the Plan. The payment of Dividend Equivalents in cash in conjunction with any outstanding Awards or Prior Plan Awards shall not count against the Overall Share Limit.

(b) In addition, the following shall be available as Shares for future grants of Awards: (i) Shares or Non-Class A Shares tendered by a Participant or withheld by the Company in payment of the exercise price of an Option or any stock option granted under the Prior Plan; (ii) Shares or Non-Class A Shares tendered by the Participant or withheld by the Company to satisfy any tax withholding obligation with respect to an Award, Matching Plan Award or any Prior Plan Award; and (iii) Shares subject to a Stock Appreciation Right that are not issued in connection with the stock settlement of the Stock Appreciation Right on exercise thereof, in each case, prior to the tenth (10^{th}) anniversary of the Effective Date. Notwithstanding the provisions of this Section 5.2(b), no Shares may again be optioned, granted or awarded pursuant to an Incentive Stock Option if such action would cause such Option to fail to qualify as an incentive stock option under Section 422 of the Code.

5.3 Incentive Stock Option Limitations. Notwithstanding anything to the contrary herein, no more than 87,576,990 Shares (as adjusted to reflect any Equity Restructuring) may be issued pursuant to the exercise of Incentive Stock Options.

5.4 Substitute Awards. In connection with an entity's merger or consolidation with the Company or any Subsidiary or the Company's or any Subsidiary's acquisition of an entity's property or stock, the Administrator may grant Substitute Awards in respect of any options or other stock or stock-based awards granted before such merger or consolidation by such entity or its affiliate. Substitute Awards may be granted on such terms and conditions as the Administrator deems appropriate, notwithstanding limitations on Awards in the Plan. Substitute Awards will not count against the Overall Share Limit (nor shall Shares subject to a Substitute Award be added to the Shares available for Awards under the Plan as provided under Section 5.2 above), except that Shares acquired by exercise of substitute Incentive Stock Options will count against the maximum number of Shares that may be issued pursuant to the exercise of Incentive Stock Options under the Plan. Additionally, in the event that a company acquired by the Company or any Subsidiary or with which the Company or any Subsidiary combines has shares available under a pre-existing plan approved by stockholders and not adopted in contemplation of such acquisition or combination, the shares available for grant pursuant to the terms of such pre-existing plan (as appropriately adjusted to reflect the transaction) may be used for Awards under the Plan and shall not count against the Overall Share Limit (and Shares subject to such Awards may again become available for Awards under the Plan as provided under Section 5.2 above); provided that Awards using such available shares shall not be made after the date awards or grants could have been made under the terms of the pre-existing plan, absent the acquisition or combination, and shall only be made to individuals who were not Service Providers prior to such acquisition or combination.

5.5 Non-Employee Director Award Limit. Notwithstanding any provision to the contrary in the Plan or in any policy of the Company regarding non-employee director compensation, the sum of the grant date fair value (determined as of the grant date in accordance with Financial Accounting Standards Board Accounting Standards Codification Topic 718, or any successor thereto) of all equity-based Awards and the maximum amount that may become payable pursuant to all cash-based Awards that may be granted to a Service Provider as compensation for services as a Non-Employee Director during any calendar year shall not exceed $1,000,000 for such Service Provider's first year of service as a Non-Employee Director and $750,000 for each year thereafter.

ARTICLE VI.
STOCK OPTIONS AND STOCK APPRECIATION RIGHTS

6.1 General. The Administrator may grant Options or Stock Appreciation Rights to one or more Service Providers, subject to such terms and conditions not inconsistent with the Plan as the Administrator shall determine. The Administrator will determine the number of Shares covered by each Option and Stock Appreciation Right, the exercise price of each Option and Stock Appreciation Right and the conditions and limitations applicable to the exercise of each Option and Stock Appreciation Right. A Stock Appreciation Right will entitle the Participant (or other person entitled to exercise the Stock Appreciation Right) to receive from the Company upon exercise of the exercisable portion of the Stock Appreciation Right an amount determined by multiplying (x) the excess, if any, of the Fair Market Value of one Share on the date of exercise over the exercise price per Share of the Stock Appreciation Right by (y) the number of Shares with respect to which the Stock Appreciation Right is exercised, subject to any limitations of the Plan or that the Administrator may impose, and payable in cash, Shares valued at Fair Market Value on the date of exercise or a combination of the two as the Administrator may determine or provide in the Award Agreement.

6.2 Exercise Price. The Administrator will establish each Option's and Stock Appreciation Right's exercise price and specify the exercise price in the Award Agreement. Subject to Section 6.7, the exercise price will not be less than 100% of the Fair Market Value on the grant date of the Option or Stock Appreciation Right. Notwithstanding the foregoing, in the case of an Option or Stock Appreciation Right that is a Substitute Award, the exercise price per share of the Shares subject to such Option or Stock

Appreciation Right, as applicable, may be less than the Fair Market Value on the date of grant; provided that the exercise price of any Substitute Award shall be determined in accordance with the applicable requirements of Sections 424 and 409A of the Code.

6.3 Duration of Options. Subject to Section 6.7, each Option or Stock Appreciation Right will be exercisable at such times and as specified in the Award Agreement, provided that the term of an Option or Stock Appreciation Right will not exceed ten years; provided, further, that, unless otherwise determined by the Administrator or specified in the Award Agreement, (a) no portion of an Option or Stock Appreciation Right which is unexercisable at a Participant's Termination of Service shall thereafter become exercisable and (b) the portion of an Option or Stock Appreciation Right that is unexercisable at a Participant's Termination of Service shall automatically expire on the date of such Termination of Service. In addition, in no event shall an Option or Stock Appreciation Right granted to an Employee who is a non-exempt employee for purposes of overtime pay under the U.S. Fair Labor Standards Act of 1938 be exercisable earlier than six months after its date of grant. Notwithstanding the foregoing, if the Participant, prior to the end of the term of an Option or Stock Appreciation Right, commits an act of Cause (as determined by the Administrator), or violates any non-competition, non-solicitation or confidentiality provisions of any employment contract, confidentiality and nondisclosure agreement or other agreement between the Participant and the Company or any of its Subsidiaries, the right to exercise the Option or Stock Appreciation Right, as applicable, may be terminated by the Company and the Company may suspend the Participant's right to exercise the Option or Stock Appreciation Right when it reasonably believes that the Participant may have participated in any such act or violation.

6.4 Exercise. Options and Stock Appreciation Rights may be exercised by delivering to the Company (or such other person or entity designated by the Administrator) a notice of exercise, in a form and manner the Company approves (which may be written, electronic or telephonic and may contain representations and warranties deemed advisable by the Administrator), signed or authenticated by the person authorized to exercise the Option or Stock Appreciation Right, together with, as applicable, (a) payment in full of the exercise price for the number of Shares for which the Option is exercised in a manner specified in Section 6.5 and (b) satisfaction in full of any withholding obligation for Tax-Related Items in a manner specified in Section 10.5. The Administrator may, in its discretion, limit exercise with respect to fractional Shares and require that any partial exercise of an Option or Stock Appreciation Right be with respect to a minimum number of Shares.

6.5 Payment Upon Exercise. The Administrator shall determine the methods by which payment of the exercise price of an Option shall be made, including, without limitation:

(a) Cash, check or wire transfer of immediately available funds; provided that the Company may limit the use of one of the foregoing methods if one or more of the methods below is permitted;

(b) If there is a public market for Shares at the time of exercise, unless the Company otherwise determines, (A) delivery (including electronically or telephonically to the extent permitted by the Company) of a notice that the Participant has placed a market sell order with a broker acceptable to the Company with respect to Shares then issuable upon exercise of the Option and that the broker has been directed to deliver promptly to the Company funds sufficient to pay the exercise price, or (B) the Participant's delivery to the Company of a copy of irrevocable and unconditional instructions to a broker acceptable to the Company to deliver promptly to the Company an amount sufficient to pay the exercise price by cash, wire transfer of immediately available funds or check; provided that such amount is paid to the Company at such time as may be required by the Company;

(c) To the extent permitted by the Administrator, delivery (either by actual delivery or attestation) of Shares owned by the Participant valued at their Fair Market Value on the date of delivery;

(d) To the extent permitted by the Administrator, surrendering Shares then issuable upon the Option's exercise valued at their Fair Market Value on the exercise date;

(e) To the extent permitted by the Administrator, delivery of a promissory note or any other lawful consideration; or

(f) To the extent permitted by the Administrator, any combination of the above payment forms.

6.6 Expiration of Option Term or Stock Appreciation Right Term: Automatic Exercise of In-The-Money Options and Stock Appreciation Rights. Unless otherwise provided by the Administrator in an Award Agreement or otherwise or as otherwise directed by a holder of an Option or a Stock Appreciation Right in writing to the Company, each vested and exercisable Option and Stock Appreciation Right outstanding on the Automatic Exercise Date with an exercise price per Share that is less than the sum of the Fair Market Value and any related broker's fees (as described in Section 11.19(c)) per Share as of such date shall automatically and without further action by the holder of the Option or Stock Appreciation Right or the Company be exercised on the Automatic Exercise Date. In the sole discretion of the Administrator, payment of the exercise price of any such Option shall be made pursuant to Section 6.5(b) or 6.5(d) and the Company or any Subsidiary shall be entitled to deduct or withhold an amount sufficient to satisfy any withholding obligation for Tax-Related Items associated with such exercise in accordance with Section 10.5. Unless otherwise determined by the Administrator, this Section 6.6 shall not apply to an Option or Stock Appreciation Right if the holder of such Option or Stock Appreciation Right incurs a Termination of Service on or before the Automatic Exercise Date. For the avoidance of doubt, no Option or Stock Appreciation Right with an exercise price per Share that is equal to or greater than the Fair Market Value on the Automatic Exercise Date shall be exercised pursuant to this Section 6.6.

6.7 Additional Terms of Incentive Stock Options. The Administrator may grant Incentive Stock Options only to employees of the Company, any of its present or future parent or subsidiary corporations, as defined in Sections 424(e) or (f) of the Code, respectively, and any other entities the employees of which are eligible to receive Incentive Stock Options under the Code. If an Incentive Stock Option is granted to a Greater Than 10% Stockholder, the exercise price will not be less than 110% of the Fair Market Value on the Option's grant date, and the term of the Option will not exceed five years. All Incentive Stock Options (and Award Agreements related thereto) will be subject to and construed consistently with Section 422 of the Code. By accepting an Incentive Stock Option, the Participant agrees to give prompt notice to the Company of dispositions or other transfers (other than in connection with a Change in Control) of Shares acquired under the Option made within the later of (a) two years from the grant date of the Option or (b) one year after the transfer of such Shares to the Participant, specifying the date of the disposition or other transfer and the amount the Participant realized, in cash, other property, assumption of indebtedness or other consideration, in such disposition or other transfer. Neither the Company nor the Administrator will be liable to a Participant, or any other party, if an Incentive Stock Option fails or ceases to qualify as an "incentive stock option" under Section 422 of the Code. Any Incentive Stock Option or portion thereof that fails to qualify as an "incentive stock option" under Section 422 of the Code for any reason, including becoming exercisable with respect to Shares having a fair market value exceeding the $100,000 limitation under Treasury Regulation Section 1.422-4, will be a Nonqualified Stock Option.

ARTICLE VII.
RESTRICTED STOCK; RESTRICTED STOCK UNITS

7.1 General. The Administrator may grant Restricted Stock, or the right to purchase Restricted Stock, to any Service Provider, subject to forfeiture or the Company's right to repurchase all or part of the underlying Shares at their issue price or other stated or formula price from the Participant if conditions the Administrator specifies in the Award Agreement are not satisfied before the end of the applicable restriction period or periods that the Administrator establishes for such Award. In addition, the Administrator may grant Restricted Stock Units, which may be subject to vesting and forfeiture conditions during the applicable restriction period or periods, as set forth in an Award Agreement, to Service Providers. The Administrator shall establish the purchase price, if any, and form of payment for Restricted Stock and Restricted Stock Units; provided, however, that if a purchase price is charged, such purchase price shall be no less than the par value, if any, of the Shares to be purchased, unless otherwise permitted by Applicable Law. In all cases, legal consideration shall be required for each issuance of Restricted Stock and Restricted Stock Units to the extent required by Applicable Law. The Award Agreement for each Award of Restricted Stock and Restricted Stock Units shall set forth the terms and conditions not inconsistent with the Plan as the Administrator shall determine.

7.2 Restricted Stock.

(a) *Stockholder Rights*. Unless otherwise determined by the Administrator, each Participant holding Shares of Restricted Stock will be entitled to all the rights of a stockholder with respect to such Shares, subject to the restrictions in the Plan and the applicable Award Agreement, including the right to receive all dividends and other distributions paid or made with respect to the Shares to the extent such dividends and other distributions have a record date that is on or after the date on which such Participant becomes the record holder of such Shares; provided, however, that with respect to a share of Restricted Stock subject to restrictions or vesting conditions, except in connection with a spin-off or other similar event as otherwise permitted under Section 9.2, dividends which are paid to Company stockholders prior to the removal of restrictions and satisfaction of vesting conditions shall only be paid to the Participant to the extent that the restrictions are subsequently removed and the vesting conditions are subsequently satisfied and the share of Restricted Stock vests.

(b) *Stock Certificates*. The Company may require that the Participant deposit in escrow with the Company (or its designee) any stock certificates issued in respect of Shares of Restricted Stock, together with a stock power endorsed in blank.

(c) *Section 83(b) Election*. If a Participant makes an election under Section 83(b) of the Code to be taxed with respect to the Restricted Stock as of the date of transfer of the Restricted Stock rather than as of the date or dates upon which such Participant would otherwise be taxable under Section 83(a) of the Code, such Participant shall be required to deliver a copy of such election to the Company promptly after filing such election with the Internal Revenue Service along with proof of the timely filing thereof.

7.3 Restricted Stock Units. The Administrator may provide that settlement of Restricted Stock Units will occur upon or as soon as reasonably practicable after the Restricted Stock Units vest or will instead be deferred, on a mandatory basis or at the Participant's election, subject to compliance with Applicable Law. A Participant holding Restricted Stock Units will have only the rights of a general unsecured creditor of the Company (solely to the extent of any rights then applicable to Participant with respect to such Restricted Stock Units) until delivery of Shares, cash or other securities or property is made as specified in the applicable Award Agreement.

ARTICLE VIII.
OTHER TYPES OF AWARDS

8.1 General. The Administrator may grant Performance Stock Unit awards, Performance Bonus Awards, Dividend Equivalents or Other Stock or Cash Based Awards, to one or more Service Providers, in such amounts and subject to such terms and conditions not inconsistent with the Plan as the Administrator shall determine.

8.2 Performance Stock Unit Awards. Each Performance Stock Unit award shall be denominated in a number of Shares or in unit equivalents of Shares or units of value (including a dollar value of Shares) and may be linked to any one or more of performance or other specific criteria, including service to the Company or Subsidiaries, determined to be appropriate by the Administrator, in each case on a specified date or dates or over any period or periods determined by the Administrator. In making such determinations, the Administrator may consider (among such other factors as it deems relevant in light of the specific type of award) the contributions, responsibilities and other compensation of the particular Participant.

8.3 Performance Bonus Awards. Each right to receive a bonus granted under this Section 8.3 shall be denominated in the form of cash (but may be payable in cash, stock or a combination thereof) (a "***Performance Bonus Award***") and shall be payable upon the attainment of performance goals that are established by the Administrator and relate to one or more of performance or other specific criteria, including service to the Company or Subsidiaries, in each case on a specified date or dates or over any period or periods determined by the Administrator.

8.4 Dividend Equivalents. If the Administrator provides, an Award (other than an Option or Stock Appreciation Right) may provide a Participant with the right to receive Dividend Equivalents. Dividend Equivalents may be paid currently or credited to an account for the Participant, settled in cash or Shares and subject to the same restrictions on transferability and forfeitability as the Award with respect to which the Dividend Equivalents are granted and subject to other terms and conditions as set forth in the Award Agreement. Notwithstanding anything to the contrary herein, Dividend Equivalents with respect to an Award subject to vesting shall either (a) to the extent permitted by Applicable Law, not be paid or credited or (b) be accumulated and subject to vesting to the same extent as the related Award. All such Dividend Equivalents shall be paid at such time as the Administrator shall specify in the applicable Award Agreement or as determined by the Administrator in the event not specified in such Award Agreement.

8.5 Other Stock or Cash Based Awards. Other Stock or Cash Based Awards may be granted to Participants, including Awards entitling Participants to receive cash or Shares to be delivered in the future and annual or other periodic or long-term cash bonus awards (whether based on specified performance criteria or otherwise), in each case subject to any conditions and limitations in the Plan. Such Other Stock or Cash Based Awards will also be available as a payment form in the settlement of other Awards, as standalone payments and as payment in lieu of compensation to which a Participant is otherwise entitled, subject to compliance with Section 409A. Other Stock or Cash Based Awards may be paid in Shares, cash or other property, as the Administrator determines. Subject to the provisions of the Plan, the Administrator will determine the terms and conditions of each Other Stock or Cash Based Award, including any purchase price, performance goal(s), transfer restrictions, and vesting conditions, which will be set forth in the applicable Award Agreement. Except in connection with a spin-off or other similar event as otherwise permitted under Article IX, dividends that are paid prior to vesting of any Other Stock or Cash Based Award shall only be paid to the applicable Participant to the extent that the vesting conditions are subsequently satisfied and the Other Stock or Cash Based Award vests.

ARTICLE IX.
ADJUSTMENTS FOR CHANGES IN COMMON STOCK
AND CERTAIN OTHER EVENTS

9.1 Equity Restructuring. In connection with any Equity Restructuring, notwithstanding anything to the contrary in this Article IX, the Administrator will equitably adjust the terms of the Plan and each outstanding Award as it deems appropriate to reflect the Equity Restructuring, which may include (a) adjusting the number and type of securities subject to each outstanding Award or with respect to which Awards may be granted under the Plan (including, but not limited to, adjustments of the limitations in Article V hereof on the maximum number and kind of shares that may be issued); (b) adjusting the terms and conditions of (including the grant or exercise price), and the performance goals or other criteria included in, outstanding Awards; and (c) granting new Awards or making cash payments to Participants. The adjustments provided under this Section 9.1 will be nondiscretionary and final and binding on all interested parties, including the affected Participant and the Company; provided that the Administrator will determine whether an adjustment is equitable.

9.2 Corporate Transactions. In the event of any extraordinary dividend or other distribution (whether in the form of cash, Common Stock, other securities, or other property), reorganization, merger, consolidation, split-up, spin off, combination, amalgamation, repurchase, recapitalization, liquidation, dissolution, or sale, transfer, exchange or other disposition of all or substantially all of the assets of the Company, or sale or exchange of Common Stock or other securities of the Company, Change in Control, issuance of warrants or other rights to purchase Common Stock or other securities of the Company, other similar corporate transaction or event, other unusual or nonrecurring transaction or event affecting the Company or its financial statements or any change in any Applicable Law or accounting principles, the Administrator, on such terms and conditions as it deems appropriate, either by the terms of the Award or by action taken prior to the occurrence of such transaction or event (except that action to give effect to a change in Applicable Law or accounting principles may be made within a reasonable period of time after such change) and either automatically or upon the Participant's request, is hereby authorized to take any one or more of the following actions whenever the Administrator determines that such action is appropriate in order to (x) prevent dilution or enlargement of the benefits or potential benefits intended by the Company to be made available under the Plan or with respect to any Award granted or issued under the Plan, (y) to facilitate such transaction or event or (z) give effect to such changes in Applicable Law or accounting principles:

(a) To provide for the cancellation of any such Award in exchange for either an amount of cash or other property with a value equal to the amount that could have been obtained upon the exercise or settlement of the vested portion of such Award or realization of the Participant's rights under the vested portion of such Award, as applicable, in each case as of the date of such cancellation; provided that, if the amount that could have been obtained upon the exercise or settlement of the vested portion of such Award or realization of the Participant's rights, in any case, is equal to or less than zero, then the Award may be terminated without payment;

(b) To provide that such Award shall vest and, to the extent applicable, be exercisable as to all Shares (or other property) covered thereby, notwithstanding anything to the contrary in the Plan or the provisions of such Award;

(c) To provide that such Award be assumed by the successor or survivor corporation or entity, or a parent or subsidiary thereof, or shall be substituted for by awards covering the stock of the successor or survivor corporation or entity, or a parent or subsidiary thereof, with appropriate adjustments as to the number and kind of shares and applicable exercise or purchase price, in all cases, as determined by the Administrator;

(d) To make adjustments in the number and type of Shares (or other securities or property) subject to outstanding Awards or with respect to which Awards may be granted under the Plan (including, but not limited to, adjustments of the limitations in Article V hereof on the maximum number and kind of Shares which may be issued) or in the terms and conditions of (including the grant or exercise price), and the criteria included in, outstanding Awards;

(e) To replace such Award with other rights or property selected by the Administrator; or

(f) To provide that the Award will terminate and cannot vest, be exercised or become payable after the applicable event.

9.3 Change in Control.

(a) Notwithstanding any other provision of the Plan, in the event of a Change in Control, unless the Administrator elects to (i) terminate an Award in exchange for cash, rights or property, or (ii) cause an Award to become fully exercisable and no longer subject to any forfeiture restrictions prior to the consummation of a Change in Control, pursuant to Section 9.2, (A) such Award (other than any portion subject to performance-based vesting) shall continue in effect or be assumed or an equivalent Award substituted by the successor corporation or a parent or subsidiary of the successor corporation and (B) the portion of such Award subject to performance-based vesting shall be subject to the terms and conditions of the applicable Award Agreement and, in the absence of applicable terms and conditions, the Administrator's discretion.

(b) In the event that the successor corporation in a Change in Control refuses to assume or substitute for an Award (other than any portion subject to performance-based vesting, which shall be handled as specified in the individual Award Agreement or as otherwise provided by the Administrator), the Administrator shall cause such Award to become fully vested and, if applicable, exercisable immediately prior to the consummation of such transaction and all forfeiture restrictions on such Award to lapse and, to the extent unexercised upon the consummation of such transaction, to terminate in exchange for cash, rights or other property. The Administrator shall notify the Participant of any Award that becomes exercisable pursuant to the preceding sentence that such Award shall be fully exercisable for a period of time as determined by the Administrator from the date of such notice (which shall be 15 days if no period is determined by the Administrator), contingent upon the occurrence of the Change in Control, and such Award shall terminate upon the consummation of the Change in Control in accordance with the preceding sentence.

(c) For the purposes of this Section 9.3, an Award shall be considered assumed if, following the Change in Control, the Award confers the right to purchase or receive, for each Share subject to the Award immediately prior to the Change in Control, the consideration (whether stock, cash, or other securities or property) received in the Change in Control by holders of Common Stock for each Share held on the effective date of the transaction (and if holders were offered a choice of consideration, the type of consideration chosen by the holders of a majority of the outstanding Shares); provided, however, that if such consideration received in the Change in Control was not solely common stock of the successor corporation or its parent, the Administrator may, with the consent of the successor corporation, provide for the consideration to be received upon the exercise of the Award, for each Share subject to an Award, to be solely common stock of the successor corporation or its parent equal in fair market value to the per-share consideration received by holders of Common Stock in the Change in Control.

9.4 Administrative Stand Still. In the event of any pending stock dividend, stock split, combination or exchange of shares, merger, consolidation or other distribution (other than normal cash

dividends) of Company assets to stockholders, or any other extraordinary transaction or change affecting the Shares or the share price of Common Stock (including any Equity Restructuring or any securities offering or other similar transaction) or for reasons of administrative convenience or to facilitate compliance with any Applicable Law, the Administrator may refuse to permit the exercise or settlement of one or more Awards for such period of time as the Company may determine to be reasonably appropriate under the circumstances.

9.5 General. Except as expressly provided in the Plan or the Administrator's action under the Plan, no Participant will have any rights due to any subdivision or consolidation of Shares of any class, dividend payment, increase or decrease in the number of Shares of any class or dissolution, liquidation, merger, or consolidation of the Company or other corporation. Except as expressly provided with respect to an Equity Restructuring under Section 9.1 above or the Administrator's action under the Plan, no issuance by the Company of Shares of any class, or securities convertible into Shares of any class, will affect, and no adjustment will be made regarding, the number of Shares subject to an Award or the Award's grant price or exercise price. The existence of the Plan, any Award Agreements and the Awards granted hereunder will not affect or restrict in any way the Company's right or power to make or authorize (a) any adjustment, recapitalization, reorganization or other change in the Company's capital structure or its business, (b) any merger, consolidation, spinoff, dissolution or liquidation of the Company or sale of Company assets or (c) any sale or issuance of securities, including securities with rights superior to those of the Shares or securities convertible into or exchangeable for Shares.

ARTICLE X.
PROVISIONS APPLICABLE TO AWARDS

10.1 Transferability.

(a) No Award may be sold, assigned, transferred, pledged or otherwise encumbered, either voluntarily or by operation of law, except by will or the laws of descent and distribution, or, subject to the Administrator's consent, pursuant to a DRO, unless and until such Award has been exercised or the Shares underlying such Award have been issued, and all restrictions applicable to such Shares have lapsed. During the life of a Participant, Awards will be exercisable only by the Participant, unless it has been disposed of pursuant to a DRO. After the death of a Participant, any exercisable portion of an Award may, prior to the time when such portion becomes unexercisable under the Plan or the applicable Award Agreement, be exercised by the Participant's personal representative or by any person empowered to do so under the deceased Participant's will or under the then-Applicable Law of descent and distribution. References to a Participant, to the extent relevant in the context, will include references to a transferee approved by the Administrator.

(b) Notwithstanding Section 10.1(a), the Administrator, in its sole discretion, may determine to permit a Participant or a Permitted Transferee of such Participant to transfer an Award other than an Incentive Stock Option (unless such Incentive Stock Option is intended to become a Nonqualified Stock Option) to any one or more Permitted Transferees of such Participant, subject to the following terms and conditions: (i) an Award transferred to a Permitted Transferee shall not be assignable or transferable by the Permitted Transferee other than (A) to another Permitted Transferee of the applicable Participant or (B) by will or the laws of descent and distribution or, subject to the consent of the Administrator, pursuant to a DRO; (ii) an Award transferred to a Permitted Transferee shall continue to be subject to all the terms and conditions of the Award as applicable to the original Participant (other than the ability to further transfer the Award to any Person other than another Permitted Transferee of the applicable Participant); (iii) the Participant (or transferring Permitted Transferee) and the receiving Permitted Transferee shall execute any and all documents requested by the Administrator, including, without limitation, documents to (A) confirm the status of the transferee as a Permitted Transferee, (B)

satisfy any requirements for an exemption for the transfer under Applicable Law and (C) evidence the transfer; and (iv) any transfer of an Award to a Permitted Transferee shall be without consideration, except as required by Applicable Law. In addition, and further notwithstanding Section 10.1(a), the Administrator, in its sole discretion, may determine to permit a Participant to transfer Incentive Stock Options to a trust that constitutes a Permitted Transferee if, under Section 671 of the Code and other Applicable Law, the Participant is considered the sole beneficial owner of the Incentive Stock Option while it is held in the trust.

(c) Notwithstanding Section 10.1(a), if permitted by the Administrator, a Participant may, in the manner determined by the Administrator, designate a Designated Beneficiary. A Designated Beneficiary, legal guardian, legal representative, or other person claiming any rights pursuant to the Plan is subject to all terms and conditions of the Plan and any Award Agreement applicable to the Participant and any additional restrictions deemed necessary or appropriate by the Administrator. If the Participant is married or a domestic partner in a domestic partnership qualified under Applicable Law and resides in a community property state, a designation of a person other than the Participant's spouse or domestic partner, as applicable, as the Participant's Designated Beneficiary with respect to more than 50% of the Participant's interest in the Award shall not be effective without the prior written or electronic consent of the Participant's spouse or domestic partner. Subject to the foregoing, a beneficiary designation may be changed or revoked by a Participant at any time; provided that the change or revocation is delivered in writing to the Administrator prior to the Participant's death.

10.2 Documentation. Each Award will be evidenced in an Award Agreement in such form as the Administrator determines in its discretion. Each Award may contain such terms and conditions as are determined by the Administrator in its sole discretion, to the extent not inconsistent with those set forth in the Plan.

10.3 Discretion. Except as the Plan otherwise provides, each Award may be made alone or in addition or in relation to any other Award. The terms of each Award to a Participant need not be identical, and the Administrator need not treat Participants or Awards (or portions thereof) uniformly.

10.4 Changes in Participant's Status. The Administrator will determine how the disability, death, retirement, authorized leave of absence or any other change or purported change in a Participant's Service Provider status affects an Award and the extent to which, and the period during which, the Participant, the Participant's legal representative, conservator, guardian or Designated Beneficiary may exercise rights under the Award, if applicable. Except to the extent otherwise required by Applicable Law or expressly authorized by the Company or by the Company's written policy on leaves of absence, no service credit shall be given for vesting purposes for any period the Participant is on a leave of absence.

10.5 Withholding. Each Participant must pay the Company or a Subsidiary, as applicable, or make provision satisfactory to the Administrator for payment of, any Tax-Related Items required by Applicable Law to be withheld in connection with such Participant's Awards and/or Shares by the date of the event creating the liability for Tax-Related Items. At the Company's discretion and subject to any Company insider trading policy (including black-out periods), any withholding obligation for Tax-Related Items may be satisfied by (i) deducting an amount sufficient to satisfy such withholding obligation from any payment of any kind otherwise due to a Participant; (ii) accepting a payment from the Participant in cash, by wire transfer of immediately available funds, or by check made payable to the order of the Company or a Subsidiary, as applicable; (iii) accepting the delivery of Shares, including Shares delivered by attestation; (iv) retaining Shares from the Award creating the withholding obligation for Tax-Related Items, valued on the date of delivery; (v) if there is a public market for Shares at the time the withholding obligation for Tax-Related Items is to be satisfied, selling Shares issued pursuant to the Award creating

the withholding obligation for Tax-Related Items, either voluntarily by the Participant or mandatorily by the Company; (vi) accepting delivery of a promissory note or any other lawful consideration; or (vii) any combination of the foregoing payment forms. The amount withheld pursuant to any of the foregoing payment forms shall be determined by the Company and may be up to, but no greater than, the aggregate amount of such obligations based on the maximum statutory withholding rates in the applicable Participant's jurisdiction for all Tax-Related Items that are applicable to such taxable income. If any tax withholding obligation will be satisfied under clause (v) of the preceding paragraph, each Participant's acceptance of an Award under the Plan will constitute the Participant's authorization to the Company and instruction and authorization to any brokerage firm selected by the Company to effect the sale to complete the transactions described in clause (v).

10.6 Amendment of Award; Repricing. The Administrator may amend, modify or terminate any outstanding Award, including by substituting another Award of the same or a different type, changing the exercise or settlement date, and converting an Incentive Stock Option to a Nonqualified Stock Option. The Participant's consent to such action will be required unless (a) the action, taking into account any related action, does not materially and adversely affect the Participant's rights under the Award, or (b) the change is permitted under Article IX or pursuant to Section 11.6. In addition, the Administrator shall, without the approval of the stockholders of the Company, have the authority to (i) amend any outstanding Option or Stock Appreciation Right to reduce its exercise price per Share or (ii) cancel any Option or Stock Appreciation Right in exchange for cash or another Award.

10.7 Conditions on Delivery of Stock. The Company will not be obligated to deliver any Shares under the Plan or remove restrictions from Shares previously delivered under the Plan until (a) all Award conditions have been met or removed to the Company's satisfaction, (b) as determined by the Company, all other legal matters regarding the issuance and delivery of such Shares have been satisfied, including, without limitation, any applicable securities laws and stock exchange or stock market rules and regulations, (c) any approvals from governmental agencies that the Company determines are necessary or advisable have been obtained, and (d) the Participant has executed and delivered to the Company such representations or agreements as the Administrator deems necessary or appropriate to satisfy Applicable Law. The inability or impracticability of the Company to obtain or maintain authority to issue or sell any securities from any regulatory body having jurisdiction, which authority is deemed by the Company's counsel to be necessary to the lawful issuance and sale of any Shares hereunder, shall relieve the Company of any liability in respect of the failure to issue or sell such Shares as to which such requisite authority shall not have been obtained, and shall constitute circumstances in which the Administrator may determine to amend or cancel Awards pertaining to such Shares, with or without consideration to the Participant.

10.8 Acceleration. The Administrator may at any time provide that any Award will become immediately vested and fully or partially exercisable, free of some or all restrictions or conditions, or otherwise fully or partially realizable.

ARTICLE XI.
MISCELLANEOUS

11.1 No Right to Employment or Other Status. No person will have any claim or right to be granted an Award, and the grant of an Award will not be construed as giving a Participant the right to commence or continue employment or any other relationship with the Company or a Subsidiary. The Company and its Subsidiaries expressly reserve the right at any time to dismiss or otherwise terminate its relationship with a Participant free from any liability or claim under the Plan or any Award, except as expressly provided in an Award Agreement or other written agreement between the Participant and the Company or any Subsidiary.

11.2 No Rights as Stockholder; Certificates. Subject to the Award Agreement, no Participant or Designated Beneficiary will have any rights as a stockholder with respect to any Shares to be distributed under an Award until becoming the record holder of such Shares. Notwithstanding any other provision of the Plan, unless the Administrator otherwise determines or Applicable Law requires, the Company will not be required to deliver to any Participant certificates evidencing Shares issued in connection with any Award and instead such Shares may be recorded in the books of the Company (or, as applicable, its transfer agent or stock plan administrator). The Company may place legends on any share certificate or book entry to reference restrictions applicable to the Shares (including, without limitation, restrictions applicable to Restricted Stock).

11.3 Effective Date. The Plan will become effective on the date prior to the Public Trading Date (the "***Effective Date***"), provided that it is approved by the Company's stockholders prior to such date and occurring within 12 months following the date the Board approved the Plan. If the Plan is not approved by the Company's stockholders within the foregoing time frame, the Plan will not become effective. No Incentive Stock Option may be granted pursuant to the Plan after the tenth anniversary of the earlier of (a) the date the Plan was approved by the Board or (b) the date the Plan was approved by the Company's stockholders.

11.4 Amendment of Plan. The Board may amend, suspend or terminate the Plan at any time and from time to time; provided that (a) no amendment requiring stockholder approval to comply with Applicable Law shall be effective unless approved by the stockholders, and (b) no amendment, other than an increase to the Overall Share Limit or pursuant to Article IX or Section 11.6, may materially and adversely affect any Award outstanding at the time of such amendment without the affected Participant's consent. No Awards may be granted under the Plan during any suspension period or after Plan termination. Awards outstanding at the time of any Plan suspension or termination will continue to be governed by the Plan and the Award Agreement, each as in effect before such suspension or termination. The Board will obtain stockholder approval of any Plan amendment to the extent necessary to comply with Applicable Law.

11.5 Provisions for Foreign Participants. The Administrator may modify Awards granted to Participants who are nationals of a country other than the United States or employed or residing outside the United States, establish subplans or procedures under the Plan or take any other necessary or appropriate action to address Applicable Law, including (a) differences in laws, rules, regulations or customs of such jurisdictions with respect to tax, securities, currency, employee benefit or other matters, (b) listing and other requirements of any non-U.S. securities exchange, and (c) any necessary local governmental or regulatory exemptions or approvals.

11.6 Section 409A.

(a) *General*. The Company intends that all Awards be structured to comply with, or be exempt from, Section 409A, such that no adverse tax consequences, interest, or penalties under Section 409A apply. Notwithstanding anything in the Plan or any Award Agreement to the contrary, the Administrator may, without a Participant's consent, amend this Plan or Awards, adopt policies and procedures, or take any other actions (including amendments, policies, procedures and retroactive actions) as are necessary or appropriate to preserve the intended tax treatment of Awards, including any such actions intended to (i) exempt this Plan or any Award from Section 409A, or (ii) comply with Section 409A, including regulations, guidance, compliance programs and other interpretative authority that may be issued after an Award's grant date. The Company makes no representations or warranties as to an Award's tax treatment under Section 409A or otherwise. The Company will have no obligation under this Section 11.6 or otherwise to avoid the taxes, penalties or interest under Section 409A with respect to any Award and will have no liability to any Participant or any other person if any Award,

compensation or other benefits under the Plan are determined to constitute noncompliant "nonqualified deferred compensation" subject to taxes, penalties or interest under Section 409A.

(b) *Separation from Service*. If an Award constitutes "nonqualified deferred compensation" under Section 409A, any payment or settlement of such Award upon a Participant's Termination of Service will, to the extent necessary to avoid taxes under Section 409A, be made only upon the Participant's "separation from service" (within the meaning of Section 409A), whether such "separation from service" occurs upon or after the Participant's Termination of Service. For purposes of this Plan or any Award Agreement relating to any such payments or benefits, references to a "termination," "termination of employment" or like terms means a "separation from service."

(c) *Payments to Specified Employees*. Notwithstanding any contrary provision in the Plan or any Award Agreement, any payment(s) of "nonqualified deferred compensation" required to be made under an Award to a "specified employee" (as defined under Section 409A and as the Administrator determines) due to such employee's "separation from service" will, to the extent necessary to avoid taxes under Section 409A(a)(2)(B)(i) of the Code, be delayed for the six-month period immediately following such "separation from service" (or, if earlier, until the specified employee's death) and will instead be paid (as set forth in the Award Agreement) on the day immediately following such six-month period or as soon as administratively practicable thereafter (without interest). Any payments of "nonqualified deferred compensation" under such Award payable more than six months following the Participant's "separation from service" will be paid at the time or times the payments are otherwise scheduled to be made.

(d) *Separate Payments*. If an Award includes a "series of installment payments" within the meaning of Section 1.409A-2(b)(2)(iii) of Section 409A, the Participant's right to the series of installment payments will be treated as a right to a series of separate payments and not as a right to a single payment and, if an Award includes "dividend equivalents" within the meaning of Section 1.409A-3(e) of Section 409A, the Participant's right to receive the dividend equivalents will be treated separately from the right to other amounts under the Award.

(e) *Change in Control*. Any payment due upon a Change in Control of the Company will be paid only if such Change in Control constitutes a "change in ownership" or "change in effective control" within the meaning of Section 409A, and in the event that such Change in Control does not constitute a "change in the ownership" or "change in the effective control" within the meaning of Section 409A, such Award for which payment is due upon a Change in Control of the Company will vest upon the Change in Control and any payment will be delayed until the first compliant date under Section 409A.

11.7 Limitations on Liability. Notwithstanding any other provisions of the Plan, no individual acting as a Director, officer or other Employee will be liable to any Participant, former Participant, spouse, beneficiary, or any other person for any claim, loss, liability, or expense incurred in connection with the Plan or any Award, and such individual will not be personally liable with respect to the Plan because of any contract or other instrument executed in such person's capacity as an Administrator, Director, officer or other Employee. The Company will indemnify and hold harmless each Director, officer or other Employee that has been or will be granted or delegated any duty or power relating to the Plan's administration or interpretation, against any cost or expense (including attorneys' fees) or liability (including any sum paid in settlement of a claim with the Administrator's approval) arising from any act or omission concerning this Plan unless arising from such person's own fraud or bad faith; provided that the Director, officer or other Employee gives the Company an opportunity, at its own expense, to handle and defend the same before undertaking to handle and defend it on such person's own behalf.

11.8 Data Privacy. As a condition for receiving any Award, each Participant explicitly and unambiguously consents to the collection, use and transfer, in electronic or other form, of personal data as described in this Section 11.8 by and among the Company and its Subsidiaries and affiliates exclusively for implementing, administering and managing the Participant's participation in the Plan. The Company and its Subsidiaries and affiliates may hold certain personal information about a Participant, including the Participant's name, address and telephone number; birthdate; social security, insurance number or other identification number; salary; nationality; job title(s); any Shares held in the Company or its Subsidiaries and affiliates; and Award details, to implement, manage and administer the Plan and Awards (the "***Data***"). The Company and its Subsidiaries and affiliates may transfer the Data amongst themselves as necessary to implement, administer and manage a Participant's participation in the Plan, and the Company and its Subsidiaries and affiliates may transfer the Data to third parties assisting the Company with Plan implementation, administration and management. These recipients may be located in the Participant's country, or elsewhere, and the Participant's country may have different data privacy laws and protections than a recipient's country. By accepting an Award, each Participant authorizes such recipients to receive, possess, use, retain and transfer the Data, in electronic or other form, to implement, administer and manage the Participant's participation in the Plan, including any required Data transfer to a broker or other third party with whom the Company or the Participant may elect to deposit any Shares. The Data related to a Participant will be held only as long as necessary to implement, administer, and manage the Participant's participation in the Plan. A Participant may, at any time, view the Data that the Company holds regarding such Participant, request additional information about the storage and processing of the Data regarding such Participant, recommend any necessary corrections to the Data regarding the Participant or refuse or withdraw the consents in this Section 11.8 in writing, without cost, by contacting the local human resources representative. The Company may cancel Participant's ability to participate in the Plan and, in the Administrator's sole discretion, the Participant may forfeit any outstanding Awards if the Participant refuses or withdraws the consents in this Section 11.8. For more information on the consequences of refusing or withdrawing consent, Participants may contact their local human resources representative.

11.9 Severability. If any portion of the Plan or any action taken under it is held illegal or invalid for any reason, the illegality or invalidity will not affect the remaining parts of the Plan, and the Plan will be construed and enforced as if the illegal or invalid provisions had been excluded, and the illegal or invalid action will be null and void.

11.10 Governing Documents. If any contradiction occurs between the Plan and any Award Agreement or other written agreement between a Participant and the Company (or any Subsidiary), the Plan will govern, unless such Award Agreement or other written agreement was approved by the Administrator and expressly provides that a specific provision of the Plan will not apply.

11.11 Governing Law. The Plan and all Awards will be governed by and interpreted in accordance with the laws of the State of Delaware, without regard to the conflict of law rules thereof or of any other jurisdiction. By accepting an Award, each Participant irrevocably and unconditionally consents to submit to the exclusive jurisdiction of the courts of the State of Delaware and of the United States of America, in each case located in the State of Delaware, for any action arising out of or relating to the Plan (and agrees not to commence any litigation relating thereto except in such courts), and further agrees that service of any process, summons, notice or document by U.S. registered mail to the address contained in the records of the Company shall be effective service of process for any litigation brought against it in any such court. By accepting an Award, each Participant irrevocably and unconditionally waives any objection to the laying of venue of any litigation arising out of the Plan or Award hereunder in the courts of the State of Delaware or the United States of America, in each case located in the State of Delaware, and further irrevocably and unconditionally waives and agrees not to plead or claim in any such court that any such litigation brought in any such court has been brought in an inconvenient forum. By accepting an

Award, each Participant irrevocably and unconditionally waives, to the fullest extent permitted by Applicable Law, any and all rights to trial by jury in connection with any litigation arising out of or relating to the Plan or any Award hereunder.

11.12 Clawback Provisions. All Awards (including the gross amount of any proceeds, gains or other economic benefit the Participant actually or constructively receives upon receipt or exercise of any Award or the receipt or resale of any Shares underlying the Award) will be subject to recoupment by the Company to the extent required to comply with Applicable Law or any policy of the Company providing for the reimbursement of incentive compensation, whether or not such policy was in place at the time of grant of an Award.

11.13 Titles and Headings. The titles and headings in the Plan are for convenience of reference only and, if any conflict, the Plan's text, rather than such titles or headings, will control.

11.14 Conformity to Applicable Law. Participant acknowledges that the Plan is intended to conform to the extent necessary with Applicable Law. Notwithstanding anything herein to the contrary, the Plan and all Awards will be administered only in a manner intended to conform with Applicable Law. To the extent Applicable Law permits, the Plan and all Award Agreements will be deemed amended as necessary to conform to Applicable Law.

11.15 Relationship to Other Benefits. No payment under the Plan will be taken into account in determining any benefits under any pension, retirement, savings, profit sharing, group insurance, welfare or other benefit plan of the Company or any Subsidiary, except as expressly provided in writing in such other plan or an agreement thereunder.

11.16 Unfunded Status of Awards. The Plan is intended to be an "unfunded" plan for incentive compensation. With respect to any payments not yet made to a Participant pursuant to an Award, nothing contained in the Plan or Award Agreement shall give the Participant any rights that are greater than those of a general creditor of the Company or any Subsidiary.

11.17 Limitations Applicable to Section 16 Persons. Notwithstanding any other provision of the Plan, the Plan and any Award granted or awarded to any individual who is then subject to Section 16 of the Exchange Act shall be subject to any additional limitations set forth in any applicable exemptive rule under Section 16 of the Exchange Act (including Rule 16b-3) that are requirements for the application of such exemptive rule. To the extent permitted by Applicable Law, the Plan and Awards granted or awarded hereunder shall be deemed amended to the extent necessary to conform to such applicable exemptive rule.

11.18 Prohibition on Executive Officer and Director Loans. Notwithstanding any other provision of the Plan to the contrary, no Participant who is a Director or an "executive officer" of the Company within the meaning of Section 13(k) of the Exchange Act shall be permitted to make payment with respect to any Awards granted under the Plan, or continue any extension of credit with respect to such payment, with a loan from the Company or a loan arranged by the Company in violation of Section 13(k) of the Exchange Act.

11.19 Broker-Assisted Sales. In the event of a broker-assisted sale of Shares in connection with the payment of amounts owed by a Participant under or with respect to the Plan or Awards, including amounts to be paid under the final sentence of Section 10.5: (a) any Shares to be sold through the broker-assisted sale will be sold on the day the payment first becomes due, or as soon thereafter as practicable; (b) such Shares may be sold as part of a block trade with other Participants in the Plan in which all Participants receive an average price; (c) the applicable Participant will be responsible for all broker's

fees and other costs of sale, and by accepting an Award, each Participant agrees to indemnify and hold the Company and its Directors, officers and other Employees harmless from any losses, costs, damages, or expenses relating to any such sale; (d) to the extent the Company or its designee receives proceeds of such sale that exceed the amount owed, the Company will pay such excess in cash to the applicable Participant as soon as reasonably practicable; (e) the Company and its designees are under no obligation to arrange for such sale at any particular price; and (f) in the event the proceeds of such sale are insufficient to satisfy the Participant's applicable obligation, the Participant may be required to pay immediately upon demand to the Company or its designee an amount in cash sufficient to satisfy any remaining portion of the Participant's obligation.

*** * * * ***

EXPENSIFY, INC.
2021 STOCK PURCHASE AND MATCHING PLAN

ARTICLE I.
PURPOSE AND SCOPE OF THE PLAN

The Plan's purpose is to enhance the Company's ability to attract, retain and motivate service providers who make (or are expected to make) important contributions to the Company by providing these service providers with equity ownership opportunities pursuant to a plan which is intended to help such service providers provide for their future security and to encourage them to remain in the service of the Company and its Subsidiaries.

ARTICLE II.
DEFINITIONS

2.1 "***Agent***" means the brokerage firm, bank or other financial institution, entity or person(s), if any, engaged, retained, appointed or authorized to act as the agent of the Company or an Employee with regard to the Plan.

2.2 "***Administrator***" means the Committee, or such individuals to which authority to administer the Plan has been delegated under Section 8.1 hereof.

2.3 "***Board***" means the board of directors of the Company.

2.4 "***Code***" means the Internal Revenue Code of 1986, as amended.

2.5 "***Committee***" means the Compensation Committee of the Board, or another committee or subcommittee of the Board or the Compensation Committee described in Section 8.1 hereof.

2.6 "***Common Stock***" means the Class A common stock of the Company.

2.7 "***Compensation***" of an Service Provider means the Service Provider's gross regular salary, wages, fees or earnings. Such Compensation shall be calculated before withholding of any income or employment tax, but shall be deducted from the Service Provider's net income.

2.8 "***Consultant***" means any consultant or adviser engaged by the Company or a Subsidiary to render services to such entity if the consultant or adviser: (i) renders bona fide services to the Company or a Subsidiary; (ii) renders services not in connection with the offer or sale of securities in a capital-raising transaction and does not directly or indirectly promote or maintain a market for the Company's securities; and (iii) qualifies as a consultant or advisor under Instruction A.1.(a)(1) of Form S-8 under the Securities Act.

2.9 "***Director***" means a member of the Board.

2.10 "***Effective Date***" means the date prior to the Public Trading Date.

2.11 "***Eligible Service Provider***" means a Service Provider who is designated by the Administrator as eligible to participate in the Plan.

2.12 "***Employee***" means any employee of the Company or any of its Subsidiaries.

2.13 "***Enrollment Date***" means the first date of each Offering Period.

2.14 "***Equity Plan***" means the Expensify, Inc. 2021 Incentive Award Plan, as may be amended from time to time.

2.15 "***Equity Plan Award***" means an award granted under the Equity Plan.

2.16 "***Exercise Date***" means the last trading day of each Offering Period.

2.17 "***Exchange Act***" means the Securities Exchange Act of 1934, as amended.

2.18 "***Fair Market Value***" means, as of any date, the value of a Share determined as follows:

(a) If the Common Stock is (i) listed on any established securities exchange (such as the New York Stock Exchange, the NASDAQ Global Market and the NASDAQ Global Select Market), (ii) listed on any national market system or (iii) listed, quoted or traded on any automated quotation system, its Fair Market Value shall be the average of the low and high sales price for a Share as quoted on such exchange or system for such date or, if there are no low and high sales prices for a Share on the date in question, the average of the low and high sales price for a Share on the last preceding date for which such quotation exists, as reported in *The Wall Street Journal* or such other source as the Administrator deems reliable;

(b) If the Common Stock is not listed on an established securities exchange, national market system or automated quotation system, but the Common Stock is regularly quoted by a recognized securities dealer, its Fair Market Value shall be the mean of the high bid and low asked prices for such date or, if there are no high bid and low asked prices for a Share on such date, the high bid and low asked prices for a Share on the last preceding date for which such information exists, as reported in *The Wall Street Journal* or such other source as the Administrator deems reliable; or

(c) If the Common Stock is neither listed on an established securities exchange, national market system or automated quotation system nor regularly quoted by a recognized securities dealer, its Fair Market Value shall be established by the Administrator in good faith.

2.19 "***Full Matching Shares***" shall have the meaning set forth in Section 5.2 hereof.

2.20 "***Granted Shares***" shall have such meaning as set forth in Section 3.3 hereof.

2.21 "***Match Limit***" means the maximum number of Matching Shares that may be awarded as of each Exercise Date.

2.22 "***Match Rate***" means the rate determined for Matching Shares by the Administrator.

2.23 "***Matching Shares***" shall have such meaning as set forth in Section 5.1 hereof.

2.24 "***New Exercise Date***" shall have such meaning as set forth in Section 7.4(b) hereof.

2.25 "***Non-Class A Shares***" means shares of the Company's LT10 common stock and LT50 common stock.

2.26 "***Offering Document***" means an offering document adopted by the Administrator to govern the terms and conditions of an Offering Period.

2.27 "***Offering Period***" means, unless otherwise determined by the Administrator, each approximately three (3)-month period during the term of the Plan commencing on dates determined by the Administrator.

2.28 "***Overall Share Limit***" means the sum of (i) 11,676,932 Shares plus (ii) any Shares or Non-Class A Shares that are available for issuance under the Prior Plans as of the Effective Date plus (iii) any Shares or Non-Class A Shares that are subject to Prior Plan Awards that become available for issuance under the Plan as Shares pursuant to Article V plus (iv) an increase commencing on January 1, 2022 and continuing annually on the anniversary thereof through (and including) January 1, 2031, equal to the lesser of (A) 6% of the aggregate number of shares of all classes of the Company's common stock outstanding on the last day of the immediately preceding calendar year and (B) such smaller number of Shares as determined by the Board or the Committee.

2.29 "***Participant***" means any Eligible Service Provider who elects to participate in an Offering Period or holds Purchased Shares, Granted Shares or Matching Shares under the Plan.

2.30 "***Payday***" means the regular and recurring established day for payment of Compensation to Service Providers.

2.31 "***Plan***" means this 2021 Stock Purchase and Matching Plan

2.32 "***Plan Account***" means a bookkeeping account established and maintained by the Company in the name of each Participant.

2.33 "***Prior Plan Award***" means an award outstanding under the Prior Plans as of immediately prior to the Effective Date.

2.34 "***Prior Plans***" means, collectively, the Expensify, Inc. 2019 Stock Plan and the Expensify, Inc. 2009 Stock Plan, each as amended or restated from time to time.

2.35 "***Public Trading Date***" means the first date upon which Common Stock is listed (or approved for listing) upon notice of issuance on any securities exchange or designated (or approved for designation) upon notice of issuance as a national market security on an interdealer quotation system.

2.36 "***Purchase Right***" the right to purchase Shares pursuant to the Plan during each Offering Period.

2.37 "***Purchased Shares***" shall have such meaning as set forth in Section 4.1 hereof.

2.38 "***Service Provider***" means an Employee, Consultant or Director.

2.39 "***Share***" means a share of Common Stock.

2.40 "***Subsidiary***" means any entity (other than the Company), whether U.S. or non-U.S., in an unbroken chain of entities beginning with the Company if each of the entities other than the last entity in the unbroken chain beneficially owns, at the time of the determination, securities or interests representing at least 50% of the total combined voting power of all classes of securities or interests in one of the other entities in such chain.

2.41 "***Withdrawal Election***" shall have such meaning as set forth in Section 6.1(a) hereof.

ARTICLE III.
OFFERING PERIOD PARTICIPATION AND GRANTED SHARES

3.1 Offering Periods. Prior to the commencement of an Offering Period, the Administrator shall adopt an Offering Document applicable to such Offering Period setting forth for such Offering Period the Enrollment Date, Exercise Date, Eligible Service Providers, Match Rate and Match Limit. Any such Offering Document adopted by the Administrator shall remain in effect until terminated, amended or superseded by a subsequent Offering Document adopted by the Administrator.

3.2 Offering Period Participation.

(a) Any Eligible Service Provider who constitutes a Service Provider on a given Enrollment Date for an Offering Period shall be eligible to participate in such Offering Period under the Plan.

(b) Except as otherwise determined by the Administrator and as set forth in Section 3.2(c) below, an Eligible Service Provider may participate in an Offering Period only by means of deductions from Compensation. Each Service Provider who is an Eligible Service Provider as of the Enrollment Date of the applicable Offering Period may elect to participate in such Offering Period and the Plan by delivering to the Company an enrollment form for the Plan designating the Eligible Service Provider's deduction authorization by such date specified by the Company.

(c) Compensation deductions with respect to an Offering Period shall be specified as a whole number percentage equal to at least one percent (1%) of the Participant's Compensation as of each Payday during the applicable Offering Period, up to one hundred percent (100%). Amounts deducted from a Participant's Compensation with respect to an Offering Period pursuant to this Section 3.2 shall be deducted each Payday and credited to the Participant's Plan Account. In the event a Participant elects to deduct a percentage of Participant's Compensation that exceeds the Participant's net Compensation, the Participant may contribute to Participant's Plan Account by making cash payments in the amount of such excess.

(d) Following at least one deduction from Compensation, a Participant may decrease (to as low as 0%) the amount deducted from such Participant's Compensation only once during an Offering Period upon ten calendar days' prior written or electronic notice to the Company. A Participant may not increase the amount deducted from such Participant's Compensation during an Offering Period.

(e) Notwithstanding the foregoing, upon the completion of an Offering Period, each Participant in such Offering Period shall automatically participate in the Offering Period that commences immediately following the completion of such Offering Period at the same payroll deduction percentage as in effect at the completion of the prior Offering Period, unless such Participant delivers to the Company a different election with respect to the successive Offering Period in accordance with this Section 3.2 hereof, or unless such Participant becomes ineligible for participation in the Plan.

3.3 Granted Shares. Separate from Offering Periods, the Administrator may grant awards of Shares ("***Granted Shares***") to Eligible Service Providers in such amounts and subject to such terms and conditions as determined in its sole discretion.

ARTICLE IV.
PURCHASE OF SHARES AT END OF OFFERING PERIODS

4.1 Grant of Purchase Right; Automatic Exercise. Each Participant shall be granted a Purchase Right with respect to an Offering Period on the applicable Enrollment Date. On the Exercise Date for such Offering Period, the Purchase Right will be automatically exercised to purchase that number of Shares calculated by dividing (i) such Participant's Compensation deductions accumulated on or prior to such Exercise Date and retained in the Participant's Plan Account on such Exercise Date by (ii) the Fair Market Value of a Share on such Exercise Date (the "***Purchased Shares***"). The balance, if any, remaining in the Participant's Plan Account (after exercise of such Participant's Purchase Right) as of such Exercise Date shall be carried forward to the next Offering Period, unless the Participant has elected to withdraw from the Plan pursuant to Section 6.1 hereof or, pursuant to Section 6.2 hereof, such Participant has ceased to be an Eligible Service Provider.

4.2 Insufficient Shares. If the Administrator determines that, on a given Exercise Date, the number of Shares with respect to which Purchase Rights are to be exercised may exceed any limitation on the number of Shares available for issuance under the Plan on such Exercise Date, the Administrator shall make a pro rata allocation of the Shares available for issuance on such Exercise Date in as uniform a manner as shall be practicable and as it shall determine in its sole discretion to be equitable among all Participants exercising Purchase Rights to purchase Shares on such Exercise Date, and the balance of the amount credited to the Participant's Plan Account which has not been applied to the purchase of Shares shall be paid to such Participant in one lump sum in cash within thirty days after such Exercise Date, without any interest thereon.

4.3 Transferability. A Purchase Right granted under the Plan shall not be transferable, other than by will or the applicable laws of descent and distribution, and shall be exercisable during the Participant's lifetime only by the Participant. No Purchase Right or interest or right to the Purchase Right shall be available to pay off any debts, contracts or engagements of the Participant or his or her successors in interest or shall be subject to disposition by pledge, encumbrance, assignment or any other means whether such disposition be voluntary or involuntary or by operation of law by judgment, levy, attachment, garnishment or any other legal or equitable proceedings (including bankruptcy), and any attempt at disposition of the Purchase Right shall have no effect.

ARTICLE V.
MATCHING SHARES

5.1 Matching Shares. Subject to Section 5.2, on each Exercise Date, each Participant shall automatically be granted an award of fully vested Shares ("***Matching Shares***") equal to the Match Rate multiplied by the aggregate number of Purchased Shares (including any Purchased Shares purchased on such Exercise Date), Granted Shares and Matching Shares then held by Participant, subject to Participant's continued status as an Eligible Service Provider through such Exercise Date.

5.2 Match Limit. If the Administrator determines that, on a given Exercise Date, the number of Matching Shares to be issued exceeds any limitation on the number of Matching Shares available for issuance, including the Match Limit, the number of Shares available as Matching Shares shall be distributed so that each Participant receives a number of Matching Shares equal to the lesser of (i) such Participant's Full Matching Shares or (ii) a number of Shares such that all Participants who do not receive their Full Matching Shares receive the same number of Shares. For purposes of the foregoing, "***Full Matching Shares***" means the number of Matching Shares a Participant would have received pursuant to Section 5.1 but for any limitation on the number of Matching Shares. For clarity and solely for purposes of illustration:

(a) If the Match Limit for an Offering Period equals 10,000 shares, Participant A's Full Matching Shares equals 2,500, Participant B's Full Matching Shares equals 3,000, and Participant C's Full Matching Shares equals 10,000, then on the applicable Exercise Date, Participant A would receive 2,500 Matching Shares, Participant B would receive 3,000 Matching Shares and Participant C would receive 4,500 Matching Shares.

(b) If the Match Limit for an Offering Period equals 10,000 shares, Participant A's Full Matching Shares equals 3,000, Participant B's Full Matching Shares equals 4,000, and Participant C's Full Matching Shares equals 5,000, then on the applicable Exercise Date, Participant A would receive 3,000 Matching Shares and each of Participant B and Participant C would receive 3,500 Matching Shares.

ARTICLE VI.
TERMINATION OF PARTICIPATION

6.1 Cessation of Contributions; Voluntary Withdrawal.

(a) A Participant may cease payroll deductions during an Offering Period and elect to withdraw from participation in Offering Periods under the Plan by delivering written or electronic notice of such election (a "***Withdrawal Election***") to the Company in such form and at such time prior to the Exercise Date for such Offering Period as may be established by the Administrator. A Participant electing to withdraw from an Offering Period may elect to either (i) withdraw all of the funds then credited to the Participant's Plan Account as of the date on which the Withdrawal Election is received by the Company, in which case amounts credited to such Plan Account shall be returned to the Participant in one lump-sum payment in cash within thirty days after such election is received by the Company, without any interest thereon, and the Participant shall cease to participate in the Plan and the Participant's Purchase Right for such Offering Period shall terminate; or (ii) subject to Section 6.2 below, exercise the Purchase Right for the maximum number of whole Shares on the applicable Exercise Date with any remaining Plan Account balance returned to the Participant in one lump-sum payment in cash within thirty days after such Exercise Date, without any interest thereon, and after such exercise cease to participate in the Plan. As soon as practicable following the Company's receipt of a Withdrawal Election, the Participant's payroll deduction authorization and his or her Purchase Right to purchase Shares under the Plan shall terminate.

(b) A Participant's withdrawal from an Offering Period shall not have any effect upon the Participant's eligibility to participate in any similar plan which may hereafter be adopted by the Company or in succeeding Offering Periods which commence after the termination of the Offering Period from which the Participant withdraws.

(c) A Participant who ceases contributions under the Plan during any Offering Period shall not be permitted to resume contributions under the Plan during such Offering Period.

6.2 Termination of Eligibility. Upon a Participant's ceasing to be an Eligible Service Provider for any reason, such Participant's Purchase Right for the applicable Offering Period shall automatically terminate, such Participant shall be deemed to have elected to withdraw from the Plan, and such Participant's Plan Account shall be paid to such Participant or, in the case of such Participant's death, to the person or persons entitled thereto as set forth in an applicable beneficiary designation form (or, if there is no such applicable form, pursuant to applicable law), within thirty days after such cessation of being an Eligible Service Provider, without any interest thereon. In addition, for the avoidance of doubt, upon a Participant's termination of employment, the Participant shall cease to be eligible to receive any Matching Shares following such termination.

6.3 Changes in a Participant's Status. The Administrator will determine how the disability, death, retirement, authorized leave of absence or any other change or purported change in a Participant's employment status affects a Participant's participation in the Plan and the extent to which, and the period during which, the Participant or the Participant's legal representative, conservator, guardian or beneficiary may exercise a Purchase Right.

ARTICLE VII.
PROVISIONS RELATING TO COMMON STOCK

7.1 Number of Shares. Subject to the terms of this Article VII, including adjustments under Section 7.4, Shares may be issued under the Plan up to the Overall Share Limit. The issuance of a Share under the Plan shall reduce the number of Shares available for issuance under the Equity Plan and vice versa. Shares issued or delivered under the Plan may consist of authorized but unissued Shares, Shares purchased on the open market or treasury Shares.

7.2 Share Recycling.

(a) If all or any part of an Equity Plan Award or Prior Plan Award expires, lapses or is terminated, converted into an award in respect of shares of another entity in connection with a spin-off or other similar event, exchanged or settled for cash, surrendered, repurchased, canceled without having been fully exercised or forfeited, in any case, in a manner that results in the Company acquiring Shares or Non-Class A Shares covered by the Equity Plan Award or Prior Plan Award at a price not greater than the price (as adjusted to reflect any Equity Restructuring) paid by the Participant for such shares or not issuing any Shares or Non-Class A Shares covered by the Equity Plan Award or Prior Plan Award, the unused shares covered by the Equity Plan Award or Prior Plan Award will, as applicable, become or again be available, in each case, to be issued as Shares under the Plan.

(b) In addition, the following shall be available to be issued as under the Plan: (i) Shares or Non-Class A Shares tendered by a Participant or withheld by the Company in payment of the exercise price of an Equity Plan Award or Prior Plan Award and (ii) Shares or Non-Class A Shares tendered by the Participant or withheld by the Company to satisfy any tax withholding obligation with respect to an Equity Plan Award, Prior Plan Award, Purchased Shares, Matching Share or Granted Share, in each case, prior to the tenth (10^{th}) anniversary of the Effective Date.

7.3 Share Issuance. As soon as practicable following the applicable Exercise Date or, with respect to Granted Shares, the grant date (but in no event more than thirty days thereafter), the Purchased Shares, Granted Shares or Matching Shares, as applicable, shall be delivered (either in share certificate or book entry form), in the Company's sole discretion, to either (i) the Participant or (ii) an account established in the Participant's name at a stock brokerage or other financial services firm designated by the Company. If the Company is required to obtain from any commission or agency authority to issue any such Shares, the Company shall seek to obtain such authority. Inability of the Company to obtain from any such commission or agency authority which counsel for the Company deems necessary for the lawful issuance of any such shares shall relieve the Company from liability to any Participant except to refund to the Participant such Participant's Plan Account balance, without interest thereon.

7.4 Adjustments Upon Changes in Capitalization, Dissolution, Liquidation, Merger or Asset Sale.

(a) Changes in Capitalization. Subject to any required action by the stockholders of the Company, the number of Shares which have been authorized for issuance under the Plan (and the Equity Plan) but not yet placed under a Purchase Right and the number of Shares covered by each

Purchase Right under the Plan which has not yet been exercised shall be proportionately adjusted for any increase or decrease in the number of issued Shares resulting from a stock split, reverse stock split, stock dividend, combination or reclassification of the Common Stock 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 Administrator, whose determination in that respect shall be final, binding and conclusive. Except as expressly provided herein, no issuance by the Company of shares of stock of any class, or securities convertible into shares of stock of any class, shall affect, and no adjustment by reason thereof shall be made with respect to, the number or price of Shares subject to a Purchase Right.

(b) Dissolution or Liquidation. In the event of the proposed dissolution or liquidation of the Company, the Offering Period then in progress shall be shortened by setting a new Exercise Date (the "***New Exercise Date***"), and such Offering Period shall terminate immediately prior to the consummation of such proposed dissolution or liquidation, unless provided otherwise by the Administrator. The New Exercise Date shall be before the date of the Company's proposed dissolution or liquidation. The Administrator shall notify each Participant in writing, at least ten business days prior to the New Exercise Date, that the next Exercise Date has been changed to the New Exercise Date, that the Participant's Purchase Right, if any, shall be exercised automatically on the New Exercise Date and any Matching Shares for that Exercise Date shall be granted on the New Exercise Date, unless, as applicable, prior to such date the Participant has withdrawn from the Offering Period as provided in Section 6.1(a)(i) hereof or the Participant has ceased to be an Eligible Service Provider as provided in Section 6.2 hereof.

(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 Purchase Right shall be assumed or an equivalent Purchase Right substituted by the successor corporation or a Parent or Subsidiary of the successor corporation. In the event that the Purchase Right is not assumed or substituted, any Offering Periods then in progress shall be shortened by setting a New Exercise Date and any Offering Periods then in progress shall end on the New Exercise Date. The New Exercise Date shall be before the date of the Company's proposed sale or merger. The Administrator shall notify each Participant in writing, at least ten business days prior to the New Exercise Date, that the next Exercise Date for the Participant's Purchase Right, if any, has been changed to the New Exercise Date, that any such Purchase Right shall be exercised automatically on the New Exercise Date and any Matching Shares for such Exercise Date shall be granted on the New Exercise Date, unless, as applicable, prior to such date the Participant has withdrawn from the Offering Periods as provided in Section 6.1(a)(i) hereof or the Participant has ceased to be an Eligible Service Provider as provided in Section 6.2 hereof.

7.5 Rights as Stockholders. With respect to Shares subject to a Purchase Right or the right to receive Matching Shares, a Participant shall not be deemed to be a stockholder of the Company and shall not have any of the rights or privileges of a stockholder. A Participant shall have the rights and privileges of a stockholder of the Company when, but not until, Shares have been deposited in the designated brokerage account.

ARTICLE VIII.
GENERAL PROVISIONS

8.1 Administration.

(a) The Plan shall be administered by the Committee (or another committee or a subcommittee of the Board assuming the functions of the Committee under the Plan), which, unless otherwise determined by the Board, shall consist solely of two or more members of the Board, each of

whom is intended to qualify as a "non-employee director" as defined by Rule 16b-3 of the Exchange Act and an "independent director" under the rules of any securities exchange or automated quotation system on which the Shares are listed, quoted or traded, in each case, to the extent required under such provision. To the extent permitted by applicable law, the Committee may delegate any or all powers under the Plan, including without limitation, the ability to determine the Match Limit for an Exercise Date, to one or more officers of the Company. The Committee may also delegate administrative tasks under the Plan to the services of an Agent and/or Employees to assist in the administration of the Plan, including establishing and maintaining an individual securities account under the Plan for each Participant.

(b) It shall be the duty of the Administrator to conduct the general administration of the Plan in accordance with the provisions of the Plan. The Administrator shall have the power, subject to, and within the limitations of, the express provisions of the Plan:

(i) To establish and terminate Offering Periods;

(ii) To determine when and how Purchase Rights shall be granted and the provisions and terms of each Offering Period (which need not be identical);

(iii) To determine Eligible Service Providers;

(iv) To determine the terms and conditions of any Matching Shares, including the Match Rate and Match Limit;

(v) To determine which Eligible Service Providers shall be awarded Granted Shares and in what amounts; and

(vi) To construe and interpret the Plan, the terms of any Offering Period and the terms of the Purchase Rights and to adopt such rules for the administration, interpretation, and application of the Plan as are consistent therewith and to interpret, amend or revoke any such rules. The Administrator, in the exercise of this power, may correct any defect, omission or inconsistency in the Plan, any Offering Period or any Purchase Right, in a manner and to the extent it shall deem necessary or expedient to make the Plan fully effective.

(c) The Administrator may adopt rules or procedures relating to the operation and administration of the Plan to accommodate the specific requirements of local laws and procedures. Without limiting the generality of the foregoing, the Administrator is specifically authorized to adopt rules and procedures regarding handling of participation elections, compensation deductions, payment of interest, conversion of local currency, payroll tax, withholding procedures and handling of stock certificates which vary with local requirements. In its absolute discretion, the Board may at any time and from time to time exercise any and all rights and duties of the Administrator under the Plan.

(d) All expenses and liabilities incurred by the Administrator in connection with the administration of the Plan shall be borne by the Company. The Administrator may, with the approval of the Committee, employ attorneys, consultants, accountants, appraisers, brokers or other persons. The Administrator, the Company and its officers and directors shall be entitled to rely upon the advice, opinions or valuations of any such persons. All actions taken and all interpretations and determinations made by the Administrator in good faith shall be final and binding upon all Participants, the Company and all other interested persons. No member of the Board or Administrator shall be personally liable for any action, determination or interpretation made in good faith with respect to the Plan or the Purchase Rights, and all members of the Board or Administrator shall be fully protected by the Company in respect to any such action, determination or interpretation.

8.2 Accounts. A Plan Account shall be maintained for each Participant in the Plan.

8.3 No Right to Employment. Nothing in the Plan shall be construed to give any person (including any Participant) the right to remain in the employ or service of the Company or a Subsidiary or to affect the right of the Company or any Subsidiary to terminate the employment or service of any person (including any Participant) at any time, with or without cause, which right is expressly reserved.

8.4 Amendment, Suspension and Termination of the Plan.

(a) Subject to Section 8.4(b), the Board may, in its sole discretion, amend, suspend or terminate the Plan at any time and from time to time, provided, however, that any amendment will be subject to stockholder approval within twelve (12) months before or after such amendment to the extent required by applicable laws. No Purchase Right or Matching Share may be granted during any period of suspension of the Plan or after termination of the Plan. For the avoidance of doubt, without the approval of the Company's stockholders and without regard to whether any Participant rights may be considered to have been "adversely affected," the Administrator shall be entitled to change the terms of an Offering Period, the Match Rate or Match Limit, limit the frequency and/or number of changes in the amount withheld during an Offering Period, permit payroll withholding in excess of 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, as applicable, determines in its sole discretion advisable which are consistent with the Plan.

(b) In the event the Administrator determines that the ongoing operation of the Plan may result in unfavorable financial accounting consequences, the Administrator may, in its discretion and, to the extent necessary or desirable, modify or amend the Plan to reduce or eliminate such accounting consequence including, but not limited to:

(i) shortening any Offering Period so that the Offering Period ends on a New Exercise Date, including an Offering Period underway at the time of the Administrator action; and

(ii) allocating Shares.

Such modifications or amendments shall not require stockholder approval or the consent of any Participant.

(c) Upon termination of the Plan, the balance in each Participant's Plan Account shall be refunded as soon as practicable after such termination, without any interest thereon.

8.5 Use of Funds; No Interest Paid. All funds received by the Company by reason of purchase of Shares under the Plan shall be included in the general funds of the Company free of any trust or other restriction and may be used for any corporate purpose. No interest shall be paid to any Participant or credited under the Plan.

8.6 Effect Upon Other Plans. The adoption of the Plan shall not affect any other compensation or incentive plans in effect for the Company or any Subsidiary. Nothing in the Plan shall be construed to limit the right of the Company or any Subsidiary (a) to establish any other forms of incentives or compensation for Service Providers of the Company or any Subsidiary or (b) to grant or

assume Purchase Rights other than under the Plan in connection with any proper corporate purpose, including, but not by way of limitation, the grant or assumption of options in connection with the acquisition, by purchase, lease, merger, consolidation or otherwise, of the business, stock or assets of any corporation, firm or association.

8.7 Conformity to Securities Laws. Notwithstanding any other provision of the Plan, the Plan and the participation in the Plan by any individual who is then subject to Section 16 of the Exchange Act shall be subject to any additional limitations set forth in any applicable exemption rule under Section 16 of the Exchange Act (including any amendment to Rule 16b3 of the Exchange Act) that are requirements for the application of such exemptive rule. To the extent permitted by applicable law, the Plan shall be deemed amended to the extent necessary to conform to such applicable exemptive rule.

8.8 Tax Withholding. The Company or any Participating Subsidiary shall have the authority and the right to deduct or withhold, or require a Participant to remit to the Company, an amount sufficient to satisfy federal, state, local and foreign taxes (including the Participant's FICA or employment tax obligation) required by law to be withheld with respect to any taxable event concerning a Participant arising as a result of the Plan. The Administrator may in its sole discretion and in satisfaction of the foregoing requirement withhold or have surrendered, or allow a Participant to elect to have the Company withhold or surrender, Shares otherwise issuable under the Plan. Unless determined otherwise by the Administrator, the number of Shares which may be so withheld or surrendered shall be limited to the number of shares which have a Fair Market Value on the date of withholding or surrender no greater than the aggregate amount of such liabilities based on the maximum statutory withholding rates for federal, state, local and foreign income tax and payroll tax purposes that are applicable to such supplemental taxable income. The Administrator shall also have the authority and right to initiate, or permit a Participant to initiate, a broker-assisted sell-to-cover transaction whereby Shares are sold by such broker and the proceeds of such sale are remitted to the Company to satisfy tax withholding obligations.

8.9 Governing Law. The Plan and all rights and obligations thereunder shall be construed and enforced in accordance with the laws of the State of Delaware.

8.10 Notices. All notices or other communications by a Participant to the Company under or in connection with the Plan shall be deemed to have been duly given when received in the form specified by the Company at the location, or by the person, designated by the Company for the receipt thereof (including without limitation the Company's stock plan administrator).

8.11 Conditions To Issuance of Shares.

(a) Notwithstanding anything herein to the contrary, the Company shall not be required to issue or deliver any certificates or make any book entries evidencing Shares under the Plan, unless and until the Administrator has determined, with advice of counsel, that the issuance of such Shares is in compliance with all applicable laws, regulations of governmental authorities and, if applicable, the requirements of any securities exchange or automated quotation system on which the Shares are listed or traded, and the Shares are covered by an effective registration statement or applicable exemption from registration. In addition to the terms and conditions provided herein, the Administrator may require that a Participant make such reasonable covenants, agreements, and representations as the Administrator, in its discretion, deems advisable in order to comply with any such laws, regulations or requirements.

(b) All certificates for Shares delivered pursuant to the Plan and all Shares issued pursuant to book entry procedures are subject to any stop-transfer orders and other restrictions as the Administrator deems necessary or advisable to comply with federal, state or foreign securities or other

laws, rules and regulations and the rules of any securities exchange or automated quotation system on which the Shares are listed, quoted or traded. The Administrator may place legends on any certificate or book entry evidencing Shares to reference restrictions applicable to the Shares.

(c) The Administrator shall have the right to require any Participant to comply with any timing or other restrictions with respect to the settlement, distribution or exercise of any Purchase Right, including a window-period limitation, as may be imposed in the sole discretion of the Committee.

(d) Notwithstanding any other provision of the Plan, unless otherwise determined by the Administrator or required by any applicable law, rule or regulation, the Company may, in lieu of delivering to any Participant certificates evidencing Shares issued under the Plan, record the issuance of Shares in the books of the Company (or, as applicable, its transfer agent or stock plan administrator).

8.12 Section 409A. Neither the Plan nor any Purchase Right or other right granted hereunder is intended to constitute or provide for "nonqualified deferred compensation" within the meaning of Section 409A of the Code and the Department of Treasury regulations and other interpretive guidance issued thereunder, including without limitation any such regulations or other guidance issued after the Effective Date (together, "***Section 409A***"). Notwithstanding any provision of the Plan to the contrary, if the Administrator determines that any Purchase Right or other right granted hereunder may be or become subject to Section 409A of the Code, the Administrator may adopt such amendments to the Plan and/or adopt other policies and procedures (including amendments, policies and procedures with retroactive effect), or take any other actions as the Administrator determines are necessary or appropriate to avoid the imposition of taxes under Section 409A of the Code, either through compliance with the requirements of Section 409A of the Code or with an available exemption therefrom.

* * * * * *

EXPENSIFY, INC.
2021 STOCK PURCHASE AND MATCHING PLAN

OFFERING DOCUMENT

This document (this "***Offering Document***") is hereby adopted by the Board of Directors of Expensify, Inc. (the "***Company***"), in its capacity as Administrator of the Company's 2021 Stock Purchase and Matching Plan (the "***Plan***") and is hereby incorporated by reference into and made a part of the Plan. A copy of this Offering Document may be attached to the Plan. Defined terms used herein without definition shall have the meanings specified in the Plan.

This Offering Document shall apply to Offering Periods under the Plan until this Offering Document is terminated, amended or modified by the Administrator or a new Offering Document is adopted by the Administrator of the Plan.

Eligible Service Provider: Each Employee of the Company or a Subsidiary [and each Consultant customarily providing more than 20 hours of services per week] shall be an Eligible Service Provider for purposes of the Plan.

Offering Periods: The Plan shall be implemented by consecutive Offering Periods of three months in length beginning on each February 15, May 15, August 15 and November 15. The Enrollment Date for each Offering Period shall be the first day of the Offering Period, and the Exercise Date of each Offering Period shall be the last day of the Offering Period.

Match Rate: The Match Rate applicable to each Offering Period shall be 10%.

Match Limit: The Match Limit applicable to each Offering Period shall be 1.5% of the shares of any class of Company capital stock that are outstanding as of the Exercise Date applicable to such Offering Period.

* * * * *

EXPENSIFY, INC.
2021 INCENTIVE AWARD PLAN

RESTRICTED STOCK UNIT AWARD GRANT NOTICE

Expensify, Inc., a Delaware corporation (the "***Company***"), pursuant to its 2021 Incentive Award Plan, as may be amended from time to time (the "***Plan***"), hereby grants to the holder listed below ("***Participant***"), an award of restricted stock units ("***Restricted Stock Units***" or "***RSUs***"). Each vested Restricted Stock Unit represents the right to receive, in accordance with the Restricted Stock Unit Award Agreement attached hereto as **Exhibit A** (the "***Agreement***"), including any special provisions for Participant's country of residence, if any, set forth in the Appendix for Participant's Country (the "***Country Provisions***"), one share of Common Stock ("***Share***"). This award of Restricted Stock Units is subject to all of the terms and conditions set forth herein and in the Agreement, the Country Provisions (if applicable) and the Plan, each of which are incorporated herein by reference. Unless otherwise defined herein, the terms defined in the Plan shall have the same defined meanings in this Restricted Stock Unit Award Grant Notice, the Country Provisions and the Agreement.

Participant:	[_____]
Grant Date:	[_____]
Total Number of RSUs:	[_____]
Vesting Commencement Date:	[_____]
Vesting Schedule:	[_____]
Termination:	If Participant experiences a Termination of Service, all RSUs that have not become vested on or prior to the date of such Termination of Service will thereupon be automatically forfeited by Participant without payment of any consideration therefor.

If the Company uses an electronic capitalization table system (such as Shareworks, Carta or Equity Edge) and the fields in this Grant Notice are blank or the information is otherwise provided in a different format electronically, the blank fields and other information will be deemed to come from the electronic capitalization system and is considered part of this Grant Notice. In addition, the Company's signature below shall be deemed to have occurred by the Company's input of the RSUs in such electronic capitalization table system and the Participant's signature below shall be deemed to have occurred by the Participant's online acceptance of the RSUs through such electronic capitalization table system.

By his or her signature and the Company's signature below, Participant acknowledges and agrees to be bound by the terms and conditions of the Plan, the Agreement and this Grant Notice. Participant has reviewed the Plan, the Agreement and this Grant Notice in their entirety, has had an opportunity to obtain the advice of counsel prior to executing this Grant Notice and fully understands all provisions of the Plan, the Agreement and this Grant Notice. Participant hereby agrees to accept as binding, conclusive and final all decisions or interpretations of the Administrator upon any questions arising under the Plan, the Agreement or this Grant Notice. In addition, by signing below, Participant also agrees that the Company, in its sole discretion, may satisfy any withholding obligations in accordance with Section 2.6(b) of the Agreement by (i) withholding shares of Common Stock otherwise issuable to Participant upon vesting of

the RSUs, (ii) instructing a broker on Participant's behalf to sell shares of Common Stock otherwise issuable to Participant upon vesting of the RSUs and submit the proceeds of such sale to the Company, or (iii) using any other method permitted by Section 2.6(b) of the Agreement or the Plan.

EXPENSIFY, INC.:		**PARTICIPANT:**	
By:		By:	
Print Name:		Print Name:	
Title:			
Address:		Address:	

EXHIBIT A
TO RESTRICTED STOCK UNIT AWARD GRANT NOTICE

RESTRICTED STOCK UNIT AWARD AGREEMENT

Pursuant to the Restricted Stock Unit Award Grant Notice (the "***Grant Notice***") to which this Restricted Stock Unit Award Agreement (this "***Agreement***") is attached, Expensify, Inc., a Delaware corporation (the "***Company***"), has granted to Participant the number of restricted stock units ("***Restricted Stock Units***" or "***RSUs***") set forth in the Grant Notice under the Company's 2021 Incentive Award Plan, as may be amended from time to time (the "***Plan***"). Each Restricted Stock Unit represents the right to receive one share of Common Stock (a "***Share***") upon vesting.

ARTICLE I.

GENERAL

1.1 Defined Terms. Capitalized terms not specifically defined herein shall have the meanings specified in the Plan and the Grant Notice.

1.2 Incorporation of Terms of Plan. The RSUs are subject to the terms and conditions of the Plan, which are incorporated herein by reference. In the event of any inconsistency between the Plan and this Agreement, the terms of the Plan shall control. If the Country Provisions apply to Participant, in the event of a conflict between the terms of this Agreement, the Grant Notice or the Plan and the Country Provisions, the terms of the Country Provisions shall control.

ARTICLE II.

GRANT OF RESTRICTED STOCK UNITS

2.1 Grant of RSUs. Pursuant to the Grant Notice and upon the terms and conditions set forth in the Plan, this Agreement and the Country Provisions (if applicable), effective as of the Grant Date set forth in the Grant Notice, the Company hereby grants to Participant an award of RSUs under the Plan in consideration of Participant's past and/or continued employment with or service to the Company or any Subsidiary and for other good and valuable consideration, subject to adjustments as provided in Article IX of the Plan.

2.2 Unsecured Obligation to RSUs. Unless and until the RSUs have vested in the manner set forth in Article II hereof, Participant will have no right to receive Common Stock or other property under any such RSUs. Prior to actual payment of any vested RSUs, such RSUs will represent an unsecured obligation of the Company, payable (if at all) only from the general assets of the Company.

2.3 Vesting Schedule. Subject to Section 2.5 hereof, the RSUs shall vest and become nonforfeitable with respect to the applicable portion thereof according to the vesting schedule set forth in the Grant Notice (rounding down to the nearest whole Share). Notwithstanding the foregoing and the Grant Notice, but subject to Section 2.5 hereof, in the event of a Change in Control, the RSUs shall be treated pursuant to Section 9.2 and 9.3 of the Plan.

2.4 Consideration to the Company. In consideration of the grant of the award of RSUs pursuant hereto, Participant agrees to render faithful and efficient services to the Company and its Subsidiaries, as applicable.

2.5 Forfeiture, Termination and Cancellation upon Termination of Service. Notwithstanding any contrary provision of this Agreement or the Plan, upon Participant's Termination of Service for any or no reason, all Restricted Stock Units which have not vested prior to or in connection with such Termination of Service shall thereupon automatically be forfeited, terminated and cancelled as of the applicable termination date without payment of any consideration by the Company, and Participant, or Participant's beneficiary or personal representative, as the case may be, shall have no further rights hereunder. No portion of the RSUs which has not become vested as of the date on which Participant incurs a Termination of Service shall thereafter become vested, except as may otherwise be provided by the Administrator or as set forth in a written agreement between the Company (or any Subsidiary that is the employer of Participant) and Participant.

2.6 Issuance of Common Stock upon Vesting.

(a) As soon as administratively practicable following the vesting of any Restricted Stock Units pursuant to Section 2.3 hereof, but in no event later than the earlier of 3 months after such vesting date or March 15 of the year after the year of vesting (for the avoidance of doubt, this deadline is intended to comply with the "short term deferral" exemption from Section 409A of the Code), the Company shall deliver to Participant (or any transferee permitted under Section 3.2 hereof) a number of Shares equal to the number of RSUs subject to this Award that vest on the applicable vesting date. Notwithstanding the foregoing, in the event Shares are not issued pursuant to Section 10.7 of the Plan, the Shares shall be issued pursuant to the preceding sentence as soon as administratively practicable after the Administrator determines that Shares can again be issued in accordance with such Section.

(b) As set forth in Section 10.5 of the Plan, the Company shall have the authority and the right to deduct or withhold, or to require Participant to remit to the Company, an amount sufficient to satisfy all applicable Tax-Related Items required by law to be withheld with respect to any taxable event arising in connection with the Restricted Stock Units. The Company shall not be obligated to deliver any Shares to Participant or Participant's legal representative unless and until Participant or Participant's legal representative shall have paid or otherwise satisfied in full the amount of all Tax-Related Items applicable to the taxable income of Participant resulting from the grant or vesting of the Restricted Stock Units or the issuance of Shares.

2.7 Conditions to Delivery of Shares. The Shares deliverable hereunder may be either previously authorized but unissued Shares, treasury Shares or issued Shares which have then been reacquired by the Company. Such Shares shall be fully paid and nonassessable. The Company shall not be required to issue Shares deliverable hereunder prior to fulfillment of the conditions set forth in Section 10.7 of the Plan.

2.8 Rights as Stockholder. The holder of the RSUs shall not be, nor have any of the rights or privileges of, a stockholder of the Company, including, without limitation, voting rights and rights to dividends, in respect of the RSUs and any Shares underlying the RSUs and deliverable hereunder unless and until such Shares shall have been issued by the Company and held of record by such holder (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 a dividend or other right for which the record date is prior to the date the Shares are issued, except as provided in Article IX of the Plan.

ARTICLE III.

OTHER PROVISIONS

3.1 Administration. The Administrator shall have the power to interpret the Plan and this Agreement and to adopt such rules for the administration, interpretation and application of the Plan as are consistent therewith and to interpret, amend or revoke any such rules. All actions taken and all interpretations and determinations made by the Administrator in good faith shall be final and binding upon Participant, the Company and all other interested persons. No member of the Committee or the Board shall be personally liable for any action, determination or interpretation made in good faith with respect to the Plan, this Agreement or the RSUs.

3.2 Transferability. The RSUs shall be subject to the restrictions on transferability set forth in Section 10.1 of the Plan.

3.3 Tax Consultation. Participant understands that Participant may suffer adverse tax consequences in connection with the RSUs granted pursuant to this Agreement (and the Shares issuable with respect thereto). Participant represents that Participant has consulted with any tax consultants Participant deems advisable in connection with the RSUs and the issuance of Shares with respect thereto and that Participant is not relying on the Company for any tax advice.

3.4 Binding Agreement. Subject to the limitation on the transferability of the RSUs contained herein, this Agreement will be binding upon and inure to the benefit of the heirs, legatees, legal representatives, successors and assigns of the parties hereto.

3.5 Adjustments Upon Specified Events. The Administrator may accelerate the vesting of the RSUs in such circumstances as it, in its sole discretion, may determine. Participant acknowledges that the RSUs are subject to adjustment, modification and termination in certain events as provided in this Agreement and Article IX of the Plan.

3.6 Notices. Any notice to be given under the terms of this Agreement to the Company shall be addressed to the Company in care of the Secretary of the Company at the Company's principal office, and any notice to be given to Participant shall be addressed to Participant at Participant's last address reflected on the Company's records. By a notice given pursuant to this Section 3.6, either party may hereafter designate a different address for notices to be given to that party. Any notice shall be deemed duly given when sent via email or when sent by certified mail (return receipt requested) and deposited (with postage prepaid) in a post office or branch post office regularly maintained by the United States Postal Service (or similar non-U.S. entity).

3.7 Participant's Representations. If the Shares issuable hereunder have not been registered under the Securities Act or any applicable state laws on an effective registration statement at the time of such issuance, Participant shall, if required by the Company, concurrently with such issuance, make such written representations as are deemed necessary or appropriate by the Company or its counsel.

3.8 Titles. Titles are provided herein for convenience only and are not to serve as a basis for interpretation or construction of this Agreement.

3.9 Governing Law. The laws of the State of Delaware shall govern the interpretation, validity, administration, enforcement and performance of the terms of this Agreement regardless of the law that might be applied under principles of conflicts of laws. By entering into this Agreement,

Participant irrevocably and unconditionally consents to submit to the exclusive jurisdiction of the courts of the State of Delaware and of the United States of America, in each case located in the State of Delaware, for any action arising out of or relating to this Agreement and the Plan (and agrees not to commence any litigation relating thereto except in such courts), and further agrees that service of any process, summons, notice or document by U.S. registered mail to the address contained in the records of the Company shall be effective service of process for any litigation brought against it in any such court. By entering into this Agreement, Participant irrevocably and unconditionally waives any objection to the laying of venue of any litigation arising out of the Plan or this Agreement in the courts of the State of Delaware or the United States of America, in each case located in the State of Delaware, and further irrevocably and unconditionally waives and agrees not to plead or claim in any such court that any such litigation brought in any such court has been brought in an inconvenient forum. By entering into this Agreement, Participant irrevocably and unconditionally waives, to the fullest extent permitted by applicable law, any and all rights to trial by jury in connection with any litigation arising out of or relating to the Plan or this Agreement.

3.10 Conformity to Securities Laws. Participant acknowledges that the Plan and this Agreement are intended to conform to the extent necessary with all provisions of the Securities Act and the Exchange Act and any other Applicable Law. Notwithstanding anything herein to the contrary, the Plan shall be administered, and the RSUs are granted, only in such a manner as to conform to Applicable Law. To the extent permitted by Applicable Law, the Plan and this Agreement shall be deemed amended to the extent necessary to conform to such Applicable Law.

3.11 Amendment, Suspension and Termination. To the extent permitted by the Plan, this Agreement may be wholly or partially amended or otherwise modified, suspended or terminated at any time or from time to time by the Administrator or the Board; *provided*, *however*, that, except as may otherwise be provided by the Plan, no amendment, modification, suspension or termination of this Agreement shall adversely affect the RSUs in any material way without the prior written consent of Participant.

3.12 Successors and Assigns. The Company may assign any of its rights and delegate any of its obligations under this Agreement to single or multiple assignees, and this Agreement shall inure to the benefit of the successors and assigns of the Company. Subject to the restrictions on transfer herein set forth in Section 3.2 hereof, this Agreement shall be binding upon Participant and his or her heirs, executors, administrators, successors and assigns.

3.13 Limitations Applicable to Section 16 Persons. Notwithstanding any other provision of the Plan or this Agreement, if Participant is subject to Section 16 of the Exchange Act, then the Plan, the RSUs and this Agreement shall be subject to any additional limitations set forth in any applicable exemptive rule under Section 16 of the Exchange Act (including any amendment to Rule 16b-3 of the Exchange Act) that are requirements for the application of such exemptive rule. To the extent permitted by Applicable Law, this Agreement shall be deemed amended to the extent necessary to conform to such applicable exemptive rule.

3.14 Not a Contract of Service Relationship. Nothing in this Agreement or in the Plan shall confer upon Participant any right to commence or continue to serve as an Employee or other Service Provider or shall interfere with or restrict in any way the rights of the Company and its Subsidiaries, which rights are hereby expressly reserved, to discharge or terminate the services of Participant at any time for any reason whatsoever, with or without Cause, except to the extent expressly provided otherwise

by Applicable Law or in a written agreement between the Company or a Subsidiary (as applicable) and Participant.

3.15 Entire Agreement. The Plan, the Grant Notice and this Agreement (including the Country Provisions) constitute the entire agreement of the parties and supersede in their entirety all prior undertakings and agreements of the Company and Participant with respect to the subject matter hereof, *provided* that the RSUs shall be subject to any accelerated vesting provisions in any written agreement between Participant and the Company (or any Subsidiary who is the employer of Participant) or a Company plan pursuant to which Participant is eligible to participate, in each case, in accordance with the terms therein.

3.16 Section 409A. This Award is not intended to constitute "nonqualified deferred compensation" within the meaning of Section 409A of the Code (together with any Department of Treasury regulations and other interpretive guidance issued thereunder, including without limitation any such regulations or other guidance that may be issued after the date hereof, "***Section 409A***"). However, notwithstanding any other provision of the Plan, the Grant Notice or this Agreement, if at any time the Administrator determines that this Award (or any portion thereof) may be subject to Section 409A, the Administrator shall have the right in its sole discretion (without any obligation to do so or to indemnify Participant or any other person for failure to do so) to adopt such amendments to the Plan, the Grant Notice or this Agreement, or adopt other policies and procedures (including amendments, policies and procedures with retroactive effect), or take any other actions, as the Administrator determines are necessary or appropriate for this Award either to be exempt from the application of Section 409A or to comply with the requirements of Section 409A.

3.17 Limitation on Participant's Rights. Participation in the Plan confers no rights or interests other than as herein provided. This Agreement creates only a contractual obligation on the part of the Company as to amounts payable and shall not be construed as creating a trust. Neither the Plan nor any underlying program, in and of itself, has any assets. Participant shall have only the rights of a general unsecured creditor of the Company and its Subsidiaries with respect to amounts credited and benefits payable, if any, with respect to the RSUs, and rights no greater than the right to receive the Shares as a general unsecured creditor with respect to RSUs, as and when payable hereunder.

3.18 Rules Particular To Specific Countries.

(a) *Generally*. Participant shall, if required by the Administrator, enter into an election with the Company or a Subsidiary (in a form approved by the Company) under which any liability to the Company's (or a Subsidiary's) Tax-Related Items, including, but not limited to, National Insurance Contributions ("***NICs***") and the Fringe Benefit Tax, is transferred to and met by Participant.

(b) *Tax Indemnity*. Participant shall indemnify and keep indemnified the Company and any of its subsidiaries from and against any Tax-Related Items.

3.19 Special Country Provisions for RSUs Granted to Participants. The RSUs shall be subject to the Country Provisions, if any, for Participant's country of residence, as set forth in the Country Provisions. If Participant relocates to one of the countries included in the Country Provisions during the life of the RSUs, the special provisions for such country shall apply to Participant, to the extent the Company determines that the application of such provisions is necessary or advisable in order to comply with local law or facilitate the administration of the Plan. The Company reserves the right to impose other requirements on the RSUs and the Shares issuable upon settlement of the RSUs, to the extent the

Company determines it is necessary or advisable in order to comply with local laws or facilitate the administration of the Plan, and to require Participant to sign any additional agreements or undertakings that may be necessary to accomplish the foregoing.

* * * * *

APPENDIX
TO
RESTRICTED STOCK UNIT AWARD AGREEMENT

Special Country Provisions for RSUs for Participants

This Appendix includes special terms and conditions applicable to Participants in the countries below. These terms and conditions are in addition to those set forth in the Restricted Stock Unit Agreement (the "***Agreement***") and the Plan, and to the extent there are any inconsistencies between these terms and conditions and those set forth in the Agreement, these terms and conditions shall prevail. Any capitalized term used in this Appendix without definition shall have the meaning ascribed to such term in the Plan or the Agreement, as applicable.

In accepting the RSUs, Participant acknowledges, understands and agrees that:

- the Plan is established voluntarily by the Company, it is discretionary in nature, and may be amended, suspended or terminated by the Company at any time, to the extent permitted by the Plan;
- the grant of the RSUs is voluntary and occasional and does not create any contractual or other right to receive future grants of restricted stock units, or benefits in lieu of restricted stock units, even if restricted stock units have been granted in the past;
- all decisions with respect to future restricted stock units or other grants, if any, will be at the sole discretion of the Company;
- Participant is voluntarily participating in the Plan;
- for labor law purposes, the RSUs and the Common Stock subject to the RSUs are an extraordinary item that does not constitute wages of any kind for services of any kind rendered to the Company or to Participant's service entity, and the award of the RSUs is outside the scope of Participant's service contract, if any;
- for labor law purposes, the RSUs and the Common Stock subject to the RSUs are not part of normal or expected wages or salary for any purposes, including, but not limited to, calculation of any severance, resignation, termination, redundancy, dismissal, end of service payments, bonuses, holiday pay, long-service awards, pension or retirement benefits or similar payments and in no event should be considered as compensation for, or relating in any way to, past services for the Company, any Subsidiary, Participant's employer, its parent, or any affiliate of the Company;
- the RSUs and the Common Stock subject to the RSUs are not intended to replace any pension rights or compensation;
- neither the RSUs nor any provision of this Agreement, the Plan or the policies adopted pursuant to the Plan confer upon Participant any right with respect to service or continuation of current service and shall not be interpreted to form a service contract or relationship with the Company or any subsidiary or affiliate;
- the future value of the underlying Common Stock is unknown and cannot be predicted with certainty; and

- the value of the Common Stock acquired upon vesting of the RSUs may increase or decrease in value.

Securities Law Notice: Unless otherwise noted, neither the Company nor the Shares are registered with any local stock exchange or under the control of any local securities regulator outside the United States. The Agreement (of which this Appendix is a part), the Plan, and any other communications or materials that Participant may receive regarding participation in the Plan do not constitute advertising or an offering of securities outside the United States, and the issuance of securities described in any Plan-related documents is not intended for public offering or circulation in Participant's jurisdiction.

General Provisions

Data Privacy. Participant acknowledges and agrees to the data privacy provisions set forth in Section 11.8 of the Plan.

Notifications. This Appendix also includes information relating to exchange control and other issues of which Participant should be aware with respect to his or her participation in the Plan. The information is based on the exchange control, securities and other laws in effect in the respective countries as of October 2021. Such laws are often complex and change frequently. As a result, the Company strongly recommends that Participant not rely on the information herein as the only source of information relating to the consequences of participation in the Plan because the information may be out of date at the time the RSUs vest or Shares acquired under the Plan are sold. In addition, the information is general in nature and may not apply to the particular situation of Participant, and the Company is not in a position to assure Participant of any particular result. Accordingly, Participant is advised to seek appropriate professional advice as to how the relevant laws in his or her country may apply to his or her situation. Finally, Participant understands that if Participant is a citizen or resident of a country other than the one in which he or she is currently residing or working, the information contained herein may not be applicable to Participant.

English Language. By participating in the Plan, Participant acknowledges that Participant is proficient in the English language, or has consulted with an advisor who is sufficiently proficient in English, so as to allow him or her to understand the terms and conditions of the Plan and the Agreement applicable to Participant's country of residence. If Participant has received the Agreement and the Plan applicably to his or her country of residence or any other document related to the Plan translated into a language other than English and if the meaning of the translated version is different than the English version, the English version will control.

Currency. Participant understands that, any amounts related to the RSUs will be denominated in U.S. dollars and will be converted to any local currency using a prevailing exchange rate in effect at the time such conversion is performed, as determined by the Company. Participant understands and agrees that neither the Company nor any affiliate shall be liable for any foreign exchange rate fluctuation between Participant's local currency and the U.S. dollar that may affect the value of the RSUs, or of any amounts due to Participant or as a result of the subsequent sale of any Shares acquired under the RSUs.

Foreign Asset/Account Reporting; Exchange Controls. Participant's country of residence may have certain foreign asset and/or account reporting or exchange control requirements which may affect his or her ability to acquire or hold Shares under the Agreement or cash received (including proceeds arising from the sale of Shares) in a brokerage or bank account outside Participant's country. Participant may be required to report such accounts, assets or transactions to the tax or other authorities in his or her country.

Participant may also be required to repatriate sale proceeds or other funds received as a result of his/her participation in the Plan to his or her country through a designated broker or bank and/or within a certain time after receipt. Participant is responsible for ensuring compliance with such regulations and should consult with his or her personal legal advisor for any details.

No Advice Regarding Grant. The Company is not providing any tax, legal or financial advice, nor is the Company making any recommendations regarding Participant's participation in the Plan or the Agreement or any receipt of the RSUs or sale of Shares acquired upon settlement of the RSUs. Participant should consult his or her own personal tax, legal and financial advisors regarding his or her participation in the Plan and the Agreement before taking any action related to the RSUs or the Shares.

Imposition of Other Requirements. The Company reserves the right to impose other requirements on Participant, on the RSUs and/or any Shares issuable upon settlement of the RSUs, to the extent the Company determines it is necessary or advisable for legal or administrative reasons, and to require Participant to sign any additional agreements or undertakings that may be necessary to accomplish the foregoing.

EXPENSIFY, INC.
2021 INCENTIVE AWARD PLAN
STOCK OPTION GRANT NOTICE

Expensify, Inc., a Delaware corporation, (the "***Company***"), pursuant to its 2021 Incentive Award Plan, as may be amended from time to time (the "***Plan***"), hereby grants to the holder listed below ("***Participant***"), an option to purchase the number of shares of the Company's Common Stock (the "***Shares***"), set forth below (the "***Option***"). This Option is subject to all of the terms and conditions set forth herein, as well as in the Plan and the Stock Option Agreement attached hereto as **Exhibit A** (the "***Stock Option Agreement***") including any special provisions for Participant's country of residence, if any, set forth in the Appendix for Participant's Country (the "***Country Provisions***"), each of which are incorporated herein by reference. Unless otherwise defined herein, the terms defined in the Plan shall have the same defined meanings in this Grant Notice, the Country Provisions and the Stock Option Agreement.

Participant:	[_____]
Grant Date:	[_____]
Vesting Commencement Date:	[_____]
Exercise Price per Share:	$[_____]
Total Exercise Price:	$[_____]
Total Number of Shares Subject to the Option:	[_____]
Expiration Date:	[_____]
Vesting Schedule:	[_____]

Type of Option: ☐ Incentive Stock Option ☐ Nonqualified Stock Option

If the Company uses an electronic capitalization table system (such as Shareworks, Carta or Equity Edge) and the fields in this Grant Notice are blank or the information is otherwise provided in a different format electronically, the blank fields and other information will be deemed to come from the electronic capitalization system and is considered part of this Grant Notice. In addition, the Company's signature below shall be deemed to have occurred by the Company's input of the Option in such electronic capitalization table system and the Participant's signature below shall be deemed to have occurred by the Participant's online acceptance of the Option through such electronic capitalization table system.

By his or her signature and the Company's signature below, Participant agrees to be bound by the terms and conditions of the Plan, the Stock Option Agreement and this Grant Notice. Participant has reviewed the Plan, the Stock Option Agreement and this Grant Notice in their entirety, has had an opportunity to obtain the advice of counsel prior to executing this Grant Notice and fully understands all provisions of the Plan, the Stock Option Agreement and this Grant Notice. Participant hereby agrees to accept as binding, conclusive and final all decisions or interpretations of the Administrator upon any questions arising under the Plan, the Stock Option Agreement or this Grant Notice.

EXPENSIFY, INC.:

Holder:

By: _____

Print Name: _____

Title: _____

Address: _____

_____

PARTICIPANT:

By: _____

Print Name: _____

Address: _____

_____

EXHIBIT A
TO STOCK OPTION GRANT NOTICE

STOCK OPTION AGREEMENT

Pursuant to the Stock Option Grant Notice (the "***Grant Notice***") to which this Stock Option Agreement (this "***Agreement***") is attached, Expensify, Inc., a Delaware corporation (the "***Company***"), has granted to Participant an Option under the Company's 2021 Incentive Award Plan, as may be amended from time to time (the "***Plan***"), to purchase the number of Shares indicated in the Grant Notice.

ARTICLE I

GENERAL

1.1 Defined Terms. Capitalized terms not specifically defined herein shall have the meanings specified in the Plan and the Grant Notice.

1.2 Incorporation of Terms of Plan. The Option is subject to the terms and conditions of the Plan which are incorporated herein by reference. In the event of any inconsistency between the Plan and this Agreement, the terms of the Plan shall control. If the Country Provisions apply to Participant, in the event of a conflict between the terms of this Agreement, the Grant Notice or the Plan and the Country Provisions, the terms of the Country Provisions shall control.

ARTICLE II

GRANT OF OPTION

2.1 Grant of Option. In consideration of Participant's past and/or continued employment with or service to the Company or any Subsidiary and for other good and valuable consideration, effective as of the Grant Date set forth in the Grant Notice (the "***Grant Date***"), the Company irrevocably grants to Participant the Option to purchase any part or all of an aggregate of the number of Shares set forth in the Grant Notice, upon the terms and conditions set forth in the Plan, this Agreement, and the Country Provisions (if applicable), subject to adjustments as provided in Article IX of the Plan. Unless designated as a Nonqualified Stock Option in the Grant Notice, the Option shall be an Incentive Stock Option to the maximum extent permitted by law.

2.2 Exercise Price. The exercise price of the Shares subject to the Option shall be as set forth in the Grant Notice, without commission or other charge; *provided*, *however*, that the exercise price per share of the Shares subject to the Option shall not be less than 100% of the Fair Market Value of a Share on the Grant Date. Notwithstanding the foregoing, if this Option is designated as an Incentive Stock Option and Participant is a Greater Than 10% Stockholder as of the Grant Date, the exercise price per share of the Shares subject to the Option shall not be less than 110% of the Fair Market Value of a Share on the Grant Date.

2.3 Consideration to the Company. In consideration of the grant of the Option by the Company, Participant agrees to render faithful and efficient services to the Company and its Subsidiaries, as applicable.

ARTICLE III

PERIOD OF EXERCISABILITY

3.1 Commencement of Exercisability.

(a) Subject to this Section 3.1 and Sections 3.2, 3.3, 5.11 and 5.17 hereof, the Option shall become vested and exercisable in such amounts and at such times as are set forth in the Grant Notice.

(b) No portion of the Option which has not become vested and exercisable at the date of Participant's Termination of Service shall thereafter become vested and exercisable, except as may be otherwise provided by the Administrator or as set forth in a written agreement between the Company (or any Subsidiary that is the employer of Participant) and Participant.

(c) Notwithstanding Section 3.1(a) hereof and the Grant Notice, but subject to Section 3.1(b) hereof, in the event of a Change in Control the Option shall be treated pursuant to Sections 9.2 and 9.3 of the Plan.

3.2 Duration of Exercisability. The installments provided for in the vesting schedule set forth in the Grant Notice are cumulative. Each such installment which becomes vested and exercisable pursuant to the vesting schedule set forth in the Grant Notice shall remain vested and exercisable until it becomes unexercisable under Section 3.3 hereof.

3.3 Expiration of Option. The Option may not be exercised to any extent by anyone after the first to occur of the following events:

(a) The Expiration Date set forth in the Grant Notice, which shall in no event be more than ten years from the Grant Date;

(b) If this Option is designated as an Incentive Stock Option and Participant, at the time the Option was granted, was a Greater Than 10% Stockholder, the expiration of five years from the Grant Date;

(c) The expiration of three months from the date of Participant's Termination of Service, unless such termination occurs by reason of Participant's death or Disability or Cause;

(d) The expiration of one year from the date of Participant's Termination of Service by reason of Participant's death or Disability; or

(e) Participant's Termination of Service for Cause.

3.4 Special Tax Consequences. Participant acknowledges that, to the extent that the aggregate Fair Market Value (determined as of the time the Option is granted) of all Shares with respect to which Incentive Stock Options, including the Option (if applicable), are exercisable for the first time by Participant in any calendar year exceeds $100,000, the Option and such other options shall be Nonqualified Stock Options to the extent necessary to comply with the limitations imposed by Section 422(d) of the Code. Participant further acknowledges that the rule set forth in the preceding sentence shall be applied by taking the Option and other "incentive stock options" into account in the order in which they were granted, as determined under Section 422(d) of the Code and the Treasury Regulations thereunder. Participant also acknowledges that an Incentive Stock Option exercised more than three

months after Participant's Termination of Employment, other than by reason of death or Disability, will be taxed as a Nonqualified Stock Option.

3.5 Tax Indemnity.

(a) Participant agrees to hold harmless, indemnify and keep indemnified the Company, any Subsidiary and Participant's employing company, if different, from and against any liability for or obligation to pay any Tax-Related Items that is attributable to (1) the grant or exercise of, or any benefit derived by Participant from, the Option, (2) the acquisition by Participant of the Shares on exercise of the Option or (3) the disposal of any Shares.

(b) The Option cannot be exercised until Participant has made such arrangements as the Company may require for the satisfaction of any Tax-Related Items that may arise in connection with the exercise of the Option or the acquisition of the Shares by Participant. The Company shall not be required to issue, allot or transfer Shares until Participant has satisfied this obligation.

(c) Participant hereby acknowledges that the Company (i) makes no representations or undertakings regarding the treatment of any Tax-Related Items in connection with any aspect of the Option and (ii) does not commit to and is under no obligation to structure the terms of the grant or any aspect of any Award, including the Option, to reduce or eliminate Participant's liability for Tax-Related Items or achieve any particular tax result. Furthermore, if Participant becomes subject to tax in more than one jurisdiction between the date of grant of an Award, including the Option, and the date of any relevant taxable event, Participant acknowledges that the Company may be required to withhold or account for Tax-Related Items in more than one jurisdiction.

ARTICLE IV.

EXERCISE OF OPTION

4.1 Person Eligible to Exercise. Except as provided in Section 5.3 hereof, during the lifetime of Participant, only Participant may exercise the Option or any portion thereof, unless it has been disposed of pursuant to a DRO. After the death of Participant, any exercisable portion of the Option may, prior to the time when the Option becomes unexercisable under Section 3.3 hereof, be exercised by the deceased Participant's personal representative or by any person empowered to do so under the deceased Participant's will or under the then applicable laws of descent and distribution.

4.2 Partial Exercise. Any exercisable portion of the Option or the entire Option, if then wholly exercisable, may be exercised in whole or in part at any time prior to the time when the Option or portion thereof becomes unexercisable under Section 3.3 hereof. However, the Option shall not be exercisable with respect to fractional Shares.

4.3 Manner of Exercise. The Option, or any exercisable portion thereof, may be exercised solely by delivery to the Secretary of the Company (or any third party administrator or other person or entity designated by the Company; for the avoidance of doubt, delivery shall include electronic delivery), during regular business hours, of all of the following prior to the time when the Option or such portion thereof becomes unexercisable under Section 3.3 hereof:

(a) An exercise notice in a form specified by the Administrator, stating that the Option or portion thereof is thereby exercised, such notice complying with all applicable rules established by the Administrator. The notice shall be signed by Participant or other person then entitled to exercise the Option or such portion of the Option;

(b) The receipt by the Company of full payment for the Shares with respect to which the Option or portion thereof is exercised, including payment of any applicable Tax-Related Items, which shall be made by deduction from other compensation payable to Participant or in such other form of consideration permitted under Section 4.4 hereof that is acceptable to the Company;

(c) Any other written representations or documents as may be required in the Administrator's sole discretion to evidence compliance with the Securities Act, the Exchange Act or any other Applicable Law; and

(d) In the event the Option or portion thereof shall be exercised pursuant to Section 4.1 hereof by any person or persons other than Participant, appropriate proof of the right of such person or persons to exercise the Option.

Notwithstanding any of the foregoing, the Company shall have the right to specify all conditions of the manner of exercise, which conditions may vary by country and which may be subject to change from time to time.

4.4 Method of Payment. Payment of the exercise price shall be by any of the following, or a combination thereof, at the election of Participant:

(a) Cash or check;

(b) With the consent of the Administrator, surrender of Shares (including, without limitation, Shares otherwise issuable upon exercise of the Option) held for such period of time as may be required by the Administrator in order to avoid adverse accounting consequences and having a Fair Market Value on the date of delivery equal to the aggregate exercise price of the Option or exercised portion thereof; or

(c) Other legal consideration acceptable to the Administrator (including, without limitation, through the delivery of a notice that Participant has placed a market sell order with a broker with respect to Shares then issuable upon exercise of the Option, and that the broker has been directed to pay a sufficient portion of the net proceeds of the sale to the Company in satisfaction of the Option exercise price; *provided* that payment of such proceeds is then made to the Company at such time as may be required by the Company, but in any event not later than the settlement of such sale).

4.5 Conditions to Issuance of Shares. The Shares deliverable upon the exercise of the Option, or any portion thereof, may be either previously authorized but unissued Shares or issued Shares which have then been reacquired by the Company. Such Shares shall be fully paid and nonassessable. The Company shall not be required to issue or deliver any Shares purchased upon the exercise of the Option or portion thereof prior to fulfillment of all of the conditions in Section 10.7 of the Plan.

4.6 Participant's Representations. If the Shares issuable hereunder have not been registered under the Securities Act or any applicable state laws on an effective registration statement at the time of exercise, Participant shall, if required by the Company, concurrently with such exercise, make such written representations as are deemed necessary or appropriate by the Company or its counsel.

4.7 Rights as Stockholder. The holder of the Option shall not be, nor have any of the rights or privileges of, a stockholder of the Company, including, without limitation, voting rights and rights to dividends, in respect of any Shares purchasable upon the exercise of any part of the Option unless and until such Shares shall have been issued by the Company and held of record by such holder (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 a dividend or other right for which the record date is prior to the date the Shares are issued, except as provided in Article IX of the Plan.

ARTICLE V

OTHER PROVISIONS

5.1 Administration. The Administrator shall have the power to interpret the Plan and this Agreement and to adopt such rules for the administration, interpretation and application of the Plan as are consistent therewith and to interpret, amend or revoke any such rules. All actions taken and all interpretations and determinations made by the Administrator in good faith shall be final and binding upon Participant, the Company and all other interested persons. No member of the Committee or the Board shall be personally liable for any action, determination or interpretation made in good faith with respect to the Plan, this Agreement or the Option.

5.2 Whole Shares. The Option may only be exercised for whole Shares.

5.3 Transferability. The Option shall be subject to the restrictions on transferability set forth in Section 10.1 of the Plan.

5.4 Tax Consultation. Participant understands that Participant may suffer adverse tax consequences as a result of the grant, vesting or exercise of the Option, or with the purchase or disposition of the Shares subject to the Option. Participant represents that Participant has consulted with any tax consultants Participant deems advisable in connection with the purchase or disposition of such Shares and that Participant is not relying on the Company for any tax advice.

5.5 Binding Agreement. Subject to the limitation on the transferability of the Option contained herein, this Agreement will be binding upon and inure to the benefit of the heirs, legatees, legal representatives, successors and assigns of the parties hereto.

5.6 Adjustments Upon Specified Events. The Administrator may accelerate the vesting of the Option in such circumstances as it, in its sole discretion, may determine. Participant acknowledges that the Option is subject to adjustment, modification and termination in certain events as provided in this Agreement and Article IX of the Plan.

5.7 Notices. Any notice to be given under the terms of this Agreement to the Company shall be addressed to the Company in care of the Secretary of the Company at the Company's principal office, and any notice to be given to Participant shall be addressed to Participant at Participant's last address reflected on the Company's records. By a notice given pursuant to this Section 5.7, either party may hereafter designate a different address for notices to be given to that party. Any notice which is required to be given to Participant shall, if Participant is then deceased, be given to the person entitled to exercise his or her Option pursuant to Section 4.1 hereof by written notice under this Section 5.7. Any notice shall be deemed duly given when sent via email or when sent by certified mail (return receipt requested) and deposited (with postage prepaid) in a post office or branch post office regularly maintained by the United States Postal Service (or similar non-U.S. entity).

5.8 Titles. Titles are provided herein for convenience only and are not to serve as a basis for interpretation or construction of this Agreement.

5.9 Governing Law. The laws of the State of Delaware shall govern the interpretation, validity, administration, enforcement and performance of the terms of this Agreement regardless of the

law that might be applied under principles of conflicts of laws. By entering into this Agreement, Participant irrevocably and unconditionally consents to submit to the exclusive jurisdiction of the courts of the State of Delaware and of the United States of America, in each case located in the State of Delaware, for any action arising out of or relating to this Agreement and the Plan (and agrees not to commence any litigation relating thereto except in such courts), and further agrees that service of any process, summons, notice or document by U.S. registered mail to the address contained in the records of the Company shall be effective service of process for any litigation brought against it in any such court. By entering into this Agreement, Participant irrevocably and unconditionally waives any objection to the laying of venue of any litigation arising out of the Plan or this Agreement in the courts of the State of Delaware or the United States of America, in each case located in the State of Delaware, and further irrevocably and unconditionally waives and agrees not to plead or claim in any such court that any such litigation brought in any such court has been brought in an inconvenient forum. By entering into this Agreement, Participant irrevocably and unconditionally waives, to the fullest extent permitted by applicable law, any and all rights to trial by jury in connection with any litigation arising out of or relating to the Plan or this Agreement.

5.10 Conformity to Securities Laws. Participant acknowledges that the Plan and this Agreement are intended to conform to the extent necessary with all provisions of the Securities Act and the Exchange Act and any other Applicable Law. Notwithstanding anything herein to the contrary, the Plan shall be administered, and the Option is granted and may be exercised, only in such a manner as to conform to such Applicable Law. To the extent permitted by Applicable Law, the Plan and this Agreement shall be deemed amended to the extent necessary to conform to such Applicable Law.

5.11 Amendment, Suspension and Termination. To the extent permitted by the Plan, this Agreement may be wholly or partially amended or otherwise modified, suspended or terminated at any time or from time to time by the Administrator or the Board; *provided, however,* that, except as may otherwise be provided by the Plan, no amendment, modification, suspension or termination of this Agreement shall adversely affect the Option in any material way without the prior written consent of Participant.

5.12 Successors and Assigns. The Company may assign any of its rights and delegate any of its obligations under this Agreement to single or multiple assignees, and this Agreement shall inure to the benefit of the successors and assigns of the Company. Subject to the restrictions on transfer herein set forth in Section 5.3 hereof, this Agreement shall be binding upon Participant and his or her heirs, executors, administrators, successors and assigns.

5.13 Notification of Disposition. If this Option is designated as an Incentive Stock Option, Participant shall give prompt notice to the Company of any disposition or other transfer of any Shares acquired under this Agreement if such disposition or transfer is made (a) within two years from the Grant Date with respect to such Shares or (b) within one year after the transfer of such Shares to Participant. Such notice shall specify the date of such disposition or other transfer and the amount realized, in cash, other property, assumption of indebtedness or other consideration, by Participant in such disposition or other transfer.

5.14 Limitations Applicable to Section 16 Persons. Notwithstanding any other provision of the Plan or this Agreement, if Participant is subject to Section 16 of the Exchange Act, then the Plan, the Option and this Agreement shall be subject to any additional limitations set forth in any applicable exemptive rule under Section 16 of the Exchange Act (including any amendment to Rule 16b-3 of the Exchange Act) that are requirements for the application of such exemptive rule. To the extent permitted by Applicable Law, this Agreement shall be deemed amended to the extent necessary to conform to such applicable exemptive rule.

5.15 Not a Contract of Service Relationship. Nothing in this Agreement or in the Plan shall confer upon Participant any right to commence or continue to serve as an Employee or other Service Provider or shall interfere with or restrict in any way the rights of the Company and its Subsidiaries, which rights are hereby expressly reserved, to discharge or terminate the services of Participant at any time for any reason whatsoever, with or without Cause, except to the extent expressly provided otherwise by Applicable Law or in a written agreement between the Company or a Subsidiary (as applicable) and Participant.

5.16 Entire Agreement. The Plan, the Grant Notice and this Agreement (including the Country Provisions) constitute the entire agreement of the parties and supersede in their entirety all prior undertakings and agreements of the Company and Participant with respect to the subject matter hereof, *provided* that the Option shall be subject to any accelerated vesting provisions in any written agreement between Participant and the Company (or any Subsidiary who is the employer of Participant) or a Company plan pursuant to which Participant is eligible to participate, in each case, in accordance with the terms therein.

5.17 Section 409A. This Option is not intended to constitute "nonqualified deferred compensation" within the meaning of Section 409A of the Code (together with any Department of Treasury regulations and other interpretive guidance issued thereunder, including without limitation any such regulations or other guidance that may be issued after the date hereof, "***Section 409A***"). However, notwithstanding any other provision of the Plan, the Grant Notice or this Agreement, if at any time the Administrator determines that the Option (or any portion thereof) may be subject to Section 409A, the Administrator shall have the right in its sole discretion (without any obligation to do so or to indemnify Participant or any other person for failure to do so) to adopt such amendments to the Plan, the Grant Notice or this Agreement, or adopt other policies and procedures (including amendments, policies and procedures with retroactive effect), or take any other actions, as the Administrator determines are necessary or appropriate either for the Option to be exempt from the application of Section 409A or to comply with the requirements of Section 409A.

5.18 Limitation on Participant's Rights. Participation in the Plan confers no rights or interests other than as herein provided. This Agreement creates only a contractual obligation on the part of the Company as to amounts payable and shall not be construed as creating a trust. Neither the Plan nor any underlying program, in and of itself, has any assets. Participant shall have only the rights of a general unsecured creditor of the Company and its Subsidiaries with respect to amounts credited and benefits payable, if any, with respect to the Option, and rights no greater than the right to receive the Shares as a general unsecured creditor with respect to the Option, as and when exercised pursuant to the terms hereof.

5.19 Rules Particular To Specific Countries.

(a) *Generally*. Participant shall, if required by the Administrator, enter into an election with the Company or a Subsidiary (in a form approved by the Company) under which any liability to the Company's (or a Subsidiary's) Tax-Related Items, including, but not limited to, National Insurance Contributions ("***NICs***") and the Fringe Benefit Tax, is transferred to and met by Participant.

(b) *Tax Indemnity*. Participant shall indemnify and keep indemnified the Company and any of its subsidiaries from and against any Tax-Related Items.

5.20 Special Country Provisions for Options Granted to Participants. This Option shall be subject to the Country Provisions, if any, for Participant's country of residence, as set forth in the Country Provisions. If Participant relocates to one of the countries included in the Country Provisions during the life of this Option, the special provisions for such country shall apply to Participant, to the

extent the Company determines that the application of such provisions is necessary or advisable in order to comply with local law or facilitate the administration of the Plan. The Company reserves the right to impose other requirements on this Option and the Shares purchased upon exercise of this Option, to the extent the Company determines it is necessary or advisable in order to comply with local laws or facilitate the administration of the Plan, and to require Participant to sign any additional agreements or undertakings that may be necessary to accomplish the foregoing.

* * * * *

APPENDIX
TO
STOCK OPTION AGREEMENT

Special Country Provisions for Options for Participants

This Appendix includes special terms and conditions applicable to Participants in the countries below. These terms and conditions are in addition to those set forth in the Stock Option Agreement (the "***Agreement***") and the Plan, and to the extent there are any inconsistencies between these terms and conditions and those set forth in the Agreement, these terms and conditions shall prevail. Any capitalized term used in this Appendix without definition shall have the meaning ascribed to such term in the Plan or the Agreement, as applicable.

In accepting the Option, Participant acknowledges, understands and agrees that:

(a) the Plan is established voluntarily by the Company, it is discretionary in nature, and may be amended, suspended or terminated by the Company at any time, to the extent permitted by the Plan;

(b) the grant of the Option is voluntary and occasional and does not create any contractual or other right to receive future grants of options, or benefits in lieu of options, even if options have been granted in the past;

(c) all decisions with respect to future option or other grants, if any, will be at the sole discretion of the Company;

(d) the Option grant and Participant's participation in the Plan shall not create a right to employment or be interpreted as forming an employment or service contract with the Company, or, if different, Participant's employer, or any Subsidiary or parent or affiliate of the Company, and shall not interfere with the ability of the Company, the employer or any Subsidiary or parent or affiliate of the Company, as applicable, to provide for a termination of Participant's service;

(e) Participant is voluntarily participating in the Plan;

(f) the Option and any Shares acquired under the Plan are not intended to replace any pension rights or compensation;

(g) the Option and any Shares acquired under the Plan and the income and value of same, are not part of normal or expected compensation for any purpose, including, without limitation, calculating any severance, resignation, termination, redundancy, dismissal, end-of-service payments, bonuses, long-service awards, pension or retirement or welfare benefits or similar payments;

(h) the future value of the Shares underlying the Option is unknown, indeterminable, and cannot be predicted with certainty;

(i) if the underlying Shares do not increase in value, the Option will have no value;

(j) if Participant exercises the Option and acquires Shares, the value of such Shares may increase or decrease in value, even below the exercise price; and

(k) neither the Company, the employer nor any parent, Subsidiary or affiliate of the Company shall be liable for any foreign exchange rate fluctuation between Participant's local currency

and the United States Dollar that may affect the value of the Option or of any amounts due to Participant pursuant to the exercise of the Option or the subsequent sale of any Shares acquired upon exercise.

Securities Law Notice: Unless otherwise noted, neither the Company nor the Shares are registered with any local stock exchange or under the control of any local securities regulator outside the United States. The Agreement (of which this Appendix is a part), the Plan, and any other communications or materials that Participant may receive regarding participation in the Plan do not constitute advertising or an offering of securities outside the United States, and the issuance of securities described in any Plan-related documents is not intended for public offering or circulation in Participant's jurisdiction.

General Provisions

Data Privacy: **Participant acknowledges and agrees to the data privacy provisions set forth in Section 11.8 of the Plan.**

Notifications: This Appendix also includes information relating to exchange control and other issues of which Participant should be aware with respect to his or her participation in the Plan. The information is based on the exchange control, securities and other laws in effect in the respective countries as of October 2021. Such laws are often complex and change frequently. As a result, the Company strongly recommends that Participant not rely on the information herein as the only source of information relating to the consequences of participation in the Plan because the information may be out of date at the time the Option is exercised or Shares acquired under the Plan are sold. In addition, the information contained in this Appendix is general in nature and may not apply to Participant's particular situation, and the Company is not in a position to assure Participant of any particular result. Accordingly, Participant is advised to seek appropriate professional advice as to how the relevant laws in his or her country may apply to his or her situation. Finally, Participant understands that if Participant is a citizen or resident of a country other than the one in which he or she is currently residing or working, the information contained herein may not be applicable to Participant.

English Language: By participating in the Plan, Participant acknowledges that Participant is proficient in the English language, or has consulted with an advisor who is sufficiently proficient in English, so as to allow him or her to understand the terms and conditions of the Plan and the Agreement applicable to Participant's country of residence. If Participant has received the Agreement and the Plan applicably to his or her country of residence or any other document related to the Plan translated into a language other than English and if the meaning of the translated version is different than the English version, the English version will control.

Currency: Participant understands that, any amounts related to the Option will be denominated in U.S. dollars and will be converted to any local currency using a prevailing exchange rate in effect at the time such conversion is performed, as determined by the Company. Participant understands and agrees that neither the Company nor any affiliate shall be liable for any foreign exchange rate fluctuation between Participant's local currency and the U.S. dollar that may affect the value of the Option, or of any amounts due to Participant or as a result of the subsequent sale of any Shares acquired under the Option.

Foreign Asset/Account Reporting; Exchange Controls: Participant's country of residence may have certain foreign asset and/or account reporting or exchange control requirements which may affect his or her ability to acquire or hold Shares under the Agreement or cash received (including proceeds arising from the sale of Shares) in a brokerage or bank account outside Participant's country. Participant may be required to report such accounts, assets or transactions to the tax or other authorities in his or her country. Participant may also be required to repatriate sale proceeds or other funds received as a result of his/her participation in the Plan to his or her country through a designated broker or bank and/or within a certain

time after receipt. Participant is responsible for ensuring compliance with such regulations and should consult with his or her personal legal advisor for any details.

No Advice Regarding Grant: The Company is not providing any tax, legal or financial advice, nor is the Company making any recommendations regarding Participant's participation in the Plan or the Agreement or any receipt of the Option or sale of Shares acquired upon exercise of the Option. Participant should consult his or her own personal tax, legal and financial advisors regarding his or her participation in the Plan and the Agreement before taking any action related to the Option or the Shares.

Imposition of Other Requirements: The Company reserves the right to impose other requirements on Participant, on the Option and/or any Shares issuable upon exercise of the Option, to the extent the Company determines it is necessary or advisable for legal or administrative reasons, and to require Participant to sign any additional agreements or undertakings that may be necessary to accomplish the foregoing.

EXPENSIFY, INC.
NON-EMPLOYEE DIRECTOR COMPENSATION PROGRAM

This Expensify, Inc. (the "***Company***") Non-Employee Director Compensation Program (this "***Program***") has been adopted under the Company's 2021 Incentive Award Plan (the "***Plan***") and shall be effective upon the closing of the Company's initial public offering of its common stock (the "***IPO***"). Capitalized terms not otherwise defined herein shall have the meaning ascribed in the Plan.

Cash Compensation

Effective upon the IPO, annual retainers will be paid in the following amounts to Non-Employee Directors:

Board Service

Non-Employee Director:	$30,000

Committee Service

	Chair	Non-Chair
Audit Committee Member	$20,000	$10,000

All annual retainers are additive and will be paid in cash quarterly in arrears promptly following the end of the applicable calendar quarter, but in no event more than 30 days after the end of such quarter. If a Non-Employee Director does not serve as a Non-Employee Director, or in the applicable positions described above, for an entire calendar quarter, the retainer paid to such Non-Employee Director shall be prorated for the portion of such calendar quarter actually served as a Non-Employee Director, or in such position, as applicable.

Election to Receive Restricted Stock Units ("RSUs") In Lieu of Annual Retainers

General: The Board or the Compensation Committee may, in its discretion, provide Non-Employee Directors with the opportunity to elect to convert all or a portion of their annual retainers into awards of RSUs ("***Retainer RSU Awards***") granted under the Plan or any other applicable Company equity incentive plan then-maintained by the Company, with each such Retainer RSU Award covering a number of shares of Common Stock calculated by dividing (i) the amount of the annual retainer that would have otherwise been paid to such Non-Employee Director on the applicable grant date by (ii) the average per share closing trading price of the Common Stock over the 30 consecutive trading days ending on the trading day immediately preceding the grant date (such election, a "***Retainer RSU Election***").

Each Retainer RSU Award automatically will be granted on the fifth day of the month immediately following the end of the quarter for which the corresponding portion of the annual retainer was earned. Each Retainer RSU Award will be fully vested on the grant date.

Election Method:

Each Retainer RSU Election must be submitted to the Company in the form and manner specified by the Board or its Compensation Committee (the "***Compensation Committee***"). An individual who fails to make a timely Retainer RSU Election shall not receive a Retainer RSU Award and instead shall receive the applicable annual retainer in cash. Retainer RSU Elections must comply with the following timing requirements:

- Initial Election. Each individual who first becomes a Non-Employee Director may make a Retainer RSU Election with respect to annual retainer payments scheduled to be paid in the same calendar year as such individual first becomes a Non-Employee Director (the "***Initial Retainer RSU Election***"). The Initial Retainer RSU Election must be submitted to the Company on or before the date that the individual first becomes a Non-Employee Director (the "***Initial Election Deadline***"), and the Initial Retainer RSU Election shall become final and irrevocable as of the Initial Election Deadline.
- Annual Election. No later than December 31 of each calendar year, or such earlier deadline as may be established by the Board or the Compensation Committee, in its discretion (the "***Annual Election Deadline***"), each individual who is a Non-Employee Director as of immediately before the Annual Election Deadline may make a Retainer RSU Election with respect to the annual retainer relating to services to be performed in the following calendar year (the "***Annual Retainer RSU Election***"). The Annual Retainer RSU Election must be submitted to the Company on or before the applicable Annual Election Deadline and shall become effective and irrevocable as of the Annual Election Deadline.

Equity Compensation

Initial RSU Award:	Each Non-Employee Director who is initially elected or appointed to serve on the Board on or after the IPO shall be granted an award of RSUs under the Plan or any other applicable Company equity incentive plan then-maintained by the Company covering that number of shares of Common Stock calculated by dividing (i) $250,000 by (ii) the average per share closing trading price of the Common Stock over the 30 consecutive trading days ending on the trading day immediately preceding the grant date or, solely for Non-Employee Directors who commence service on the date of the IPO, the offering price to the public in the IPO (the "***Initial RSU Award***"). The Initial RSU Award will be automatically granted on the date on which such Non-Employee Director commences service on the Board. The Initial RSU Award will vest as to one-twelfth of the shares subject thereto on each quarterly anniversary of the applicable grant date such that the shares subject to the Initial RSU Award are fully vested on the third anniversary of the grant date, subject to the Non-Employee Director continuing in service on the Board through each such vesting date.
Annual RSU Award:	Each Non-Employee Director who (i) has been serving on the Board for at least four months as of each meeting of the Company's stockholders after the IPO (each, an "***Annual Meeting***") and (ii) will continue to serve as a Non-Employee Director immediately following such meeting, shall be granted an award of RSUs under the Plan or any other applicable Company equity incentive plan then-maintained by the Company covering a number of shares of Common Stock calculated by dividing (i) $125,000 by (ii) the average per share closing trading price of the Common Stock over the 30 consecutive trading days ending on the trading day immediately preceding the grant date (the "***Annual RSU Award***"). The Annual RSU Award will be automatically granted on the date of the applicable Annual Meeting, and will vest in full on the earlier of (i) the first anniversary of the grant date and (ii) immediately before the Annual Meeting following the grant date, subject to the Non-Employee Director continuing in service on the Board through such vesting date.

Except as otherwise determined by the Board, no portion of an Initial RSU Award or Annual RSU Award which is unvested at the time of a Non-Employee Director's termination of service on the Board shall become vested thereafter.

Directors who are Employees who subsequently terminate their employment with the Company and any Subsidiary and remain a Director will not receive an Initial RSU Award, but to the extent that they are otherwise eligible, will be eligible to receive, after termination from employment with the Company and any Subsidiary, Annual RSU Awards as described above.

Election to Defer Issuances

General:	The Board or the Compensation Committee may, in its discretion, provide each Non-Employee Director with the opportunity to defer the issuance of the shares underlying RSUs granted under this Program, including Retainer RSU Awards, Initial RSU Awards and Annual RSU Awards, that would otherwise be issued to the Non-Employee Director in connection with the vesting or grant of the RSUs until the earliest of a fixed date properly elected by the Non-Employee Director, the Non-Employee Director's Termination of Service or a Change in Control. Any such deferral election ("***Deferral Election***") shall be subject to such rules, conditions and procedures as shall be determined by the Board or the Compensation Committee, in its sole discretion, which rules, conditions and procedures shall at all times comply with the requirements of Section 409A of the Code, unless otherwise specifically determined by the Board or the Compensation Committee. If an individual elects to defer the delivery of the shares underlying RSUs granted under this Program, settlement of the deferred RSUs shall be made in accordance with the terms of the Deferral Election.
Election Method:	Each Deferral Election must be submitted to the Company in the form and manner specified by the Board or its Compensation Committee. Deferral Elections must comply with the following timing requirements: • Initial Deferral Election. Each individual who first becomes a Non-Employee Director may make a Deferral Election with respect to the Non-Employee Director's Initial RSU Award and Retainer RSU Awards to be paid in the same calendar year as such individual first becomes a Non-Employee Director (the "***Initial Deferral Election***"). The Initial Deferral Election must be submitted to the Company on or before the Initial Election Deadline, and the Initial Deferral Election shall become final and irrevocable as of the Initial Election Deadline.

- Annual Deferral Election. No later than the Annual Election Deadline, each individual who is a Non-Employee Director as of immediately before the Annual Election Deadline may make a Deferral Election with respect to the Annual RSU Award and Retainer RSU Awards to be granted in the following calendar year (the "***Annual Deferral Election***"). The Annual Deferral Election must be submitted to the Company on or before the applicable Annual Election Deadline and shall become final and irrevocable for the subsequent calendar year as of the applicable Annual Election Deadline.

Change in Control

Upon a Change in Control of the Company, all outstanding equity awards granted under the Plan and any other equity incentive plan maintained by the Company that are held by a Non-Employee Director shall become fully vested, irrespective of any other provisions of the Non-Employee Director's Award Agreement.

Reimbursements

The Company shall reimburse each Non-Employee Director for all reasonable, documented, out-of-pocket travel and other business expenses incurred by such Non-Employee Director in the performance of his or her duties to the Company in accordance with the Company's applicable expense reimbursement policies and procedures as in effect from time to time.

Miscellaneous

The other provisions of the Plan shall apply to the RSUs granted automatically under this Program, except to the extent such other provisions are inconsistent with this Program. All applicable terms of the Plan apply to this Program as if fully set forth herein, and all grants of RSUs hereby are subject in all respects to the terms of the Plan. The grant of RSUs under this Program shall be made solely by and subject to the terms set forth in an Award Agreement in a form to be approved by the Board and duly executed by an executive officer of the Company.

*** * * * ***

INDEMNIFICATION AGREEMENT

This Indemnification Agreement ("Agreement") is made as of _____ __, 2021 by and between Expensify, Inc., a Delaware corporation (the "Company"), and _____, [a member of the Board of Directors/an officer] of the Company ("Indemnitee"). This Agreement supersedes and replaces any and all previous Agreements between the Company and Indemnitee covering the subject matter of this Agreement.

RECITALS

WHEREAS, the Board of Directors of the Company (the "Board") believes that highly competent persons have become more reluctant to serve publicly held corporations as directors, officers or in other capacities unless they are provided with adequate protection through insurance or adequate indemnification against inordinate risks of claims and actions against them arising out of their service to and activities on behalf of the corporation;

WHEREAS, the Board has determined that, in order to attract and retain qualified individuals, the Company will attempt to maintain on an ongoing basis, at its sole expense, liability insurance to protect persons serving the Company and its subsidiaries from certain liabilities. Although the furnishing of such insurance has been a customary and widespread practice among United States-based corporations and other business enterprises, the Company believes that, given current market conditions and trends, such insurance may be available to it in the future only at higher premiums and with more exclusions. At the same time, directors, officers, and other persons in service to corporations or business enterprises are being increasingly subjected to expensive and time-consuming litigation relating to, among other things, matters that traditionally would have been brought only against the Company or business enterprise itself. The Bylaws of the Company (the "Bylaws") require indemnification of the officers and directors of the Company. Indemnitee may also be entitled to indemnification pursuant to the General Corporation Law of the State of Delaware (the "DGCL"). The Bylaws and the DGCL expressly provide that the indemnification provisions set forth therein are not exclusive, and thereby contemplate that contracts may be entered into between the Company and members of the board of directors, officers and other persons with respect to indemnification;

WHEREAS, the uncertainties relating to such insurance and to indemnification may increase the difficulty of attracting and retaining such persons;

WHEREAS, the Board has determined that the increased difficulty in attracting and retaining such persons is detrimental to the best interests of the Company and its stockholders and that the Company should act to assure such persons that there will be increased certainty of such protection in the future;

WHEREAS, it is reasonable, prudent and necessary for the Company contractually to obligate itself to indemnify, and to advance expenses on behalf of, such persons to the fullest extent permitted by applicable law so that they will serve or continue to serve the Company free from undue concern that they will not be so indemnified;

WHEREAS, this Agreement is a supplement to and in furtherance of the Certificate of Incorporation of the Company (the "Certificate of Incorporation"), the Bylaws and any resolutions adopted pursuant thereto, as well as any rights of Indemnitees under any directors' and officers' liability insurance policy, and this Agreement shall not be deemed a substitute therefor, nor to diminish or abrogate any rights of Indemnitee thereunder; and

WHEREAS, Indemnitee does not regard the protection available under the Certificate of Incorporation, Bylaws and insurance as adequate in the present circumstances, and may not be willing to serve or continue to serve as an officer or director without adequate protection, and the Company desires Indemnitee to serve or continue to serve in such capacity. Indemnitee is willing to serve, continue to serve and to take on additional service for or on behalf of the Company on the condition that Indemnitee be so indemnified.

NOW, THEREFORE, in consideration of the premises and the covenants contained herein, the Company and Indemnitee do hereby covenant and agree as follows:

Section 1. Services to the Company. Indemnitee agrees to serve as [a director] [an officer] of the Company. Indemnitee may at any time and for any reason resign from such position (subject to any other contractual obligation or any obligation imposed by operation of law), in which event the Company shall have no obligation under this Agreement to continue Indemnitee in such position. This Agreement shall not be deemed an employment contract between the Company (or any of its subsidiaries or any Enterprise (as defined below)) and Indemnitee. Indemnitee specifically acknowledges that Indemnitee's employment with the Company (or any of its subsidiaries or any Enterprise), if any, is at will, and the Indemnitee may be discharged at any time for any reason, with or without cause, except as may be otherwise provided in any written employment contract between Indemnitee and the Company (or any of its subsidiaries or any Enterprise), other applicable formal severance policies duly adopted by the Board, or, with respect to service as a director or officer of the Company, by the Certificate of Incorporation, the Bylaws, and the DGCL. The foregoing notwithstanding, this Agreement shall continue in force after Indemnitee has ceased to serve as [an officer] [a director] of the Company, as provided in Section 16 hereof.

Section 2. Definitions. As used in this Agreement:

(a) References to "agent" shall mean any person who is or was a director, officer, or employee of the Company or a subsidiary of the Company or other person authorized by the Company to act for the Company, to include such person serving in such capacity as a director, officer, employee, fiduciary or other official of another corporation, partnership, limited liability company, joint venture, trust or other enterprise at the request of, for the convenience of, or to represent the interests of the Company or a subsidiary of the Company.

(b) A "Change in Control" shall be deemed to occur upon the earliest to occur after the date of this Agreement of any of the following events:

i. Acquisition of Stock by Third Party. Any Person (as defined below) is or becomes the Beneficial Owner (as defined below), directly or indirectly, of

securities of the Company representing fifteen percent (15%) or more of the combined voting power of the Company's then outstanding securities unless the change in relative Beneficial Ownership of the Company's securities by any Person results solely from a reduction in the aggregate number of outstanding shares of securities entitled to vote generally in the election of directors;

ii. Change in Board of Directors. During any period of two (2) consecutive years (not including any period prior to the execution of this Agreement), individuals who at the beginning of such period constitute the Board, and any new director (other than a director designated by a person who has entered into an agreement with the Company to effect a transaction described in Sections 2(b)(i), 2(b)(iii) or 2(b)(iv)) whose election by the Board or nomination for election by the Company's stockholders was approved by a vote of at least two-thirds of the directors then still in office who either were directors at the beginning of the period or whose election or nomination for election was previously so approved, cease for any reason to constitute at least a majority of the members of the Board;

iii. Corporate Transactions. The effective date of a merger or consolidation of the Company with any other entity, other than a merger or consolidation which would result in the voting securities of the Company outstanding immediately prior to such merger or consolidation continuing to represent (either by remaining outstanding or by being converted into voting securities of the Surviving Entity) more than 50% of the combined voting power of the voting securities of the Surviving Entity outstanding immediately after such merger or consolidation and with the power to elect at least a majority of the board of directors or other governing body of such Surviving Entity;

iv. Liquidation. The approval by the stockholders of the Company of a complete liquidation of the Company or an agreement for the sale or disposition by the Company of all or substantially all of the Company's assets; and

v. Other Events. There occurs any other event of a nature that would be required to be reported in response to Item 6(e) of Schedule 14A of Regulation 14A (or a response to any similar item on any similar schedule or form) promulgated under the Exchange Act (as defined below), whether or not the Company is then subject to such reporting requirement.

For purposes of this Section 2(b), the following terms shall have the following meanings:

1 "Exchange Act" shall mean the Securities Exchange Act of 1934, as amended from time to time.

2 "Person" shall have the meaning as set forth in Sections 13(d) and 14(d) of the Exchange Act; provided, however, that Person shall exclude (i) the Company, (ii) any trustee or other fiduciary holding securities under an employee benefit plan of the Company, and (iii) any entity owned, directly or indirectly, by the stockholders of the Company

in substantially the same proportions as their ownership of stock of the Company.

3 "Beneficial Owner" shall have the meaning given to such term in Rule 13d-3 under the Exchange Act; provided, however, that Beneficial Owner shall exclude any Person otherwise becoming a Beneficial Owner by reason of the stockholders of the Company approving a merger of the Company with another entity.

4 "Surviving Entity" shall mean the surviving entity in a merger or consolidation or any entity that controls, directly or indirectly, such surviving entity.

(c) "Corporate Status" describes the status of a person who is or was a director, trustee, partner, managing member, officer, employee, agent or fiduciary of the Company or of any other corporation, limited liability company, partnership or joint venture, trust or other enterprise which such person is or was serving at the request of the Company.

(d) "Disinterested Director" shall mean a director of the Company who is not and was not a party to the Proceeding in respect of which indemnification is sought by Indemnitee.

(e) "Enterprise" shall mean the Company and any other corporation, limited liability company, partnership, joint venture, trust or other enterprise of which Indemnitee is or was serving at the request of the Company as a director, officer, trustee, partner, managing member, employee, agent or fiduciary.

(f) "Expenses" shall include all reasonable attorneys' fees, retainers, court costs, transcript costs, fees and other costs of experts and other professionals, witness fees, travel expenses, duplicating costs, printing and binding costs, telephone charges, postage, delivery service fees, any federal, state, local or foreign taxes imposed on Indemnitee as a result of the actual or deemed receipt of any payments under this Agreement, ERISA excise taxes and penalties, and all other disbursements, obligations or expenses of the types customarily incurred in connection with, or as a result of, prosecuting, defending, preparing to prosecute or defend, investigating, being or preparing to be a deponent or witness in, or otherwise participating in, a Proceeding. Expenses also shall include (i) Expenses incurred in connection with any appeal resulting from any Proceeding, including without limitation the premium, security for, and other costs relating to any cost bond, supersedeas bond, or other appeal bond or its equivalent, (ii) expenses incurred in connection with recovery under any directors' and officers' liability insurance policies maintained by the Company, regardless of whether Indemnitee is ultimately determined to be entitled to such indemnification, advancement or Expenses or insurance recovery, as the case may be, and (iii) for purposes of Section 14(d) only, Expenses incurred by Indemnitee in connection with the interpretation, enforcement or defense of Indemnitee's rights under this Agreement, the Certificate of Incorporation, the Bylaws or under any directors' and officers' liability insurance policies maintained by the Company, by litigation or otherwise. The

parties agree that for the purposes of any advancement of Expenses for which Indemnitee has made written demand to the Company in accordance with this Agreement, all Expenses included in such demand that are certified by affidavit of Indemnitee's counsel as being reasonable in the good faith judgment of such counsel shall be presumed conclusively to be reasonable. Expenses, however, shall not include amounts paid in settlement by Indemnitee or the amount of judgments or fines against Indemnitee.

(g) "Independent Counsel" shall mean a law firm, or a member of a law firm, that is experienced in matters of corporation law and neither presently is, nor in the past five years has been, retained to represent: (i) the Company or Indemnitee in any matter material to either such party (other than with respect to matters concerning the Indemnitee under this Agreement, or of other indemnitees under similar indemnification agreements), or (ii) any other party to the Proceeding giving rise to a claim for indemnification hereunder. Notwithstanding the foregoing, the term "Independent Counsel" shall not include any person who, under the applicable standards of professional conduct then prevailing, would have a conflict of interest in representing either the Company or Indemnitee in an action to determine Indemnitee's rights under this Agreement. The Company agrees to pay the reasonable fees and expenses of the Independent Counsel referred to above and to fully indemnify such counsel against any and all Expenses, claims, liabilities and damages arising out of or relating to this Agreement or its engagement pursuant hereto.

(h) The term "Proceeding" shall include any threatened, pending or completed action, suit, claim, counterclaim, cross claim, arbitration, mediation, alternate dispute resolution mechanism, investigation, inquiry, administrative hearing or any other actual, threatened or completed proceeding, whether brought in the right of the Company or otherwise and whether of a civil, criminal, administrative, legislative, regulatory or investigative (formal or informal) nature, including any appeal therefrom, in which Indemnitee was, is or will be involved as a party, potential party, non-party witness or otherwise by reason of Indemnitee's Corporate Status, by reason of any action taken by Indemnitee (or a failure to take action by Indemnitee) or of any action (or failure to act) on Indemnitee's part while acting pursuant to Indemnitee's Corporate Status, in each case whether or not serving in such capacity at the time any liability or Expense is incurred for which indemnification, reimbursement, or advancement of Expenses can be provided under this Agreement. If the Indemnitee believes in good faith that a given situation may lead to or culminate in the institution of a Proceeding, this shall be considered a Proceeding under this paragraph.

(i) Reference to "other enterprise" shall include employee benefit plans; references to "fines" shall include any excise tax assessed with respect to any employee benefit plan; references to "serving at the request of the Company" shall include any service as a director, officer, employee or agent of the Company which imposes duties on, or involves services by, such director, officer, employee or agent with respect to an employee benefit plan, its participants or beneficiaries; and a person who acted in good faith and in a manner Indemnitee reasonably believed to be in the best interests of the participants and beneficiaries of an employee benefit plan shall be deemed to have acted in a manner "not opposed to the best interests of the Company" as referred to in this Agreement.

Section 3. Indemnity in Third-Party Proceedings. The Company shall indemnify Indemnitee in accordance with the provisions of this Section 3 if Indemnitee is, or is threatened to be made, a party to or a participant in any Proceeding, other than a Proceeding by or in the right of the Company to procure a judgment in its favor. Pursuant to this Section 3, Indemnitee shall be indemnified to the fullest extent permitted by applicable law against all Expenses, judgments, fines and amounts paid in settlement (including all interest, assessments and other charges paid or payable in connection with or in respect of such Expenses, judgments, fines and amounts paid in settlement) actually and reasonably incurred by Indemnitee or on Indemnitee's behalf in connection with such Proceeding or any claim, issue or matter therein, if Indemnitee acted in good faith and in a manner Indemnitee reasonably believed to be in or not opposed to the best interests of the Company and, in the case of a criminal Proceeding had no reasonable cause to believe that Indemnitee's conduct was unlawful. The parties hereto intend that this Agreement shall provide to the fullest extent permitted by law 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 the Company's stockholders or disinterested directors or applicable law.

Section 4. Indemnity in Proceedings by or in the Right of the Company. The Company shall indemnify Indemnitee in accordance with the provisions of this Section 4 if Indemnitee is, or is threatened to be made, a party to or a participant in any Proceeding by or in the right of the Company to procure a judgment in its favor. Pursuant to this Section 4, Indemnitee shall be indemnified to the fullest extent permitted by applicable law against all Expenses actually and reasonably incurred by Indemnitee or on Indemnitee's behalf in connection with such Proceeding or any claim, issue or matter therein, if Indemnitee acted in good faith and in a manner Indemnitee reasonably believed to be in or not opposed to the best interests of the Company. No indemnification for Expenses shall be made under this Section 4 in respect of any claim, issue or matter as to which Indemnitee shall have been finally adjudged by a court to be liable to the Company, unless and only to the extent that the Delaware Court (as hereinafter defined) or any court in which the Proceeding was brought shall determine upon application that, despite the adjudication of liability but in view of all the circumstances of the case, Indemnitee is fairly and reasonably entitled to indemnification.

Section 5. Indemnification for Expenses of a Party Who is Wholly or Partly Successful. Notwithstanding any other provisions of this Agreement, to the fullest extent permitted by applicable law and to the extent that Indemnitee is a party to (or a participant in) and is successful, on the merits or otherwise, in any Proceeding or in defense of any claim, issue or matter therein, in whole or in part, the Company shall indemnify Indemnitee against all Expenses actually and reasonably incurred by or on behalf of Indemnitee in connection therewith. If Indemnitee is not wholly successful in such Proceeding but is successful, on the merits or otherwise, as to one or more but less than all claims, issues or matters in such Proceeding, the Company shall indemnify Indemnitee against all Expenses actually and reasonably incurred by Indemnitee or on Indemnitee's behalf in connection with or related to each successfully resolved claim, issue or matter to the fullest extent permitted by law. For purposes of this Section and without limitation, the termination of any claim, issue or matter in

such a Proceeding by dismissal, with or without prejudice, shall be deemed to be a successful result as to such claim, issue or matter.

Section 6. Indemnification For Expenses of a Witness. Notwithstanding any other provision of this Agreement, to the fullest extent permitted by applicable law and to the extent that Indemnitee is, by reason of Indemnitee's 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 Proceeding to which Indemnitee is not a party, Indemnitee shall be indemnified against all Expenses actually and reasonably incurred by Indemnitee or on Indemnitee's behalf in connection therewith.

Section 7. Partial Indemnification. If Indemnitee is entitled under any provision of this Agreement to indemnification by the Company for some or a portion of Expenses, but not, however, for the total amount thereof, the Company shall nevertheless indemnify Indemnitee for the portion thereof to which Indemnitee is entitled.

Section 8. Additional Indemnification.

(a) Notwithstanding any limitation in Sections 3, 4, or 5, the Company shall indemnify Indemnitee to the fullest extent permitted by applicable law if Indemnitee is, or is threatened to be made, a party to or a participant in any Proceeding (including a Proceeding by or in the right of the Company to procure a judgment in its favor) by reason of Indemnitee's Corporate Status.

(b) For purposes of Section 8(a), the meaning of the phrase "to the fullest extent permitted by applicable law" shall include, but not be limited to:

i. to the fullest extent permitted by the provision of the DGCL that authorizes or contemplates additional indemnification by agreement, or the corresponding provision of any amendment to or replacement of the DGCL, and

ii. to the fullest extent authorized or permitted by any amendments to or replacements of the DGCL adopted after the date of this Agreement that increase the extent to which a corporation may indemnify its officers and directors.

Section 9. Exclusions. Notwithstanding any provision in this Agreement, the Company shall not be obligated under this Agreement to make any indemnification payment in connection with any claim involving Indemnitee:

(a) for which payment has actually been made to or on behalf of Indemnitee under any insurance policy or other indemnity provision, except with respect to any excess beyond the amount paid under any insurance policy or other indemnity provision;

(b) for (i) an accounting of profits made from the purchase and sale (or sale and purchase) by Indemnitee of securities of the Company within the meaning of Section 16(b) of the Exchange Act (as defined in Section 2(b) hereof) or similar provisions of state statutory

law or common law, (ii) any reimbursement of the Company by the Indemnitee of any bonus or other incentive-based or equity-based compensation or of any profits realized by the Indemnitee from the sale of securities of the Company, as required in each case under the Exchange Act (including any such reimbursements that arise from an accounting restatement of the Company pursuant to Section 304 of the Sarbanes-Oxley Act of 2002 (the "Sarbanes-Oxley Act"), or the payment to the Company of profits arising from the purchase and sale by Indemnitee of securities in violation of Section 306 of the Sarbanes-Oxley Act) or (iii) any reimbursement of the Company by Indemnitee of any compensation pursuant to any compensation recoupment or clawback policy adopted by the Board or the compensation committee of the Board, including but not limited to any such policy adopted to comply with stock exchange listing requirements implementing Section 10D of the Exchange Act; or

(c) except as provided in Section 14(d) of this Agreement, in connection with any Proceeding (or any part of any Proceeding) initiated by Indemnitee, including any Proceeding (or any part of any Proceeding) initiated by Indemnitee against the Company or its directors, officers, employees or other indemnitees, unless (i) the Board authorized the Proceeding (or any part of any Proceeding) prior to its initiation, (ii) such payment arises in connection with any mandatory counterclaim or cross claim brought or raised by Indemnitee in any Proceeding (or any part of any Proceeding), or (iii) the Company provides the indemnification, in its sole discretion, pursuant to the powers vested in the Company under applicable law.

Section 10. Advances of Expenses. Notwithstanding any provision of this Agreement to the contrary (other than Section 14(d)), the Company shall advance, to the extent not prohibited by law, the Expenses incurred by or on behalf of Indemnitee in connection with any Proceeding (or any part of any Proceeding) not initiated by Indemnitee or any Proceeding initiated by Indemnitee with the prior approval of the Board as provided in Section 9(c), and such advancement shall be made within thirty (30) days after the receipt by the Company of a statement or statements requesting such advances from time to time, whether prior to or after final disposition of any Proceeding. Advances shall be unsecured and interest free. Advances shall be made without regard to Indemnitee's ability to repay the Expenses and without regard to Indemnitee's ultimate entitlement to indemnification under the other provisions of this Agreement. In accordance with Section 14(d), advances 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. The Indemnitee shall qualify for advances upon the execution and delivery to the Company of this Agreement, which shall constitute an undertaking providing that the Indemnitee undertakes to repay the amounts advanced (without interest) by the Company pursuant to this Section 10, if and only to the extent that it is ultimately determined that Indemnitee is not entitled to be indemnified by the Company. No other form of undertaking shall be required other than the execution of this Agreement. This Section 10 shall not apply to any claim made by Indemnitee for which indemnity is excluded pursuant to Section 9.

Section 11. Procedure for Notification and Defense of Claim.

(a) Indemnitee shall notify the Company in writing of any matter with respect to which Indemnitee intends to seek indemnification or advancement of Expenses hereunder as soon as reasonably practicable following the receipt by Indemnitee of written notice thereof. The written notification to the Company shall include a description of the nature of the Proceeding and the facts underlying the Proceeding. To obtain indemnification under this Agreement, Indemnitee shall submit to the Company a written request, including therein or therewith such documentation and information as is reasonably available to Indemnitee and is reasonably necessary to determine whether and to what extent Indemnitee is entitled to indemnification following the final disposition of such Proceeding. The omission by Indemnitee to notify the Company hereunder will not relieve the Company from any liability which it may have to Indemnitee hereunder or otherwise than under this Agreement, and any delay in so notifying the Company shall not constitute a waiver by Indemnitee of any rights under this Agreement. The Secretary of the Company shall, promptly upon receipt of such a request for indemnification, advise the Board in writing that Indemnitee has requested indemnification.

(b) The Company will be entitled to participate in the Proceeding at its own expense.

(c) The Company shall not settle any Proceeding (in whole or in part) if such settlement would impose any Expense, judgment, liability, fine, penalty or limitation on Indemnitee in respect of which Indemnitee is not entitled to be indemnified hereunder without Indemnitee's prior written consent, which shall not be unreasonably withheld.

Section 12. Procedure Upon Application for Indemnification.

(a) Upon written request by Indemnitee for indemnification pursuant to Section 11(a), a determination, if required by applicable law, with respect to Indemnitee's entitlement thereto shall be made in the specific case: (i) if a Change in Control shall have occurred, by Independent Counsel in a written opinion to the Board, a copy of which shall be delivered to Indemnitee; or (ii) if a Change in Control shall not have occurred, (A) by a majority vote of the Disinterested Directors, even though less than a quorum of the Board, (B) by a committee of Disinterested Directors designated by a majority vote of the Disinterested Directors, even though less than a quorum of the Board, (C) if there are no such Disinterested Directors or, if such Disinterested Directors so direct, by Independent Counsel in a written opinion to the Board, a copy of which shall be delivered to Indemnitee or (D) if so directed by the Board, by the stockholders of the Company; and, if it is so determined that Indemnitee is entitled to indemnification, payment to Indemnitee shall be made within ten (10) days after such determination. Indemnitee shall cooperate with the person, persons or entity making such determination with respect to Indemnitee's entitlement to indemnification, including providing to such person, persons or entity upon reasonable advance request any documentation or information which is not privileged or otherwise protected from disclosure and which is reasonably available to Indemnitee and reasonably necessary to such determination. Any costs or Expenses (including attorneys' fees and disbursements) incurred by or on behalf of Indemnitee in so cooperating with the person, persons or entity making such determination shall

be borne by the Company (irrespective of the determination as to Indemnitee's entitlement to indemnification) and the Company hereby indemnifies and agrees to hold Indemnitee harmless therefrom. The Company promptly will advise Indemnitee in writing with respect to any determination that Indemnitee is or is not entitled to indemnification, including a description of any reason or basis for which indemnification has been denied.

(b) In the event the determination of entitlement to indemnification is to be made by Independent Counsel pursuant to Section 12(a) hereof, the Independent Counsel shall be selected as provided in this Section 12(b). If a Change in Control shall not have occurred, the Independent Counsel shall be selected by the Board, and the Company shall give written notice to Indemnitee advising Indemnitee of the identity of the Independent Counsel so selected. If a Change in Control shall have occurred, the Independent Counsel shall be selected by Indemnitee (unless Indemnitee shall request that such selection be made by the Board, in which event the preceding sentence shall apply), and Indemnitee shall give written notice to the Company advising it of the identity of the Independent Counsel so selected. In either event, Indemnitee or the Company, as the case may be, may, within ten (10) days after such written notice of selection shall have been given, deliver to the Company or to Indemnitee, as the case may be, a written objection to such selection; provided, however, that such objection may be asserted only on the ground that the Independent Counsel so selected does not meet the requirements of "Independent Counsel" as defined in Section 2 of this Agreement, and the objection shall set forth with particularity the factual basis of such assertion. Absent a proper and timely objection, the person so selected shall act as Independent Counsel. If such written objection is so made and substantiated, the Independent Counsel so selected may not serve as Independent Counsel unless and until such objection is withdrawn or the Delaware Court has determined that such objection is without merit. If, within twenty (20) days after the later of submission by Indemnitee of a written request for indemnification pursuant to Section 11(a) hereof and the final disposition of the Proceeding, no Independent Counsel shall have been selected and not objected to, either the Company or Indemnitee may petition the Delaware Court for resolution of any objection which shall have been made by the Company or Indemnitee to the other's selection of Independent Counsel and/or for the appointment as Independent Counsel of a person selected by such court or by such other person as such court shall designate, and the person with respect to whom all objections are so resolved or the person so appointed shall act as Independent Counsel under Section 12(a) hereof. Upon the due commencement of any judicial proceeding or arbitration pursuant to Section 14(a) of this Agreement, Independent Counsel shall be discharged and relieved of any further responsibility in such capacity (subject to the applicable standards of professional conduct then prevailing).

(c) If the Company disputes a portion of the amounts for which indemnification is requested, the undisputed portion shall be paid and only the disputed portion withheld pending resolution of any such dispute.

Section 13. Presumptions and Effect of Certain Proceedings.

(a) In making a determination with respect to entitlement to indemnification hereunder, the person or persons or entity making such determination shall, to the fullest extent

not prohibited by law, presume that Indemnitee is entitled to indemnification under this Agreement if Indemnitee has submitted a request for indemnification in accordance with Section 11(a) of this Agreement, and the Company shall, to the fullest extent not prohibited by law, have the burden of proof to overcome that presumption in connection with the making by any person, persons or entity of any determination contrary to that presumption. Neither the failure of the Company (including by its directors or Independent Counsel) to have made a determination prior to the commencement of any action pursuant to this Agreement that indemnification is proper in the circumstances because Indemnitee has met the applicable standard of conduct, nor an actual determination by the Company (including by its directors or Independent Counsel) that Indemnitee has not met such applicable standard of conduct, shall be a defense to the action or create a presumption that Indemnitee has not met the applicable standard of conduct.

(b) Subject to Section 14(e), if the person, persons or entity empowered or selected under Section 12 of this Agreement to determine whether Indemnitee is entitled to indemnification shall not have made a determination within sixty (60) days after receipt by the Company of the request therefor, the requisite determination of entitlement to indemnification shall, to the fullest extent not prohibited by law, be deemed to have been made and Indemnitee shall be entitled to such indemnification, absent (i) a misstatement by Indemnitee of a material fact, or an omission of a material fact necessary to make Indemnitee's statement not materially misleading, in connection with the request for indemnification, or (ii) a prohibition of such indemnification under applicable law; provided, however, that such 60-day period may be extended for a reasonable time, not to exceed an additional thirty (30) days, if the person, persons or entity making the determination with respect to entitlement to indemnification in good faith requires such additional time for the obtaining or evaluating of documentation and/or information relating thereto; and provided, further, that the foregoing provisions of this Section 13(b) shall not apply (i) if the determination of entitlement to indemnification is to be made by the stockholders pursuant to Section 12(a) of this Agreement and if **(**A) within fifteen (15) days after receipt by the Company of the request for such determination the Board has resolved to submit such determination to the stockholders for their consideration at an annual meeting thereof to be held within seventy-five (75) days after such receipt and such determination is made thereat, or (B) a special meeting of stockholders is called within fifteen (15) days after such receipt for the purpose of making such determination, such meeting is held for such purpose within sixty (60) days after having been so called and such determination is made thereat, or (ii) if the determination of entitlement to indemnification is to be made by Independent Counsel pursuant to Section 12(a) of this Agreement.

(c) The termination of any Proceeding or of any claim, issue or matter therein, by judgment, order, settlement or conviction, or upon a plea of nolo contendere or its equivalent, 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 Indemnitee reasonably believed to be in or not opposed to the best interests of the Company or, with respect to any criminal Proceeding, that Indemnitee had reasonable cause to believe that Indemnitee's conduct was unlawful.

(d) For purposes of any determination of good faith, Indemnitee shall be deemed to have acted in good faith if Indemnitee's action is based on the records or books of account of the Enterprise, including financial statements, or on information supplied to Indemnitee by the directors or officers of the Enterprise in the course of their duties, or on the advice of legal counsel for the Enterprise or on information or records given or reports made to the Enterprise by an independent certified public accountant or by an appraiser, financial advisor or other expert selected with reasonable care by or on behalf of the Enterprise. The provisions of this Section 13(d) shall not be deemed to be exclusive or to limit in any way the other circumstances in which the Indemnitee may be deemed to have met the applicable standard of conduct set forth in this Agreement.

(e) The knowledge and/or actions, or failure to act, of any director, officer, trustee, partner, managing member, fiduciary, agent or employee of the Enterprise shall not be imputed to Indemnitee for purposes of determining the right to indemnification under this Agreement.

Section 14. Remedies of Indemnitee.

(a) Subject to Section 14(e), in the event that (i) a determination is made pursuant to Section 12 of this Agreement that Indemnitee is not entitled to indemnification under this Agreement, (ii) advancement of Expenses is not timely made pursuant to Section 10 of this Agreement, (iii) no determination of entitlement to indemnification shall have been made pursuant to Section 12(a) of this Agreement within ninety (90) days after receipt by the Company of the request for indemnification, (iv) payment of indemnification is not made pursuant to Section 5, 6 or 7 or the second to last sentence of Section 12(a) of this Agreement within ten (10) days after receipt by the Company of a written request therefor, (v) payment of indemnification pursuant to Section 3, 4 or 8 of this Agreement is not made within ten (10) days after a determination has been made that Indemnitee is entitled to indemnification, or (vi) the Company or any other person takes or threatens to take any action to declare this Agreement void or unenforceable, or institutes any litigation or other action or Proceeding designed to deny, or to recover from, the Indemnitee the benefits provided or intended to be provided to the Indemnitee hereunder, Indemnitee shall be entitled to an adjudication by a court of Indemnitee's entitlement to such indemnification or advancement of Expenses. Alternatively, Indemnitee, at Indemnitee's or the Company's option, may seek an award in arbitration to be conducted by a single arbitrator pursuant to the Commercial Arbitration Rules of the American Arbitration Association. Indemnitee shall commence such proceeding seeking an adjudication or an award in arbitration within 180 days following the date on which Indemnitee first has the right to commence such proceeding pursuant to this Section 14(a). The Company shall not oppose Indemnitee's right to seek any such adjudication or award in arbitration.

(b) In the event that a determination shall have been made pursuant to Section 12(a) of this Agreement that Indemnitee is not entitled to indemnification, any judicial proceeding or arbitration commenced pursuant to this Section 14 shall be conducted in all respects as a de novo trial, or arbitration, on the merits and Indemnitee shall not be prejudiced by reason of that adverse determination. In any judicial proceeding or arbitration commenced

pursuant to this Section 14 the Company shall have the burden of proving Indemnitee is not entitled to indemnification or advancement of Expenses, as the case may be.

(c) If a determination shall have been made pursuant to Section 12(a) of this Agreement that Indemnitee is entitled to indemnification, the Company shall be bound by such determination in any judicial proceeding or arbitration commenced pursuant to this Section 14, absent (i) a misstatement by Indemnitee of a material fact, or an omission of a material fact necessary to make Indemnitee's statement not materially misleading, in connection with the request for indemnification, or (ii) a prohibition of such indemnification under applicable law.

(d) The Company shall, to the fullest extent not prohibited by law, be precluded from asserting in any judicial proceeding or arbitration commenced pursuant to this Section 14 that the procedures and presumptions of this Agreement are not valid, binding and enforceable and shall stipulate in any such court or before any such arbitrator that the Company is bound by all the provisions of this Agreement. It is the intent of the Company that, to the fullest extent permitted by law, the Indemnitee not be required to incur legal fees or other Expenses associated with the interpretation, enforcement or defense of Indemnitee's rights under this Agreement by litigation or otherwise because the cost and expense thereof would substantially detract from the benefits intended to be extended to the Indemnitee hereunder. The Company shall, to the fullest extent permitted by law, indemnify Indemnitee against any and all Expenses and, if requested by Indemnitee, shall (within ten (10) days after receipt by the Company of a written request therefor) advance, to the extent not prohibited by law, such Expenses to Indemnitee, which are incurred by or on behalf of Indemnitee in connection with any action brought by Indemnitee for indemnification or advancement of Expenses from the Company under this Agreement or under any directors' and officers' liability insurance policies maintained by the Company if, in the case of indemnification, Indemnitee is wholly successful on the underlying claims; if Indemnitee is not wholly successful on the underlying claims, then such indemnification shall be only to the extent Indemnitee is successful on such underlying claims or otherwise as permitted by law, whichever is greater.

(e) Notwithstanding anything in this Agreement to the contrary, no determination as to entitlement of Indemnitee to indemnification under this Agreement shall be required to be made prior to the final disposition of the Proceeding.

Section 15. Non-exclusivity; Survival of Rights; Insurance; Subrogation.

(a) The rights of indemnification and to receive advancement of Expenses as provided by this Agreement (i) shall not be deemed exclusive of any other rights to which Indemnitee may at any time be entitled under applicable law, the Certificate of Incorporation, the Bylaws, any agreement, a vote of stockholders or a resolution of directors, or otherwise and (ii) shall be interpreted independently of, and without reference to, any other such rights to which Indemnitee may at any time be entitled. No amendment, alteration or repeal of this Agreement or of any provision hereof shall limit or restrict any right of Indemnitee under this Agreement in respect of any action taken or omitted by Indemnitee in Indemnitee's Corporate Status prior to such amendment, alteration or repeal. To the extent that a change in Delaware law, whether by statute or judicial decision, permits greater indemnification or advancement of Expenses than

would be afforded currently under the Certificate of Incorporation, the Bylaws and this Agreement, it is the intent of the parties hereto that Indemnitee shall enjoy by this Agreement the greater benefits so afforded by such change. No right or remedy herein conferred is intended to be exclusive of any other right or remedy, and every other right and remedy shall be cumulative and in addition to every other right and remedy given hereunder or now or hereafter existing at law or in equity or otherwise. The assertion or employment of any right or remedy hereunder, or otherwise, shall not prevent the concurrent assertion or employment of any other right or remedy.

(b) To the extent that the Company maintains an insurance policy or policies providing liability insurance for directors, officers, employees, or agents of the Enterprise, Indemnitee shall be covered by such policy or policies in accordance with its or their terms to the maximum extent of the coverage available for any such director, officer, employee or agent under such policy or policies. If, at the time of the receipt of a notice of a claim pursuant to the terms hereof, the Company has director and officer liability insurance in effect, the Company shall give prompt notice of such claim or of the commencement of a Proceeding, as the case may be, to the insurers in accordance with the procedures set forth in the respective policies. The Company shall thereafter take all necessary or desirable action to cause such insurers to pay, on behalf of the Indemnitee, all amounts payable as a result of such Proceeding in accordance with the terms of such policies.

(c) In the event of any payment made by the Company under this Agreement, the Company shall be subrogated to the extent of such payment to all of the rights of recovery of Indemnitee, who shall execute all papers required and take all action necessary to secure such rights, including execution of such documents as are necessary to enable the Company to bring suit to enforce such rights.

(d) The Company shall not be liable under this Agreement to make any payment of amounts otherwise indemnifiable hereunder (or for which advancement is provided hereunder) if and to the extent that Indemnitee has otherwise actually received such payment under any insurance policy, contract, agreement or otherwise.

(e) The Company's obligation to indemnify or advance Expenses hereunder to Indemnitee who is or was serving at the request of the Company as a director, officer, trustee, partner, managing member, fiduciary, employee or agent of any other corporation, limited liability company, partnership, joint venture, trust, employee benefit plan or other enterprise shall be reduced by any amount Indemnitee has actually received as indemnification or advancement of Expenses from such other corporation, limited liability company, partnership, joint venture, trust or other enterprise.

Section 16. Duration of Agreement. This Agreement shall continue until and terminate upon the later of: (a) ten (10) years after the date that Indemnitee shall have ceased to serve as [a director] [an officer] of the Company or (b) one (1) year after the final termination of any Proceeding then pending in respect of which Indemnitee is granted rights of indemnification or advancement of Expenses hereunder and of any proceeding (including any appeal thereof) commenced by Indemnitee pursuant to Section 14 of this Agreement relating thereto. The indemnification and advancement of expenses rights provided by or granted pursuant to this

Agreement shall be binding upon and be enforceable by the parties hereto and their respective successors and assigns (including any direct or indirect successor by purchase, merger, consolidation or otherwise to all or substantially all of the business or assets of the Company), shall continue as to an Indemnitee who has ceased to be a director, officer, employee or agent of the Company or of any other Enterprise, and shall inure to the benefit of Indemnitee and Indemnitee's spouse, assigns, heirs, devisees, executors and administrators and other legal representatives. The Company shall require and shall cause any successor (whether direct or indirect by purchase, merger, consolidation or otherwise) to all or substantially all of the business or assets of the Company to, by written agreement, expressly assume and agree to perform this Agreement in the same manner and to the same extent that the Company would be required to perform if no such succession had taken place.

Section 17. Severability. Nothing in this Agreement is intended to require or shall be construed as requiring the Company to do or fail to do any act in violation of applicable law. If any provision or provisions of this Agreement shall be held to be invalid, illegal or unenforceable for any reason whatsoever: (a) the validity, legality and enforceability of the remaining provisions of this Agreement (including without limitation, each portion of any Section of this Agreement containing any such provision held to be invalid, illegal or unenforceable, that is not itself invalid, illegal or unenforceable) shall not in any way be affected or impaired thereby and shall remain enforceable to the fullest extent permitted by law; (b) such provision or provisions shall be deemed reformed to the extent necessary to conform to applicable law and to give the maximum effect to the intent of the parties hereto; and (c) to the fullest extent possible, the provisions of this Agreement (including, without limitation, each portion of any Section of this Agreement containing any such provision held to be invalid, illegal or unenforceable, that is not itself invalid, illegal or unenforceable) shall be construed so as to give effect to the intent manifested thereby.

Section 18. Enforcement.

(a) The Company expressly confirms and agrees that it has entered into this Agreement and assumed the obligations imposed on it hereby in order to induce Indemnitee to serve as a director or officer of the Company, and the Company acknowledges that Indemnitee is relying upon this Agreement in serving or continuing to serve as a director or officer of the Company.

(b) This Agreement constitutes the entire agreement between the parties hereto with respect to the subject matter hereof and supersedes all prior agreements and understandings, oral, written and implied, between the parties hereto with respect to the subject matter hereof; provided, however, that this Agreement is a supplement to and in furtherance of the Certificate of Incorporation, the Bylaws, any directors' and officers' insurance maintained by the Company and applicable law, and shall not be deemed a substitute therefor, nor to diminish or abrogate any rights of Indemnitee thereunder.

Section 19. Modification and Waiver. No supplement, modification or amendment of this Agreement shall be binding unless executed in writing by the parties hereto. No waiver of

any of the provisions of this Agreement shall be deemed or shall constitute a waiver of any other provisions of this Agreement nor shall any waiver constitute a continuing waiver.

Section 20. Notice by Indemnitee. Indemnitee agrees promptly to notify the Company in writing upon being served with any summons, citation, subpoena, complaint, indictment, information or other document relating to any Proceeding or matter which may be subject to indemnification or advancement of Expenses covered hereunder. The failure of Indemnitee to so notify the Company shall not relieve the Company of any obligation which it may have to the Indemnitee under this Agreement or otherwise.

Section 21. Notices. All notices, requests, demands and other communications under this Agreement shall be in writing and shall be deemed to have been duly given if (a) delivered by hand and receipted for by the party to whom said notice or other communication shall have been directed, (b) mailed by certified or registered mail with postage prepaid, on the third business day after the date on which it is so mailed, (c) mailed by reputable overnight courier and receipted for by the party to whom said notice or other communication shall have been directed or (d) sent by facsimile transmission, with receipt of oral confirmation that such transmission has been received:

(a) If to Indemnitee, at the address indicated on the signature page of this Agreement, or such other address as Indemnitee shall provide to the Company.

(b) If to the Company to

c/o Expensify, Inc.
401 SW 5th Ave.
Portland, Oregon 97204
Attn: Chief Compliance Officer
Email:

or to any other address as may have been furnished to Indemnitee by the Company.

Section 22. 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 judgments, fines, penalties, excise taxes, amounts paid or to be paid in settlement and/or for Expenses, in connection with any claim relating to an indemnifiable event under this Agreement, in such proportion as is deemed fair and reasonable in light of all of the circumstances of such Proceeding in order to reflect (i) the relative benefits received by the Company and Indemnitee as a result of the event(s) and/or transaction(s) giving cause to such Proceeding; and/or (ii) the relative fault of the Company (and its directors, officers, employees and agents) and Indemnitee in connection with such event(s) and/or transaction(s).

Section 23. Applicable Law and Consent to Jurisdiction. This Agreement and the legal relations among the parties shall be governed by, and construed and enforced in accordance with, the laws of the State of Delaware, without regard to its conflict of laws rules. Except with

respect to any arbitration commenced by Indemnitee pursuant to Section 14(a) of this Agreement, the Company and Indemnitee hereby irrevocably and unconditionally (i) agree that any action or proceeding arising out of or in connection with this Agreement shall be brought only in the Court of Chancery of the State of Delaware (the "Delaware Court"), and not in any other state or federal court in the United States of America or any court in any other country, (ii) consent to submit to the exclusive jurisdiction of the Delaware Court for purposes of any action or proceeding arising out of or in connection with this Agreement, (iii) waive any objection to the laying of venue of any such action or Proceeding in the Delaware Court and (iv) waive, and agree not to plead or to make, any claim that any such action or proceeding brought in the Delaware Court has been brought in an improper or inconvenient forum.

Section 24. Identical Counterparts. This Agreement may be executed in one or more counterparts, each of which shall for all purposes be deemed to be an original but all of which together shall constitute one and the same Agreement. Only one such counterpart signed by the party against whom enforceability is sought needs to be produced to evidence the existence of this Agreement.

Section 25. Miscellaneous. Use of the masculine pronoun shall be deemed to include usage of the feminine pronoun where appropriate. The headings of this Agreement are inserted for convenience only and shall not be deemed to constitute part of this Agreement or to affect the construction thereof.

IN WITNESS WHEREOF, the parties have caused this Agreement to be signed as of the day and year first above written.

EXPENSIFY, INC

By: _____
Name:
Title:

INDEMNITEE

_____
Name:
Address: _____
_____
_____

[Signature Page to Indemnification Agreement]

Subsidiaries of the Registrant

Expensify Limited

Expensify Australia Pty Ltd

Expensify Canada Inc.

Expensify Netherlands B.V.

401 SW 5th Ave LLC

Expensify Payments LLC

Expensify Lounge LLC

Exhibit 23.1

Consent of Independent Registered Public Accounting Firm

We consent to the reference to our firm under the caption "Experts" and to the use of our reports dated April 28, 2021, except for the reclassification of employee and employee related expenses disclosed in Note 1, as to which the date is September 24, 2021, and the retrospective stock split disclosed in Note 1 as to which the date is November 1, 2021, in Amendment No. 2 to the Registration Statement (Form S-1 No. 333-260297), and related Prospectus of Expensify, Inc. for the registration of shares of its common stock.

/s/ Ernst & Young LLP

San Francisco, California
November 1, 2021